

Congress and White House Agree to “Raise the Caps” and Fund the Government

In the early hours of February 9, Congress passed and the President signed into law the Bipartisan Budget Act of 2018 (H.R. 1892). The bill’s passage, which was preceded by a brief five-hour federal government shutdown, accomplished several important goals. First, the bill extends current fiscal year 2018 funding through March 23, giving lawmakers six weeks to negotiate a final FY 2018 omnibus funding measure. Second, it suspends the debt limit until March 2019. Lastly, and most significantly, **it encompasses a two-year, bipartisan budget deal raising the existing austere budget caps in FY 2018 and FY 2019.** Specifically, the bill increases non-defense discretionary spending by more than \$130 billion and defense spending by \$165 billion over two years. By raising the spending caps, the package also provides relief in FY 2018 and FY 2019 from budget sequestration—a procedure that reduces the overall size of the federal budget. The deal also provides:

- \$90 billion for disaster relief;
- \$6 billion for opioid abuse prevention and law enforcement programs;
- \$7 billion for community health centers; and,
- A four-year extension of the Children’s Health Insurance Program.

PAA is pleased that the agreement includes language facilitating **a \$2 billion increase for the National Institutes of Health (NIH)**, \$1 billion in both FY 2018 and 2019. The Ad Hoc Group for Medical Research, to which PAA belongs, issued a [statement](#) expressing appreciation for the NIH increase. The statement notes, “As Congress turns to the forthcoming FY 2018 omnibus, we look forward to working with lawmakers to ensure an appropriation of at least \$36.1 billion for the NIH, in addition to dedicated funding through the 21st Century Cures Act and other funding devoted to specific priorities. Ensuring meaningful, robust growth within the base NIH budget will position the agency—and the patients who rely on it—to **capitalize on the full spectrum of research from basic to translational, and across the breadth of discovery in the biomedical, behavioral, social, and population-based sciences.**”

On another positive note, **the bill provides the U.S. Census Bureau with an additional \$182 million through March 23 to fund activities related to 2020 Census** preparations. While funding for the Census Bureau is still approximately \$56 million below the Administration’s revised FY 2018 request, this additional short-term infusion of funds is an important down payment towards keeping 2020 Census preparations on track in FY 2018.

The agreement does NOT include any language resolving the ongoing dispute over the Deferred Action for Childhood Arrivals (DACA) program, setting the stage for an intense debate over immigration policy in the weeks to come.

As far as next steps, the chairmen of the House and Senate Appropriations Committees, which are responsible for drafting the bills that fund the federal government, will now divvy up the new funding the budget agreement provides across their 12 appropriations subcommittees. Once the subcommittees have their new allocations they will craft spending bills to be included

in a large FY 2018 omnibus spending bill that will be passed on or before federal funding runs out March 23.