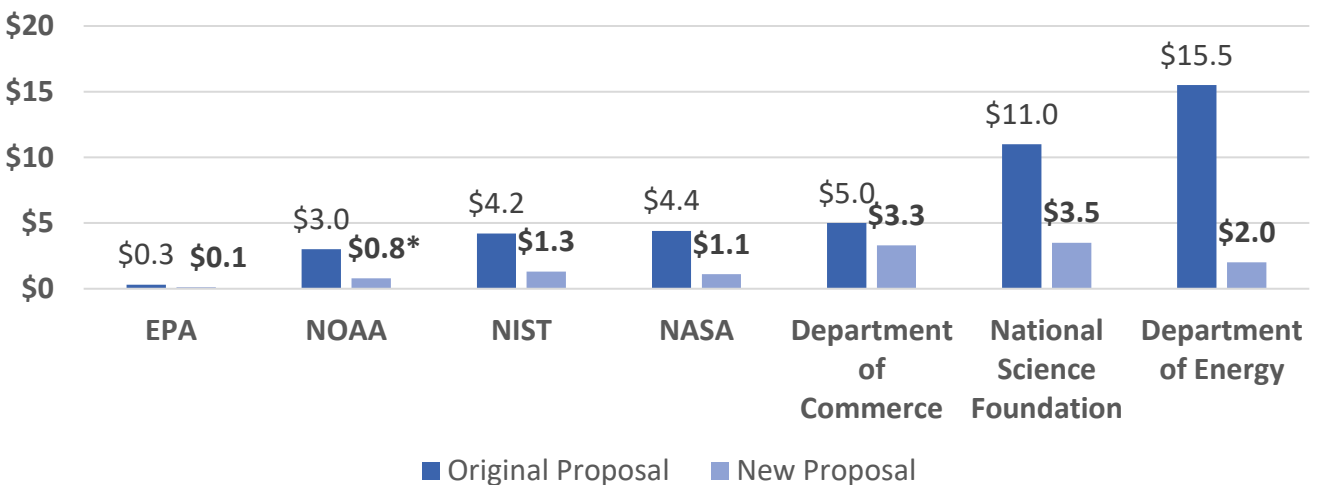


Congressional Update: Congress Releases Details of \$1.75 Trillion Reconciliation Package

Lewis-Burke Associates LLC – October 29, 2021

On October 28, the Biden Administration released a \$1.75 trillion budget [framework](#) for the Build Back Better economic agenda focused on climate and clean energy, health care, education, child care, and housing. The House subsequently released [new legislation](#) providing details on the distribution of funding for major federal agencies and programs. This was a significant concession from the original \$3.5 trillion agenda and spending package advanced by the House in September. Major Democratic priorities like paid family leave, free community college, expansion of Medicare to cover dental and vision, and a clean energy standard for utilities were dropped and other priorities were scaled back, such as funding for science infrastructure and research and development (see graphic below).

Proposed Science Infrastructure and Research and Development Funding in Reconciliation Package (\$ in billions)

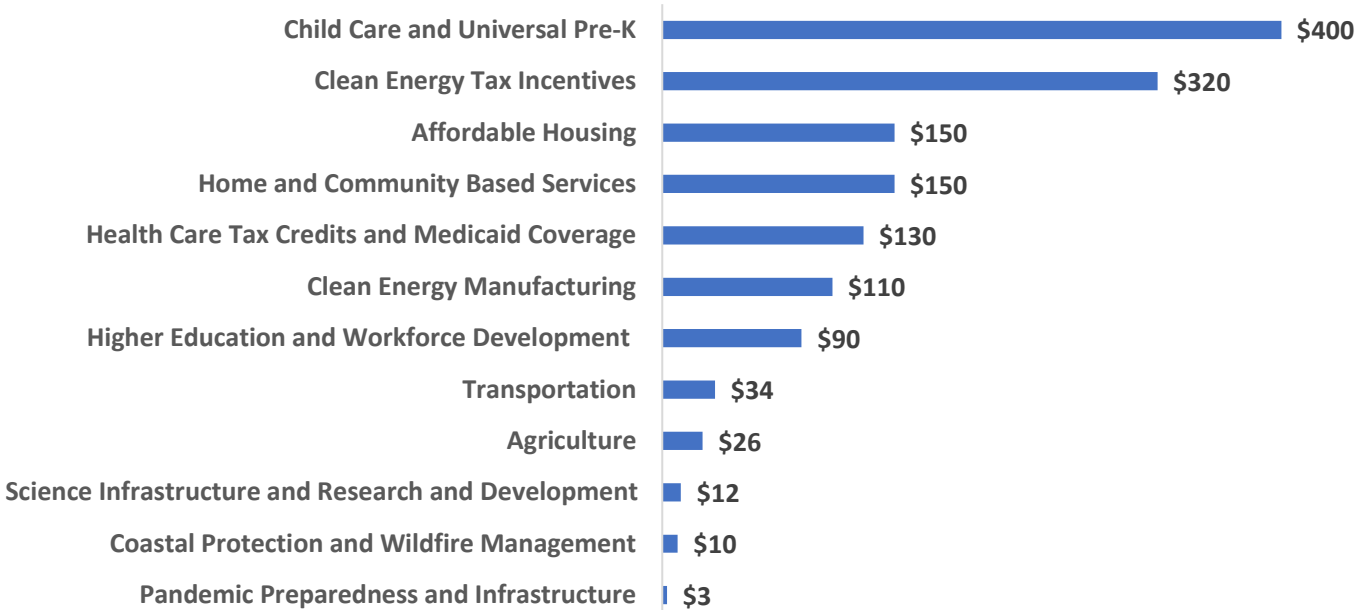


*NOAA would also receive \$6 billion to help communities build climate resilience, restore and protect ecosystems, and mitigate human environmental impacts. This may support research and development efforts at institutions of higher education.

The spending package also includes \$2 trillion in new taxes and other revenue measures to fully offset the costs of new spending. Republicans remain opposed to the spending package and Democrats plan to use the budget reconciliation process to pass the legislation with a simple majority vote bypassing Republican opposition. While Democrats met their October 31 deadline to pull together a framework, it will still be weeks before a final package comes together and both the House and Senate can vote on the measure, most likely the week of November 15

Final funding provisions may change. Both the House and Senate will have an opportunity to amend the package over the next few weeks as each chamber takes up the legislation. However, this analysis provides an update on the current state of play. The graphic below shows the current distribution of funding for major federal programs and issue areas in the new House reconciliation package.

Funding in House Reconciliation Package (\$ in billions)



Funding and Policy Priorities

Below is additional information on funding and policy priorities for federal agencies in the new House reconciliation package of most relevance to the research, higher education, and academic medicine community, including:

- [Agriculture](#)
- [Climate and clean energy](#)
- [Education and workforce development](#)
- [Health care](#)
- [Immigration reform](#)
- [Pandemic preparedness](#)
- [Regional innovation and economic development](#)
- [Research and development](#)
- [Research infrastructure](#)
- [Tax and revenue issues](#)

Major funding provisions that were eliminated from the original \$3.5 trillion package of most relevance to the to the research, higher education, and academic medicine community include:

- DOE laboratory infrastructure (\$12.3 billion);
- Funding to support tuition-free community college;
- K-12 public school infrastructure (\$82 billion);
- Funding for the Agricultural Research Service (\$250 million);

- EDA public works program that supports physical infrastructure investments (\$500 million);
- SBA to build out a university-driven national innovation support ecosystem network (\$675 million);
- HHS hospital construction (\$10 billion), medical school construction (\$1 billion), and nursing school support (\$1 billion);
- CDC grants to strengthen vaccine initiatives, such as improving vaccine confidence and vaccination rates (\$1.25 billion);
- DOT grant for university-led highly automated vehicle and mobility innovation clearinghouse.

Agriculture

- **Department of Agriculture (USDA):** \$1 billion for agriculture research and infrastructure over 10 years for covered minority serving institutions including 1890 and 1994 land-grant universities and any Hispanic serving institution (HSI). The \$7.75 billion for broad agriculture research infrastructure originally proposed in the House bill was not included. Each of the research programs listed below say major reductions compared to the House proposal, however, there is a continued focus on climate change and conservation efforts.
 - No funding was included for the Agricultural Research Service (ARS) compared to the house bill which proposed \$250 million.
 - \$210 million for the Agriculture and Food Research Initiative (AFRI).
 - \$80 million for Smith-Lever which funds extension at land-grant universities.
 - \$210 million for the Foundation for Food and Agriculture Research (FFAR).
 - \$30 million for Agriculture Advanced Research and Development Authority (AGARDA), which was authorized in the 2018 Farm Bill and would fund high-risk, high-reward research at USDA likely with a strong climate focus.
 - \$120 million for Sustainable Agriculture Research and Education (SARE).
 - No funding for the Agriculture Genome to Phenome Initiative compared to the House bill which proposed \$20 million.
 - \$15 million for the Multicultural Scholars Program.
 - \$5 million for urban, indoor, and emerging agriculture in FY 2022 and \$10 million for the Office of Urban Agriculture at the National Institute of Food and Agriculture (NIFA).

Climate and Clean Energy

- **Department of Energy (DOE):** \$33 billion primarily to assist states and utilities in expanding deployment and transmission of clean energy and energy efficiency improvements, and providing energy loans to the private sector for clean energy technologies and expanded manufacturing and supply chain capabilities. Institutions of higher education, working through state, local governments, and utilities are eligible to partner or receive funds under certain programs.
- **National Science Foundation (NSF):** NSF would receive \$500 million for climate change related research under the current reconciliation package, a \$100 million increase from the \$400 million proposed in the original reconciliation package.
- **National Oceanic and Atmospheric Administration (NOAA):** \$800 million for research and development and research infrastructure, including \$420 million for climate science to support observations, modeling, forecasting, mitigation, and education and training and \$200 million for high performance computing, data management, and storage. The bill also includes \$6 billion for NOAA to provide technical assistance to communities to build climate resilience, restore and

protect ecosystems, and mitigate human environmental impacts. Funding could likely be used to support a combination of research and development and implementation activities.

- **U.S. Geological Survey (USGS):** \$50 million for the Water Resources Research Institutes to improve capacity and water technology, monitoring, and research, which is less than the \$75 million proposed in the House bill.
- **Department of Transportation (DOT):** \$300 million for grants under the Federal Aviation Administration's (FAA) Alternative Fuel and Low-Emission Aviation program. Of that amount, \$247 million would be for activities that promote the production, transportation, storage, of sustainable aviation fuels and \$47 million for the development and deployment of low-emission aviation technologies. Universities are included in the list of eligible recipients. Separately, an undefined subset of \$9.75 billion for affordable housing would be set aside for grants that enhance mobility in underserved or disadvantaged communities, and specifically for research and capital expenses that promote zero-emission public transit. The Federal Transit Administration (FTA) would have broad latitude in how grants would be allocated; however, universities would be eligible recipients under the agency's existing authorities should FTA compete funding for this activity.
- **National Aeronautics and Space Administration (NASA):** \$388 million for climate change research activities of which
 - \$85 million is for fundamental climate science,
 - \$225 million for aeronautics and sustainable aviation research,
 - \$25 million for wildfire-related R&D supporting firefighting operations, and
 - \$30 million for earth science data management.
- **Environmental Protection Agency (EPA):** \$100 million through 2026 to conduct air quality and climate research, a reduction of \$164 million compared to the house bill.
- **Climate Corps:** \$6.9 billion for a new Civilian Climate Corps, which is a Biden Administration proposal to create job and workforce development opportunities across the country in the environment and climate change mitigation and adaptation field.

Education and Workforce Development

Education and workforce provisions were scaled back significantly under this agreement. Notably, President Biden's free community college proposal was dropped in this latest package, as was tuition subsidies for students at HBCUs and MSIs. As compared to the previous House bill, the legislation increases the Pell Grant maximum by an extra \$50 but reduces proposed investments and modifies a few education programs, such as the completion grants, from the original proposal.

- Initiatives at the **Department of Education (ED)** that would receive funding include:
 - Funding to support an increase to the maximum **Pell Grant** award by \$550 for students at public and private non-profit institutions of higher education. Eligibility for Title IV financial aid programs would be expanded to individuals with Deferred Action for Childhood Arrivals (DACA), temporary protected status (TPS) or deferred enforced departure (DED) status. Students who have received a federal means-tested benefit within 24 months would be eligible for a maximum Pell Grant.
 - \$500 million for **Retention and Completion Grants**, for grants to states, systems of institutions of higher education, and TCUs to improve student outcomes, including enrollment, retention, completion, and transfer rates, and labor market outcomes.
 - \$6 billion to increase **mandatory appropriations to HBCUs, TCUs, and MSIs**.

- \$3 billion for the **Research and Development Infrastructure Competitive Grant Program**, a program to improve the research capacity and research and development infrastructure at four-year HBCUs, TCUs, and MSIs. An institution classified as “very high research activity by the Carnegie Classification of Institutions of Higher Education” could participate in a consortium but could not lead.
- \$112.6 million for **Grow Your Own Programs**, which would be structured similar to the Teacher Quality Partnership program and support individuals from underrepresented populations.
- \$112.2 million for **Teacher Residencies** for teacher residency programs for prospective teachers in a bachelor’s degree program.
- \$112.2 million for a **Support School Principals** grants for the development and support of school leadership programs.
- \$112.2 million for the **Augustus F. Hawkins Centers of Excellence Program**, to support teacher preparation programs at HBCUs and MSIs.
- \$160.7 million for **Individuals with Disabilities Education Part D Personnel Development**.
- \$200 million for **Grants for Native American Language Teachers and Educators**, which would support grants to prepare, train and offer professional development to Native American language teachers.
- \$18.6 billion for initiatives at the **Department of Labor (DOL)** including:
 - \$2 billion for the Workforce Innovation and Opportunity Act (WIOA) **Dislocated Worker Employment and Training** program.
 - \$1 billion for the **WIOA Adult Worker Employment and Training program**.
 - Funding for both programs would be allocated to support career services, supportive services, and training services, including individual training accounts.
 - \$1.5 billion for the **WIOA Youth Workforce Investment program**. This would include funding to support paid work experiences.
 - \$500 million for **Reentry Employment Opportunities**, including \$125 million for grants to national and regional intermediaries for activities that prepare young adults who are justice-involved.
 - \$1 billion to support **registered apprenticeships**, youth apprenticeships, and pre-apprenticeships, including \$500 million for programs serving high numbers of individuals with barriers to employment, including individuals with disabilities, or nontraditional apprenticeship populations.
 - \$5 billion for **Industry or Sector Partnership grants** to support partnerships to expand employment in high-skill and in-demand sectors, including IT, clean energy, and advanced manufacturing, among other sectors.
 - \$15 billion for **national service and workforce development in support of climate resilience and mitigation**. Including:
 - \$3.2 billion for AmeriCorps State and National Programs;
 - \$6.9 billion for AmeriCorps State and National, Volunteers in Service to America (VISTA), and National Civilian Community Corps (NCCC) to carry out projects related to climate resilience and mitigation.
 - \$4.2 billion for employment and training activities in industry sectors or occupations related to climate resilience or mitigation at DOL.
 - \$500 million for **Job Corps**.
 - \$15 million for **YouthBuild**.

- \$700 million for **Adult Education and Literacy**.
- \$700 million for **Career and Technical Education**, including \$100 million for innovation and modernization grants.
- \$1 billion for grants to support the **Direct Care Workforce**, with support from DOL and HHS.
- \$2.5 billion to support workforce development programs at DOL to support activities related to environmental resiliency, remediation, or mitigation.
- **Department of Homeland Security (DHS):** \$195 million for education and workforce related activities. Of this amount, \$15 million would be directed to the Cybersecurity and Infrastructure Security Agency (CISA) for the Cybersecurity Education and Training Assistance Program (CETAP), \$100 million would be directed to CISA to improve cybersecurity awareness, training, and workforce development activities, and \$80 million would be directed to the Federal Emergency Management Agency (FEMA), in consultation with CISA, for grants, contracts, or cooperative agreements to state, local, tribal, and territorial governments related to recruitment and training to elevate efforts to address cybersecurity risks.
- **Department of Veterans Affairs:** \$268 million for expanding health professions residency programs at Department of Veterans Affairs' medical facilities and \$35 million for the Veteran Federal Procurement Entrepreneurship Training program.

Health Care

- **Affordable Care Act Expanded Market Place Tax Credits**
 - The bill would extend the enhanced *Patient Protection and Affordable Care Act (ACA)* premium tax credits for households below 400 percent of the federal poverty level through 2025. It would also allow households above 400 percent to access premium tax credits and provide ACA cost-sharing reduction assistance to individuals receiving unemployment compensation through 2025.
 - The bill would change some of the language from the previous House reconciliation bill by providing states \$10 billion annually for 2023, 2024 and 2025 to establish a reinsurance program or reduce premiums and out-of-pocket costs for coverage through marketplace plans.
- **Medicare**
 - The bill would expand Medicare coverage for beneficiaries to include a hearing benefit, though vision and dental benefits would not be included.
 - The bill does not include a provision to allow Medicare to negotiate lower drug prices in Parts B or D. The Senate has indicated that it is still interested in including drug price negotiation provisions.
- **Medicaid and CHIP**
 - The bill would also authorize permanent funding for the Children's Health Insurance Program (CHIP).
 - The bill would provide individuals living in states that have not expanded Medicaid, but would otherwise qualify, access to ACA premium tax credits to obtain coverage. It would also require coverage of dental, vision, and hearing services by Medicaid.
 - The bill would require state Medicaid programs to provide 12 months of continuous Medicaid and CHIP eligibility to postpartum women. It would also provide coverage to incarcerated individuals 30 days prior to their release. The bill would also permanently extend the state option to simplify a child's enrollment in Medicaid and CHIP and would authorize a new option for states to provide coordinated care for pregnant and postpartum

women through a health home. Health homes are for beneficiaries with chronic physical, mental, or behavioral conditions.

▪ **Public Health**

- The bill would provide approximately \$12.5 billion to invest in the nation’s public health infrastructure and workforce, compared to \$35 billion provided in the House reconciliation bill. This funding includes:
 - \$3.37 billion to support payments to teaching health centers that administer graduate medical education (GME) programs and teaching health center development grants, compared to \$6 billion for this purpose in the previous House reconciliation package.
 - \$200 million in funding for the Nurse Corps, down from \$300 million in the previous House package.
 - \$7 billion to further strengthen public health infrastructure, which includes support for grants to state and local entities to enhance activities that would improve workforce capacity and competency, testing capacity, surveillance systems, and contact tracing, consistent with the previous House reconciliation bill.
 - \$1 billion to support the construction and renovation of health center and federal qualified health center facilities.
- Funding included in the previous House package for construction of hospital facilities, medical schools in underserved communities, and nursing schools was not included in this reconciliation bill.
- The bill would also provide \$1.1 billion to support maternal and child health interventions through inclusion of the *Black Maternal Health Momnibus Act*, a small increase compared to the previous House reconciliation bill, which includes:
 - \$85 million to address the impacts of climate change-related maternal and infant health risks through health professions schools.
 - \$50 million to advance maternal health research at Minority Serving Institutions (MSI).
 - \$100 million for local entities to address social determinants of maternal health, as well as \$75 million for social determinants of health grants through the HHS Office of Minority Health.
 - \$100 million for maternal mental health equity grant programs.
 - \$50 million for bias training for health care professionals, twice the amount included in the previous House reconciliation bill.
- Funding for other programs of interest include:
 - \$50 million in funding for the Minority Fellowship Program at the Substance Abuse and Mental Health Services Administration (SAMHSA).
 - \$75 million for the NIH to increase research capacity at MSIs and Historically Black Colleges and Universities (HBCU).
 - \$318 million for new competitive Health Profession Opportunity Grants through FY 2026.

Immigration Reform

The current reconciliation bill includes \$100 billion for investment in immigration policy reform, including “enhancements to reduce backlogs, expand legal representation, and make the asylum system

and border processing more efficient and humane.” Immigration policy changes related to higher education and workforce include:

- **Restoration of Immigrant Visas:** The legislation would increase the number of certain types of immigrant visas by recapturing unused visa slots from 1992-2021. Employment-based visas are one of the visa categories that would be impacted by this change. The bill would also allow individuals who were chosen to apply for diversity visas in FY 2017 – FY 2021 but were refused a visa either because of previous immigration-related executive orders or COVID-19 restrictions to reapply.
- **Adjustment of Status:** The legislation would allow individuals eligible for adjustment of status to submit an application for adjustment to lawful permanent resident status while they wait for a visa number to become available, as long as they pay \$1,500 and any relevant supplemental fees. One of the supplemental fees is a \$250 fee for each F-1, M-1, and J-1 visa, to be paid by the institution of higher education. There is also an additional \$500 fee proposed for H-1B visa petitions.
- **Investment in United States Citizenship and Immigration Services (USCIS):** Like the House bill, the current legislation would provide \$2.8 billion dollars to the USCIS to increase their capacity to process visa applications.

The provision in the House reconciliation bill providing a pathway to permanent residency for DACA and Temporary Protected Status (TPS) recipients was ruled not germane by the Senate Parliamentarian, leading to its removal from the current package. It is important to note that there is still a chance for existing provisions to be struck or altered, as the text of the updated reconciliation package will be reviewed again by the Senate Parliamentarian.

Pandemic Preparedness

Pandemic preparedness would receive \$13 billion less than the previous version of the reconciliation package. The Department of Health and Human Services (HHS) would receive \$3 billion total for the Centers for Disease Control and Prevention (CDC), Assistant Secretary for Preparedness and Response (ASPR), and the Food and Drug Administration (FDA).

- **Centers for Disease Control and Prevention (CDC):** \$1.4 billion (\$6.6 billion less) in pandemic preparedness funding to support public health laboratory infrastructure, including the renovation, improvement, and expansion of state and local public health labs, including the improvement of testing and response capacity, the Laboratory Response Network for rapid outbreak detection, genomic sequencing to detect emerging diseases and variant strains, and biosafety and biosecurity capacity. Noticeably absent from this proposal is funding for grants to strengthen vaccine initiatives, such as improving vaccine confidence and vaccination rates.
- **Assistant Secretary for Preparedness and Response (ASPR):** \$1.3 billion (\$6.7 billion less) in pandemic preparedness funding to support surge capacity during a public health emergency, through construction and modernization of facilities and procurement of domestically manufactured drugs, vaccines, technologies, and other components for the Strategic National Stockpile. Also, this funding would support global and domestic vaccine production and capacity, mitigating supply chain risks and resilience for critical drugs and supplies, the Biomedical Advanced Research and Development Authority (BARDA), and biosafety and biosecurity research on infectious diseases.

- **Food and Drug Administration (FDA):** Unlike the previous proposal, the FDA would receive \$300 million, including \$150 million to improve technological infrastructure for integrated and interoperable systems and \$150 million to modernize FDA lab infrastructure.

Regional Innovation and Economic Development

- **Regional Technology Hubs:** \$3.36 billion to develop “regional economic growth clusters.” This is likely for the creation of new Regional Technology Hubs called for in recent competitiveness bills. The original House bill allocated around \$9 billion for the hubs through two separate committees with jurisdiction over the Economic Development Administration (EDA). The new bill would make funding available through 2031 for this program as opposed to 2027 in the original House bill. Further, the current reconciliation package provides support for the initiative under the Economic Adjustment Assistance program, which is the flexible vehicle EDA leveraged to develop COVID-19 recovery programs, including \$3 billion in solicitations through the recent *American Rescue Plan Act*.
- **Economic Development Administration (EDA):** In addition to support for regional hubs, funding would be provided for several EDA programs, including:
 - \$1.2 billion through 2031 for new "Recompete grants" to “alleviate economic distress and support long-term job creation in persistently distressed local labor markets and local communities.” The program will specifically target an area’s prime age employment rate. The original House bill would have provided \$4 billion for this program and the text was much more prescriptive in how it should be carried out than the current framework.
 - \$480 million over 5 years for EDA’s flexible Economic Adjustment Assistance (EAA) program that supports a variety of construction, non-construction, innovation, and/or workforce development projects, which would be \$520 million below the House package. Of the \$480 million, \$240 million is set aside to provide assistance to energy and industrial transition communities. The other \$240 million is for grants to support technical assistance, project predevelopment, capacity-building, and grant-making activities, with 50 percent for underserved communities.
- **Minority Business Development Agency (MBDA):** The framework would provide \$1.6 billion for MBDA for the following activities:
 - \$200 million for agreements with Minority Serving Institutions (MSIs) or consortiums of universities led by MSIs to operate rural business centers to assist minority business enterprises located in rural areas, priority for which shall be given to underserved institutions and regions.
 - \$1 billion for grants and agreements for several activities, including support for MSIs to develop and implement entrepreneurship curricula and participate in the MBDA business center program; support for the growth of minority business enterprises; and the establishment of new MBDA support centers.
 - \$400 million to establish five regional MBDA offices to collect data and assist in the growth of minority business enterprises across the country.
- **National Institute of Standards and Technology (NIST):** \$260 million for the Hollings Manufacturing Extension Partnership (MEP).
- **Small Business Administration (SBA):** SBA would receive significant funding to expand small business creation and growth in target communities, including:
 - \$1 billion over 10 years to establish the Uplift Incubator Program that would create a national network of incubators across underrepresented communities to support

startup and small business growth. Activities include providing physical space and support for networking, mentoring, assistance with government contracting, market research, and more. Eligible applicants include Minority Serving Institutions (MSIs), economic development organizations, SBA partner organizations, and others.

- \$200 million for the Growth Accelerator Competition over 10 years to provide minimum awards of \$100,000, which is \$50,000 over the standard award amounts. The program aims to expand the capabilities of growth accelerators to assist small businesses focused on technology, research, and development.
 - \$105 million for programming to support individuals impacted by the criminal justice system, including \$70 million over 8 years for SBA centers and other partners to provide entrepreneurial assistance and training to incarcerated and formerly incarcerated individuals and \$35 million over 8 years to establish a New Start pilot program for organizations to further provide entrepreneurial support to formerly incarcerated individuals.
 - \$30 million to create and expand various offices at SBA, including \$10 million to establish an Office of Emerging Markets to provide access to capital for small businesses in certain markets; \$10 million to establish Rural Small Business Conferences; and \$10 million to expand the Office of Native American Affairs to establish a Native American Outreach Program to target assistance to these communities.
- **Department of Agriculture (USDA):** \$873 million for a Rural Partnership Program that supports rural development or pre-development activities and implementation projects in underserved rural regions. Additionally, \$97 million for Rural Prosperity Innovation Grants which supports the development and pre-development planning and capacity-building.

Research and Development

- **NSF:** \$3.5 billion would be provided to NSF overall, a significant decrease from the \$11 billion proposed in the House reconciliation package. Of this amount, \$500 million is allocated for infrastructure and \$500 million for climate change research as detailed elsewhere in this document. Beyond these items, NSF would receive \$675 million to fund or extend new and existing research awards, traineeships, scholarships and fellowships across all science, technology, engineering, and mathematics disciplines. The bill would also provide NSF \$25 million to ensure broad demographic participation in the activities of the foundation and \$55 million for cybersecurity education. Further, \$25 million would be provided for research security activities.
 - The bill would provide \$1.52 billion for the new Technology, Innovation, and Partnerships (TIP) Directorate to accelerate use-inspired and translational research, and the development, commercialization, and use of technologies and innovations, such as those related to natural disaster mitigation and other societal challenges.
 - NSF would additionally receive \$200 million to expand research capacity at HBCUs, tribal colleges and universities, HSIs, and MSIs, administered through TIP.
- **DOE:** \$2 billion for research, development, and demonstration activities, including \$1 billion for renewable energy and energy efficiency demonstration projects, including in wind, solar, geothermal, water power, vehicles, bioenergy, and building technologies; \$985 million for Office of Science initiatives in fusion energy and low dose radiation research; \$10 million for demonstration projects to reduce the environmental impacts of produced water; and \$5 million for DOE's Office of Economic Impact and Diversity to improve diversity across the agency's research, development, and demonstration activities.

- **NIST:** \$220 million for advanced manufacturing research, development, and testbeds through existing NIST programs and \$20 million for a cybersecurity workforce training center. NIST would also receive \$100 million for research at NIST related to wildfire impact on communities and structures.
- **Department of Justice (DOJ):** \$2.5 billion for DOJ to support evidence-based strategies to reduce community violence, support training, research, and data collection on such strategies, and support research on the impact of community violence on demographic categories.
- **DOT:** Separately, \$2.37 billion would be allocated for Neighborhood Access and Equity Grants under the Federal Highway Administration (FHWA). Within that amount, universities would be eligible to partner with state and/or eligible local or tribal government entities to receive grants for planning and capacity building activities in disadvantaged or underserved communities.
- **DHS:** \$50 million to DHS's Cybersecurity and Infrastructure Security Agency (CISA) for research and development on securing operational technology, including industrial control systems, against cybersecurity vulnerabilities.
- **National Institutes of Health (NIH):** \$75 million to maintain and expand programs that increase research capacity at minority serving institutions (MSIs) and support efforts to diversify the scientific workforce by expanding recruitment and retention of individuals from underrepresented groups.

Research Infrastructure

The new reconciliation package would provide funding to build new facilities and major instrumentation to advance U.S. competitiveness in science and technology, including:

- **NASA:** \$750 million for the repair, modernization, and upgrade of facilities and laboratory infrastructure at NASA Centers, which is notably less than the \$4 billion allocated in the House reconciliation package.
- **USDA:** \$1 billion for agriculture research and infrastructure over 10 years for covered minority serving institutions including 1890 and 1994 land-grant universities and any Hispanic serving institution (HSI).
- **NSF:** The bill would provide NSF \$500 million for research infrastructure, in comparison to the \$3.4 billion allocated in the House reconciliation package. Within the \$500 million for research infrastructure, \$200 million is set aside for repair, renovation, and replacement of obsolete science and engineering facilities devoted to research training; \$200 million would be dedicated to mid-scale infrastructure, major research instrumentation, equipment, and infrastructure awards; and \$100 million would be allocated to modernizing research facilities at HBCUs, tribal colleges, and MSIs, through NSF programs, which is a \$200 million reduction from the \$300 million proposed in the House reconciliation package.
- **NOAA:** No funding was provided for extramural research infrastructure, however, a total of \$800 million was included for improvements and construction to NOAA fisheries and marine sanctuary facilities.
- **NIST:** \$650 million to upgrade NIST facilities and equipment.
- **DOE:** The new package eliminates \$12.3 billion in DOE laboratory infrastructure that was proposed in the original House package.

Tax and Revenue Issues

While reinstatement of advance refunding and a new version of Build America Bonds were dropped from the original House reconciliation package, the legislation retains several provisions relevant to the health care and higher education communities, including:

- The bill would end the Medicare Prescription Drug Rebate rule from the previous administration that allows drugmakers to offer rebates to pharmacy benefit managers, raising nearly \$145 billion in revenue. Additionally, the bill would expand the Medicare tax on some wealthy taxpayers by closing provisions in the tax code that allow some taxpayers to avoid paying the 3.8 percent Medicare surtax on their earnings, raising \$250 billion in revenue.
- Beginning in 2022, excludes the full value of Pell Grant awards from gross income.
- Repeals the prohibition excluding students convicted of a state or felony drug offense from claiming the American Opportunity Tax Credit.
- Beginning in 2022, would allow for private institution's endowment investment income excise tax liability to be reduced according to formula based on financial aid provided to undergraduates by the institution.
- Creates a tax credit for contributions for a public college or university's research infrastructure.
- Expands the energy efficiency construction tax credit to cover retrofits of nonprofit institutions.
- Provides institutions of higher education a refundable tax credit to establish environmental justice programs designed to address, or improve data about environmental stressors, such as toxic pollutants, for the purpose of improving the health and economic outcomes of individuals residing in low-income areas.