# COALITION for HEALTH FUNDING

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## **NDD and Sequestration FAQs**

#### What is "NDD?"

Discretionary programs differ from "entitlement" programs that are funded rather automatically to meet the needs of all who qualify for them. Discretionary programs are those that Congress funds annually through the appropriations process. Congress retains complete discretion, or choice, on whether, and at what level, to fund discretionary programs.

Nondefense discretionary or "NDD" programs are core functions government provides for the benefit of all, including medical and scientific research; education and job training; infrastructure; public safety and law enforcement; public health; weather monitoring and environmental protection; natural and cultural resources; housing and social services; and international relations. Every day these programs support economic growth and strengthen the safety and security of every American in every state and community across the nation.

#### What is the sequester?

The Budget Control Act of 2011 (P.L. 112-25) established caps on discretionary spending over 10 years, resulting in \$1 trillion in cuts spread across defense and NDD programs. The law also directed a congressional Joint Select Committee on Deficit Reduction to identify an additional \$1.2 trillion in budgetary savings over ten years. The failure of the bi-partisan "super committee" to come to an agreement on a deficit reduction plan triggered a "sequester" to take effect on January 2, 2013.

To sequester means to set apart or to take something away until a debt has been repaid. In the context of funding federal programs, sequester means imminent, across-the-board cuts to most programs, both defense and nondefense—in addition to the \$1 trillion in cuts already sustained through the Budget Control Act's discretionary caps.

There are a few discretionary programs that are exempt from the sequester in the first year, such as Pell grants in the Department of Education. Some mandatory programs (e.g., Medicaid) are also exempt from the sequester.

### How will the sequester impact NDD programs?

In 2013, the sequester will mean an automatic 8.4 percent cut to program funding levels in 2013 for most NDD programs. These cuts will truly be across-the-board, with no departmental or agency control on how the sequester impacts individual programs. Cuts of this level will be devastating to the public health infrastructure. For example:

- → Cuts to the National Institutes of Health will stifle medical discoveries that save lives and drive our economy. NIH supports scientists in every state across the nation, thus every state will feel the sequester's effects. In eight states, these cuts will exceed \$100 million. Labs will shut down, scientists will be laid off, and local businesses that support research centers will close. More troubling, progress on promising cures will grind to a halt, while China and our other global competitors double and triple their research investments.
- → Cuts to the Centers for Disease Control and Prevention will deny life-saving immunizations to 30,000 children and 20,000 adults. The sequester will Increase the risk for deaths and hospitalizations from domestic outbreaks of vaccine-preventable diseases, such as measles and whooping cough; eliminate more than 100 highly-skilled public health staff responsible for implementation of national vaccine programs at the state and local level; and stop benefits of routine immunization for many children.

Public health programs have already borne more than their fair share of the responsibility for deficit reduction—with two straight years of funding cuts and a looming sequester that will cut even deeper. These programs are not the root cause of our fiscal crisis and cutting them further will not bring the budget into balance.