Jul 28, 2016

The Honorable Roy Blunt, Chairman
Senate Appropriations Committee
Labor, Health and Human Services and Education Subcommittee
Washington, DC 20510

The Honorable Patty Murray, Ranking Member
Senate Appropriations Committee
Labor, Health and Human Services and Education Subcommittee
Washington, DC 20510

Dear Senators Blunt and Murray,

On behalf of the Population Association of America (PAA) (www.populationassociation.org) and Association of Population Centers (APC), we congratulate you on producing a bipartisan, ambitious Fiscal Year 2017 Labor, Health and Human Services and Education Appropriations bill. As you and your staff deliberate final funding and policy decisions in both the anticipated continuing resolution and final FY 2017 omnibus spending measure, we want to share our views regarding your funding recommendations versus the House version of the bill and comment on the long-term funding outcome.

**National Institutes of Health: Support Senate, $34.1 billion**

The National Institutes of Health (NIH) is the primary source of federal discretionary funding for population, or demographic, research. As members of numerous coalitions supporting the NIH, we endorse enthusiastically your recommendation that NIH receive $34.1 billion in FY 2017. This number helps restore the agency’s lost purchasing power, building upon last year’s increase to put the NIH on a path towards receiving sustainable, steady increases. Further, the recommendation reassures the population research community about the availability and continuity of research and research training funding.

In addition, we are very pleased that the report accompanying your bill includes language praising demographic research programs at the National Institute on Aging and National Institute of Child Health and Human Development. This language educates a broad audience about the important research activities and findings NIH-funded population scientists contribute to further the agency’s mission and to improve the health and well-being of the American people. We hope the Senate language

**National Center for Health Statistics: Support House, $160.4 million**

The National Center for Health Statistics (NCHS) is the nation’s principal health statistics agency. PAA and APC members rely on NCHS data to monitor changing health and health care trends and to inform their research in areas such as morality, health disparities, and adolescent health and well-being.

In FY 2017, as members of Friends of the NCHS, we supported increasing the NCHS budget $10 million above the Administration’s request of $160 million. We are very concerned that the Senate bill proposes the agency receive $156 million, $4 million below its FY 2016 funding level. While this may seem like a minor funding reduction, for an agency of this size, this cut—on top of several years of flat funding and the loss of supplemental support from the Prevention Fund—will have a very detrimental effect on the agency’s staff, programs, and survey data.

If the agency is cut below the FY 2016 funding level, we understand NCHS will need to consider very serious actions, including reducing the sample sizes of its two primary health surveys, the National Health Interview Survey (NHIS) and the National Health and Nutrition Examination Survey (NHANES). Reducing the NHIS sample size would adversely affect the agency’s ability to provide estimates at the state level, especially for smaller, predominantly rural states as well as its ability to monitor health disparities and provide timely estimates for smaller population subgroups, including American Indians and Asian Americans. If NHANES’ sample size were reduced, data across multiple years would need to be pooled, reducing the timeliness of estimates of key health indicators. These are just two very specific examples of the extreme choices NCHS would make if their budget sustains even the small cut proposed in the Senate bill. At a minimum, PAA supports the House funding level in the final FY 2017 funding bill.

**Bureau of Labor Statistics: Support Administration’s request, $640 million**

PAA and APC members rely on data from the Bureau of Labor Statistics (BLS) to analyze changing trends in employment and how these trends are affected by other factors, including health, age, job loss, and retirement. For FY 2017, our organizations endorsed the Administration’s request of $640.9 million. Unfortunately, the House and Senate marks fell short of the Administration’s request, recommending the agency receive $609 million.

We urge Congress to provide BLS with its requested amount. If the BLS receives the amount proposed by the House and Senate, it will continue a program deficit of $28 million. BLS has not received an increase in several years. In response, BLS has taken a series of "belt tightening" actions that include: curtailing some establishment updating actions on the Quarterly Census of Employment and Wages (QCEW); delaying previously planned and significant program improvements; postponing upscaling of a wage records program; postponing research on new time use collection methods;
reducing the pace of cognitive research to improve the quality of data; and delaying staff training and necessary IT upgrades. These actions are not sustainable and could lead to reductions in the quality of the data and services BLS provides as well as the productivity of the staff. If the agency is compelled to endure more cuts in FY 2017, BLS may need to consider more extreme options, including eliminating a survey, such as the National Longitudinal Surveys program or American Time Use Survey, or an initiative such as the Current Population Survey supplement.

**Continuing Resolution**

Although passage of a continuing resolution (CR) appears necessary, we hope the CR will be short-term and only cover the time Congress would require during a lame duck, post-election session to pass a full-year omnibus spending measure.

As you know, long-term CRs are generally detrimental to effective fiscal management at the federal agency level. Because of budgetary uncertainties, federal agencies are required to plan for and assume worst-case funding levels, which as a practical matter can result in delay or suspension of important programmatic initiatives, opportunity costs in areas such as procurement, and overall management inefficiencies. At the NIH, for example, we understand some NIH Institutes will fund only the top 5 percent of applications. Although awards at higher percentiles could be made later in the fiscal year, any delay in funding hinders research progress and productivity. Funding delays and uncertainties caused by a CR also affect individuals whose livelihoods depend on the flow of predictable funding cycles—most notably lab and administrative personnel and early stage investigators who are laid off or even fired during CRs.

Once again, thank you for your leadership on the FY 2017 Labor, Health and Human Services and Education Appropriations bill and for considering our views and priorities as you negotiate a final funding measure.

Sincerely,

Judith A. Seltzer
President, Population Association of America

Lisa Berkman
President, Association of Population Centers