



Advanced Manufacturing: Budget Summary

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National Network for Manufacturing Initiatives (NNMI)

Overview

Congress ended 2015 by passing a \$1.1T omnibus spending package that funds federal agencies through next fall. For the first time, NNMI receives direct funding at an amount of \$25M.

<i>In Millions</i>	NIST →	Industrial Technology Services →	NNMI	Apprenticeship Grant Program
FY2015 Enacted	\$864	\$139	N/A ⁱ	N/A
FY2016 Requested	\$1,120	\$306	\$144	N/A
FY2016 Senate	\$893	\$145	\$5 ⁱⁱ	N/A
FY2016 House	\$855	\$130	N/A ⁱⁱⁱ	N/A
FY2016 Enacted	\$690	\$155	\$25	\$90

Background

The Establishment of NNMI

The Revitalize American Manufacturing and Innovation (RAMI) Act passed on **December 13, 2014**, as part of the end-of-year 2014 budget deal. This was a big win for the manufacturing community as it officially established the National Network for Manufacturing Innovation (NNMI). It included funding authority for NNMI of \$5M each year from FY2015-FY2025 from NIST's Industrial Technical Services account and a total of \$250M between FY2015-FY2024 from DOE's EERE account.

Funding NNMI

While the end-of-year 2014 budget deal formalized NNMI and gave NIST coordination authority, Congress did not approve any dedicated funding for the program. Up until the end-of-year 2015 omnibus budget agreement, which was passed on **December 18, 2015**, federal agencies had been funding individual institutes aligned with their missions out of their operational budgets.

For FY2016, the President requested **\$2.4B** for advanced manufacturing R&D at DOC, DOD, DOE, USDA, and other federal agencies, including:

- **\$350M** in added discretionary funds to support the creation of seven new NNMI institutes: two at USDA; one at DOD; two at DOE; and two at DOC.
- **\$1.93B** in a one-time appropriation to last until FY2024 for the purpose of transitioning the NNMI from discretionary to mandatory spending. These funds would be used to establish 29 new NNMI institutes, building on the nine institutes already funded through 2015 as well as the seven new manufacturing institutes requested to be funded in FY2016.

FY2016 direct funding for NNMI totals \$25M, \$119M below the President's request and a \$25M increase from FY2015. The \$25M for NNMI is funded through NIST. This is the first time NNMI has received direct funding in the federal budget.

NNMI Funding Requests by Agency

Though NIST was the only account to receive federal funds for NNMI in FY2016, other agencies can use their operational budgets to support the program. Below is an overview of NNMI agencies' NNMI FY2016 funding requests along with the budgets for the programs that the NNMI requests fell under.

Department of Commerce

NNMI FY2016 Budget Request: \$144M

NNMI FY2016 Enacted: \$25M

USDA NIST NNMI Funding	<i>In Millions</i>
FY2015 Enacted	N/A
FY2016 Requested	\$144
FY2016 Enacted	\$25

Department of Energy

NNMI FY2016 Budget Request: \$149M, \$140M for two new NNMI and \$9M for existing DOE institutes

NNMI FY2016 Enacted: \$0

DOE EERE Funding (Under which the NNMI funding request fell)	<i>In Millions</i>
FY2015 Enacted	\$1,937
FY2016 Requested	\$2,720
FY2016 Enacted	\$2,073

Department of Defense

NNMI FY2016 Budget Request: \$137M for its six NNMI institutes

NNMI FY2016 Enacted: \$0

DOD Science and Technology Funding (Under which the NNMI funding request fell)	<i>In Millions</i>
FY2015 Enacted	\$12,252
FY2016 Requested	\$12,267
FY2016 Enacted	\$13,251

Department of Agriculture

NNMI FY2016 Budget Request: \$80M for two NNMI institutes

NNMI FY2016 Enacted: \$0

USDA NIFA Research and Educational Funding (Under which the NNMI funding request fell)	<i>In Millions</i>
FY2015 Enacted	\$787
FY2016 Requested	\$999
FY2016 Enacted	\$820

Apprenticeship Grant Program

The Apprenticeship Grant Program is applicable to many industries, however, in the past three years the Obama Administration has increased its support for STEM-specific apprenticeship programs.

Background

FY2014

In April 2014, President Obama announced a grant program designed to bring academic institutions and businesses closer together to help build an American workforce for jobs that may otherwise go unfilled. At the time, \$600M from the federal budget was allotted to the new program (\$500M would be issued as a competitive grant program for community colleges that are linked with businesses to teach the specific skills needed for open jobs and \$100M would be used to encourage businesses, unions, community colleges, and non-profits to form partnerships to teach skills for hard-to-fill jobs, such as information technology, high-tech services, health-care and advanced manufacturing).

FY2015

In April 2015, the President announced that another \$100M would be used to fund 25 \$2.5-5M grants. The \$100M would come from funds collected from employers who use H-1B visas to hire foreign workers. The goal was that programs funded through the apprenticeship grant initiative would build a stronger U.S. workforce ready to fill the jobs that require 21st century technical skills, reducing U.S. reliance on foreign workers.

FY2016

This past December, Congress passed the FY2016 omnibus spending bill which included \$90M under the Department of Labor to carry out apprenticeship programs like those listed above. The funding will help train a skilled workforce that is able to fill STEM jobs.

ⁱ In addition to the FY2015 base budget request, President Obama proposed an Opportunity, Growth, and Security Initiative (OGSI), which was a way for the Administration to tell Congress what they would like to fund if sequestration had not lowered spending caps. Though it had no actual funding results, the OGSI included \$2.4B to establishing 45 NNMI institutes which was the Administration's way of telling Congress that NNMI was a top priority.

ⁱⁱ In FY2016, the Senate officially requested \$5M for coordination of manufacturing innovation institutes in FY2016. This is virtually the same as it was in FY2015, as the Senate had then directed NIST to fund NNMI-related activities using \$5M from AMTech. In the FY2016 omnibus, AMTech was consolidated with NNMI and of the \$25M, up to \$5M can be used for coordination activities across federal agencies.

ⁱⁱⁱ The House allows NIST to use unobligated balances for coordination of manufacturing innovation institutes in FY2016. It also provides the authority to seek unobligated balances in the DOE's EERE account for the establishment and operation of the manufacturing innovation institutes.