

## Overview of FY 2000 US federal budget request

The Clinton Administration's budget for fiscal year (FY) 2000 includes a 3% increase to \$38.1 billion for the 21st Century Research Fund, the centerpiece of US federal civilian research and development (R&D) programs. In general, these funds are equally split between basic and applied research activities. In addition, the FY 2000 budget includes a \$366 million multiagency information research initiative, some components of which could benefit the biotechnology industry, and a proposal to extend the 20% tax credit for private research and experimentation until June 30, 2000.

The 21st Century Research Fund applies to agencies with essentially research-only missions, such as the US National Institutes of Health (NIH; Bethesda, MD) and the US National Science Foundation (NSF; Arlington, VA); and biotechnology-related research programs in departments with far broader missions, including the US Department of Agriculture (USDA; Washington, DC), the Department of Commerce (Washington, DC), and the Department of Energy (DOE; Germantown, MD).

Noting that Congress dramatically increased the FY 1999 NIH budget by 14% to \$15.6 billion, the Administration is recommending a modest 2.1% increase to \$15.9 billion for FY 2000. One important area of emphasis within the NIH budget request is bioinformatics and other areas involving software development and databases. For instance, NIH is mandated to create a publicly accessible database describing all federally and privately funded clinical trials for drugs to treat life-threatening illnesses.

The NIH budget also emphasizes plans to accelerate mapping, sequencing, and follow-up research efforts that are part of the US Human Genome Project. For instance, capacity is to be increased at major gene sequencing centers, and the smaller-scaled mouse genomic and genetics project also will be expanding as the budget request for the National Human Genome Research Institute within NIH has increased by about \$7 million to nearly \$272 million. Meanwhile, research programs in structural biology, particularly those in which synchrotron radiation is harnessed to determine protein structures, are also being highlighted for increases. In addition, some of the \$166 million overall increase for federal programs to defend against chemical and biological weapons will go to research on new vaccines to protect against smallpox and anthrax.

The President's budget proposes \$3.9 billion for NSF in FY 2000, a 6.9% increase over the previous year. The biological sciences

component of the NSF overall budget totals nearly \$409 million, which represents a 4.5% increase over the past year. Some NSF investments potentially affecting biotechnology include \$146 million in information technology, an interdisciplinary \$50 million initiative on biocomplexity research, and \$55 million in plant genome research.

Other federal programs with biotechnology research components also are slated for increases or for initiatives of interest. For example, the USDA Agricultural Research Service (ARS) budget increases by \$28 million to \$837 million, while the USDA Cooperative State Research, Education, and Extension Service (CSREES) includes \$200 million for the National Research Initiative, a 68% increase over FY 1999. Some of the funding for the plant genome mapping program, for which ARS is the lead agency, comes from this CSREES initiative.

Meanwhile, the Advanced Technology Program within the Commerce Department's National Institute of Standards and Technology (Gaithersburg, MD), is slated for an 18% increase to \$239 million. And DOE's \$2.84 billion budget for basic research pro-

grams, a 6% increase over FY 1999, will support the sequencing of 50 million subunits of human DNA along with efforts to disseminate that information through publicly accessible databases.

The budget request also affects regulatory agencies that oversee parts of the biotechnology industry, including the Animal and Plant Health Inspection Service (APHIS) within USDA and the Food and Drug Administration (FDA; Rockville, MD). The APHIS budget request is to decrease modestly from the previous year to \$592 million. And the FDA overall budget of \$1.35 billion includes an increase of \$52 million for product safety assurance, which includes the regulation of drugs, biologics, and medical devices, and a request to add 709 staff members to the agency work force. About \$145 million is expected from revenues collected under provisions of the Prescription Drug User Fee Act, with additional revenues anticipated from other fees. Some of the budget increase is aimed at fortifying the agency's science base, which officials call "critical for sound regulatory decisions."

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