2026 Passback Agency Funding Highlights

Passback provides S7.695 billion for the Department of Commerce, S2 466 billion below the 2025 enacted levels.[1] Within these levels, Passback refocuses the Department on core activities like enforcing trade laws, producing core statistical products, conducting leading edge R&D, and collecting essential scientific observations like ocean and weather data to support navigation and forecasting.

Passback eliminates functions of the Department that are misaligned with the President's agenda and the expressed will of the American people. This includes eliminating EDA and MDBA as bureaus within the Department and significant reductions to education, grants, research, and climate-related programs within NOAA.

Passback identifies opportunities for significant reforms and new approaches across the Department to realize savings and deliver on the President's agenda. There are a number of areas described below where the Department should act now to align existing resources and activities to the direction in Passback This includes taking proactive action to address unsustainable costs in NOAA's satellite acquisition programs and realize savings in the Office of Space Commerce.

OMB expects that the Department will exercise all allowable authorities and flexibilities to align the 2025 operating plans with the 2026 Passback. This includes reducing funding from areas that are not funded in Passback to areas that are protected or increased. For example, the Department should leverage existing transfer authority to move funding to BIS to ensure maximum support for the President's trade agenda. The Department should similarly evaluate spending across NOAA's various education, grants, and research programs to shift away from programs that are not funded, or significantly reduced, in Passback.

National Oceanic and Atmospheric Administration (NOAA)

Passback provides $4.456 billion for NOAA, a $1.672 billion reduction from 2025 enacted. Passback levels support a leaner NOAA that focuses on core operational needs, eliminates unnecessary layers of bureaucracy, terminates nonessential grant programs, and ends activities that do not warrant a Federal role. Passback also proposes to cancel $537.400 million of NOAA's 2026 IA advance appropriation. This cancellation does not include amounts provided m Provision 13 for permitting, but the finds should only be used for permitting activities that support the President's agenda for Unleashing American Energy.

In most cases comparisons at the PPA level will be made to the FY 2024 enacted level, with the exception of NOAA's NESDIS PAC accounts, where comparisons are made both to the FY 2024 enacted level as well as the planning level that the agency submitted to OMB in September of 2024, which provides useful context about programs of record. Passback will refer to these levels as the "previously planned levels."

Operations, Research, and Facilities (ORF)

[1] Unless otherwise noted, comparisons to 2025 enacted do not include amounts appropriated as emergency funding but not designated as such by the President's March 24 letter to Congress. This total does not include shifts of BA for the proposed statistical agency reorganizations detailed below.

Passback provides $3.474 billion for ORF, a $1.333 billion reduction from 2025 enacted. Deobligations continue at $28 million, equal to 2025 enacted. Passback also proposes to cancel S25 million in ORF unobligated balances.

National Ocean Service (NOS). Passback funds NOS at $334.107 million, a $337.395 million reduction from 2024 enacted. Within this total, Passback provides no funding for Integrated Ocean Observing System Regional Observations, Competitive Research, Coastal Zone Management Grants, National Coastal Resilience Fund, or the National Estuarine Research Reserve System. Passback also does not fund the National Centers for Coastal Ocean Science.

National Marine Fisheries Service (NMFS). Passback provides $789.327 million for NMFS, a $324.470 million reduction from 2024 enacted. Within this amount, NMFS should prioritize permitting and consultation activities in order to support Administration priorities and unleash American energy. Passback does not fund Species Recovery Grants, Interjurisdictional Fisheries Grants, or Habitat Conservation and Restoration.

- *Transfer of NMFS Functions to FWS.* The Budget merges NMES' Office of Protected Resources (and associated authorities) into the U.S. Fish and Wildlife Service. By May 9, USFWS and NMES shall schedule a briefing for OMB's Interior and Commerce Branches. The briefing shall include insights on an appropriate timeframe for transition of NMFS' Endangered Species Act and Marine Mammal Protection Act implementation responsibilities, as well as potential cost savings and eliminations of redundancies resulting from the transfer. USFWS has receited similar instruction in their Passback materials.

Oceanic and Atmospheric Research (OAR). Passback provides $171474 million for OAR programs, a $484.579 million reduction from 2024 enacted Passback eliminates all funding for climate, weather, and ocean Laboratories and Cooperative Institutes. It also does not fund Regional Climate Data and Information, Climate Competitive Research, Sea Grant (College and Aquaculture), or the National Oceanographic Partnership Program.

At this funding level, OAR is eliminated as a line office.

Passback moves the remaining funded programs- the U.S. Weather Research Program Tornado Severe Storm Research/Phased Array Radar, Joint Technology Transfer Initiative, Ocean Exploration and Research, Integrated Ocean Acidification, Sustained Ocean Observations and Monitoring, and High-Performance Computing Initiatives to the remaining line offices, primarily NOS and NWS. These moves will allow these research programs to carry out research that is more directly related to the NOAA mission. By April 24, 2025, NOAA shall provide revised PPAs/PPA levels, either through increases to existing PPAs or lifting and shifting PPAs from OAR to other line offices. In general, these movements of funds from OAR to other lines offices should be done with the goal to streamline program management rather than increase bureaucratic layers.

National Weather Service (NWS). Passback provides $1,247 393 million for NWS, equal to 2024 enacted.

- At this level NOAA should make efforts to streamline operations and eliminate inefficient or unnecessary functions in order to best service the American people.
- Passback proposes to move the Space Weather Prediction Center (SWPC) from NOAA to the Department of Homeland Security to better align with DHS's mission to protect critical infrastructure. Under this new construct, DHS will take on the operational mission to predict space weather events and disseminate space weather products and warnings. As the requirements owner, DHS will also be responsible for acquisition of any enhancements beyond NOAA's planned observing infrastructure which includes the Space Weather Next program.
- **By April 24, 2025**, NOAA shall provide OMB with a plan to effectuate this transfer and provide:
    - Number and all associated costs of NOAA personnel currently assigned to space weather activities within NWS and OAR,
    - An estimate of the operations and maintenance costs of space weather prediction activities, including facilities, IT systems, and other infrastructure to assimilate space weather observations, model space weather phenomenon, and disseminate space weather products including warnings.
    - At this time, this analysis should not include NESDIS satellite acquisitions costs with the expectation that NOAA's currently planned satellites will not be absorbed by DHS.
    - However, by transferring not only SWPC but also the space weather mission from NOAA to DHS, DHS will assume costs of any future enhancements to observing infrastructure that is not currently in the NESDIS Space Weather planning pipeline.
- By **May 30, 2025**, Guidance requests that CISA and NOAA work together to provide a draft legislative proposal for submission to Congress.

National Environmental Satellite, Data, and Information Service (NESDIS). Passback provides $336.000 million for NESDIS, a decrease of $44.765 million below 2024 enacted Specifically, Passback provides:

- *National Center for Environmental Information* - Passback provides $52.000 million, a reduction of $18.000 million below 2024 enacted.
- *Office of Satellite and Product Operations* - Passback provides $240.000 million, a reduction of $10.165 million below 2024 enacted.
- *Product Development, Readiness, and Application* - Passback provides $43.500 million, a reduction of $16.350 million below 2024 enacted.

Mission Support. Passback provides $265.918 million for Mission Support, a reduction of $141.403 million below 2024 enacted. Passback terminates funding for the Office of Education.

- *Office of Space Commerce (OSC)* - Passback provides $10.000 million, a $55.000 million reduction from 2024 enacted. At this level Passback does not fund additional work on the Traffic Coordination System for Space (TraCSS). The TraCSS system i not yet operational and as such termination of the program is not anticipated to cause a disruption of current services. Funding provided by Passback is for ongoing efforts under OSC's policy and regulatory affairs activities. Remaining funds should be used to execute a framework to potentially transition useful elements of TraCSS effort to a non-government entity, whether it be a private sector partner or a non-profit consortium. By April 24, 2025, NOAA should submit a plan that would identify options by which civil operators could receive space situational awareness information without further funding provided to the TraCSS database.

Procurement, Acquisition, and Construction (PAC)

Passback provides $1,467.573 billion for PAC, a $209.293 million reduction from 2025 enacted. Deobligations continue at $13.000 million, equal to 2025 enacted.

National Ocean Service (NOS). Passback provides no PAC funds for NOS.

National Environmental Satellite, Data and Information Services (NESDIS)

- Geostationary Earth Orbit. Passback provides $385.000 million, a $100.000 million increase above the FY 2024 enacted, and $306.5 million below the previously planned level.

  Passback directs NESDIS to immediately cancel all major instrument and spacecraft contracts on the GeoXO program. The projected budget costs for the GeoXO program are unsustainable, lack support of Congress, and are out of step with international peers Passback recognizes the criticality of maintaining imaging capabilities in Costationary orbit, and remains committed to a 2032 launch planning date for an imaging capability.

  That said, the program needs to immediately institute a major overhaul to lower lifecycle costs by 50 percent and aim to keep outyear annual costs below S500 million OMB recommends an immediate termination of using NASA as the acquisition agent for NOAA's weather satellites. While the expertise and knowledge of the NASA staff have offered significant benefits to the geostationary programs over their history, NASA's reluctance to accept risk, to utilize fixed price contracts, and NASA's high levels of overhead charges has made the continuation of the arrangement untenable.

  Restarting the program without NASA's people, protocols, and authorities presents both challenges and opportunities. By April 24, 2025, please provide to OMB any legal authorities that NOAA currently lacks to execute a restart of the GeoXO program for review and possible transmittal to Congress with the Budget.

  OMB expects to work closely with NOAA in the weeks ahead to develop a plan for the capabilities and acquisition schedule for the reconstituted program.

Passback assumes several adjustments will be necessary to achieve the overall budget policy sought by the Administration:

- First, the new program will deliver exclusively on NOAA's weather data needs, therefore the program will de-scope the atmospheric composition and ocean color instruments.
- Second, to lower the cost of the program and increase the likelihood of a 2032 launch, NOAA shall use the fifth Advanced Baseline Imager (ABI instrument on the constellation's first launch This instrument has already een completed as part of the GOES-R series, and utilization of the BI will allow NOAA ample time to recompete the next generati imager as a fixed-priced contract with technical capabilities that fit within the new cost profile. Given the health of GOES-18 and GOES-19, as well as maintaining the first planned launch of the new series, the first new imager wouldn't be needed until the late 2030s.
- Third, the program should plan to maintain a two orbit (East and West) posture with two additional satellites for continuity to at least 2055.
- Fourth, the program shall be redesigned to fit budget constrats, not maximize new capabilities. As NOAA redesigns the future program, they should aim to keep the lifecycle cost less than $12 billion for 4 satellites, (including all program elements such program support, ground project, science) an annual budget less than $500 million, and maximize fixed- price contracts for the acquisition of the instruments and spacecraft.
- Fifth, the addition of a sounder shall only be pursued if the overall budget goals can be met, see above. Given the two orbit orientation, a sounder would need to be manifested along with an imager, and could be added in only one of the two ofbital locations, for example only in the East position.
- Sixth, a Lightning Mapper shall only be pursued if the overall budget goals can be met and if there is sufficient evidence that the benefits outweigh the costs after conducting a robust cost-benefit analysis that includes consideration of the current ground-based networks. Time is of the essence to plan the revised next generation Geostationary program, and if NOAA chooses to conduct the cost-benefit analysis to justify the lightning mapper, the analysis should be provided to OMB no later than **May 9, 2025**.
- Finally, given the number of changes to the instrument suite and configuration of the constellation, Passback anticipates it will be more cost effective to cancel and recompete the spacecraft contract than to modify the existing contract.

As an appeal to maintain NASA as an acquisition agent, or an appeal to modify rather than recompete the imager or spacecraft contract should thoroughly explain both the cost and schedule rationale, recognizing again that the only critical payload, the imager, for the first launch has already been completed.

NOAA should prioritize FY 2025 PAC funds for the termination costs of the GeoXO instruments and spacecraft contracts, as well as initiating a solicitation for new program elements.

By **May 9, 2025**, please provide OMB with an initial 5-year cost profile for the reconstituted program.

- *Space Weather Next.* Passback provides $150 million, a reduction of $1.606 million below 2024 enacted, for the Space Weather Next program. While this level is roughly flat with enacted, it represents a substantial decrease from the program of record, and roughly $57 million below the previously planned level.

  Passback directs NOAA to apply the same structural changes, notably, ending the role of NASA as the acquisition agent on a timeframe that is practicable given the current state of the program.

- *Near Earth Orbit Network (NEON).* Passback provides $125.000 million, an increase of $46.500 million above 2024 enacted and equal to the FY 2026 planned level, for NOAA's effort to establish a loosely-coupled program in low earth orbit that accommodates an efficient balance of commercial and government-owned assets.

- *Satellite Ground Services*. Passback funds satellite ground services at $90.353 million, a decrease of $23.647 million below 2024 enacted, and equal to the previously planned level.

- *Systems Architecture and Engineering (SAE).* Passback funds SAE at $48.000 million, a reduction of $21.000 million below 2024 enacted, and roughly equal to the previously planned level.

- *Legacy Programs*. Passback provides funding at the previously planned levels, equivalent to the current programs of record for the legacy satellite programs, specifically:
  - *GOES-R*. Passback provides $78.600 million
  - *Polar Weather Satellites*. Passback provides $315.970 million
  - *Space Weather Follow On*. Passback provides $0

The cost benefit analysis (CBA), if pursued, should present the marginal improvement in the availability of life-saving data derived from satellite-based lighting data compared to the current ground-based networks. The CBA should quantify the annual lives saved among the citizens and residents of the United States, and present the monetary valuation of these saved lives using standard government values for a statistical life, and using quantification techniques consistent with Circular A-4, see *Section E. Identifying and Measuring Benefits and Costs*. Also, unless NOAA can provide a detailed analysis indicating that a satellite-based lightning mapper would *save more lives* than an equal investment to upgrade and increase the density of ground-based networks, the lightning mapper should not be considered.

Oceanic and Atmospheric Research

- *Phased Array Radar*. Passback provides no funding for OAR's Phased Array Radar as work on the test article has already been fully funded. OMB requests a joint NWS/OAR briefing on the Phased Array Radar test article, and NOAA's ongoing efforts to analyze options for future radar deployment.
- *Research Supercomputing*. Passback provides $25 million, a reduction of S25 million from 2024 enacted for research supercomputing, recognizing that $280 million has already been made available through supplemental funds in recent years.

National Weather Service.

Passback funds NWS PAC activities at the 2024 enacted level.

Mission Support. Passback provides $40.000 million for Mission Support, a reduction of $24.000 million from 2024 enacted. OMB requests that by April 24, NOAA provide a status update on all ongoing construction projects that includes date of project start, funding to date and the sources of the funds, remaining funds needed, and estimated completion date, and a proposed allocation plan for the 2026 Budget. The 2026 Budget allocation shall be consistent with NOAA's new workforce and real property plans.

Office of Marine and Aviation Operations (OMAO). Passback provides $103.000 million for OMAO activities, a reduction of $7.000 million from 2024 enacted. Fleet Capital Improvements and Vessel Recapitalization are held at 2024 enacted. Passback provides no funds for Aircraft Recapitalization

Pacific Coastal Salmon Recovery Fund (PCSRF). Passback does not fund PCSRE.