

Impact of HR 1 reductions on NWS

Section 1327 of HR 1 cuts NOAA's ORF by \$454 million (or 14%) over FY 10 enacted levels.

- NWS ORF makes up 27% of NOAA ORF (\$892 million in FY 10).
- Assuming Administration allocates cuts to NOAA ORF proportionately to all NOAA line offices, NWS will be required to assume \$125 million in reduction in funding for remainder of FY 11.
- As FY 11 is already half over, the effective rate of reduction to NWS funding would be 28%. In other words, \$125 million reduction must be taken from remaining \$446 million six-month expenditures.
- NWS is already underfunded at FY 10 levels. According to a November 5, 2010 memorandum from the NWS's CFO to the NWS Director:

Congress has also under-funded NWS's labor costs by not fully funding yearly pay adjustments, associated benefits, and GS step increases. Yearly under-funding without authority to align labor with available funding has created a structural shortfall that adds to an increasing legacy of unrecoverable debt. In FY11, OCFO is projecting the NWS structural labor funding shortfall at \$15M.