

February 3, 2015

**Summary of President Obama's Fiscal Year 2016 Budget Request –
Advanced Manufacturing and Workforce Development**

On Monday, February 2, 2015, President Barack Obama unveiled his [budget request for Fiscal Year 2016](#) (FY '16). While the president's budget will not be adopted as the budget of the United States for a variety of reasons, it is a document that helps the president lay out his agenda and his priorities for the coming year. Much of this year's budget mirrors the president's focus on "middle class economics" from the State of the Union address.

In his budget, President Obama promoted funding for several initiatives related to advanced manufacturing and workforce development/skills training. These include:

- **National Network for Manufacturing Innovation (NNMI):** The president's budget includes \$350 million in discretionary funds to support the creation of seven new Institutes for Manufacturing Innovation (IMIs) under his administration's NNMI initiative. It also proposes \$1.9 billion in mandatory spending to fund 29 new centers. Combined with the nine institutes that are already funded, the NNMI would eventually total 45 centers across the country. The president's budget includes an additional \$10 million for the National Institute of Standards and Technology (NIST) to coordinate the activities of the current and future institutes, leveraging the authorities in the bipartisan Revitalize American Manufacturing and Innovation Act (RAMI) that passed as part of the 2015 Omnibus Appropriations Act.
- **Scale-Up Manufacturing Investment Fund:** The president's budget proposes the creation of a public-private Scale-Up Fund for advanced manufacturing technologies. The fund would be administered by the Small Business Administration (SBA) to ensure that emerging technologies invented in the United States can both reach commercial viability and be made here at

home. The SBA would have \$5 billion in public funds for the investment fund, which will be matched by non-Federal funds.

- **Manufacturing Extension Partnership:** The president's budget provides \$141 million for the Hollings Manufacturing Extension Partnership (MEP).
- **Workforce Development:** The president's budget includes \$16 billion over 10 years to help double the number of workers receiving training through the workforce development system, with a special focus on industries that are likely to witness significant growth in coming decades, including advanced manufacturing.
- **Industry Credentialing:** The president's budget includes \$500 million for a competitive Industry Credentialing and Career Pathways Grants program, including \$300 million targeted at information technology jobs. This would help create employer-validated credentials where they do not yet exist, as well as drive additional employer adoption of existing credentials and develop curriculum and assessments methods.
- **Registered Apprenticeships:** Citing existing "learn-and-earn" programs in Europe, the president's budget includes \$2 billion to double the number of Registered Apprenticeships across the United States in the next five years.