UC Davis strongly encourages Congress and the President to reach an agreement to avoid the devastating impact that sequestration would have on students, scientific research, health care and the economy.

Basic and Applied Research
Under sequestration, more than $335 million in federal support for UC research would be lost in FY2013, with additional deep cuts from FY2014-2021. UC Davis alone will lose an estimated $42 million.

The financial impact on 1,434 students funded through federal sources is equivalent to the loss of 323 full-time jobs. The financial impact on 436 faculty funded through federal sources is equivalent to the loss of 122 full-time jobs.

Clinical Services and Medical Education
The UC Health System clinical services and medical education missions rely heavily on Medicare and Medicaid funding. The UC Health System expects $21.5 million in decreased Medicare revenues in FY2013 and more than $225 million in cuts through FY2021. UC Davis Health System would lose $4.6 million.

Education and Financial Aid Programs
Students and families will see an increase in the origination fee charged for new federal student loans taken after July 1, 2013. The estimated increased borrowing cost to UC Davis students and families is $23,480.

Although it is exempted in the 2013-2014 academic year, the Pell Grant program could face deep cuts in FY2014-2021. Currently, 43% of UC Davis students receive Pell Grants.

The impact of sequestration:

- $335 million federal support for UC research lost in FY2013
- $42 million federal support for UC Davis research lost in FY2013
- 445 jobs equivalent loss in FY2013 from cuts in federal sources
- $21.5 million decrease in Medicare revenues FY2013
- $23,480 increased borrowing costs per year to UC Davis families

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