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CONGRESSIONAL SCHEDULE NEW

The House met today to consider several parks and lands bill as Members prepare for Sunday’s expected vote on the two-part package of health care and student loan reform bills. The Senate met to continue work on the reauthorization of the Federal Aviation Administration, with no votes.

The House is scheduled to vote on two bills as early as Sunday afternoon: the Senate-passed health care bill (H.R. 3590) and the reconciliation bill (H.R. 4872), which includes the student loan provisions as well as changes to the Senate health care bill requested by the Administration and House Democrats. If the House approves the measures, the health care bill will go to the President for signature and the reconciliation bill will go the Senate for consideration. The Senate could take up the bill as soon as Monday, March 22, when the chamber returns to session.

Earlier this week, it appeared likely that the House Rules Committee would approve a rule for House debate that would “deem” the Senate bill passed when the House approved the reconciliation bill. This process would enable House Democrats to avoid a direct vote on the Senate bill, which many of them dislike. But the deeming rule has prompted strong criticism by Republicans and the media, and Democratic leaders may hold separate votes on each bill.

In the Senate, although Republicans would be unable to filibuster H.R. 4872—the rules of reconciliation require just a simple majority to pass—they are preparing a number of points of
order and amendments to the package in order to delay or change it. Any changes made to the bill in the Senate would send it back to the House for another vote. Senate Democrats hope to approve the measure before the Easter recess, which begins March 29.

CongressDaily reports that because of the votes on Sunday, the House schedule next week has not been decided. The chamber could consider one of two bills aimed at increasing jobs.

**BUDGET & APPROPRIATIONS**

**HOUSE TO CONSIDER HEALTH CARE, STUDENT AID BILLS ON SUNDAY  NEW**

As discussed above, the House on Sunday will debate and vote on the Democrats’ overhaul of health care and student financial aid.

**Health Care Provisions in Reconciliation.** The Senate-passed health care bill contains a number of provisions of concern to research universities. At this writing, it appears that the reconciliation bill will address one important issue, the proposed cuts in disproportionate share (DSH) payments to hospitals for uncompensated care under Medicare and Medicaid. The reconciliation measure would pare the amount of the Medicare cut from $24.4 billion to $21.4 billion and the Medicaid cut from $18.5 billion to $14.1 billion. However, both reductions would begin in 2014 instead of the original start date of 2015.

The research university community’s other major concerns with the Senate-passed bill were discussed in an AAU-ACE-APLU letter on January 13. The four issues were the inability of campuses to continue to offer students group-like health insurance plans, the harmful effects on higher education of raising states’ Medicaid costs, problems associated with a False Claims provision in the Senate bill that could leave universities exposed to excessive whistleblower lawsuits, and the importance of increasing graduate medical education slots as part of health care reform. Those issues do not appear to be addressed in the reconciliation bill.

**Higher Education Provisions in Reconciliation.** The student aid portion of the budget reconciliation measure would end government subsidies for private student loans and funnel new loans into the direct federal loan program. Because so many colleges and universities have switched to direct lending since the House passed its student aid reform bill last year (H.R. 3221), the expected savings from the change have fallen from $87 billion over 10 years to $61 billion over 10 years. This has forced Democrats to cut back on their spending plans for the savings.

The revised bill would use $10.3 billion of the 10-year savings for deficit reduction and $9.1 billion for the health care costs in the bill. The legislation would provide $36 billion to the Pell Grant program, allowing the maximum award to increase each year by inflation starting in 2013—with the maximum grant increasing to $5,975 by 2019—and reducing this year’s funding shortfall by $13.5 billion, or about two-thirds.

Some $2.55 billion of the savings would be allocated to historically black and other minority-serving institutions, and $2 billion to two-year community college and career training programs. Another $1.5 billion would expand the student loan income-based repayment program, capping new borrowers’ payments at 10 percent of their net monthly incomes after adjustments for basic
living costs, rather than the current 15 percent. In addition, $750 million would be allocated over five years to the existing College Access Challenge Grant Program.

Left out of the pared-down package were a new Perkins Loan program, early childhood education and school modernization, and an extension of the cut in the student loan interest rate beyond 2012.

EIGHTY-EIGHT REPRESENTATIVES URGE APPROPRIATORS TO RAISE NEH FUNDING IN FY11 NEW

A bipartisan group of 88 Representatives wrote to House appropriators on March 19 urging them to increase funding for the National Endowment for the Humanities (NEH) to $232.5 million in FY11, an increase of $65 million over the FY10 level. The letter said that the increase “would help offset mounting economic pressures on the academic workforce and humanities institutions, as well as strengthen the nation’s infrastructure for humanities education and research for the long-run.”

The letter to leaders of the House Interior, Environment, and Related Agencies Appropriations Subcommittee was led by House Humanities Caucus co-chairs, David Price (D-NC) and Thomas Petri (R-WI).

LEACH, AAU SUBMIT VIEWS ON FY11 NEH FUNDING UPDATED

The National Endowment for the Humanities (NEH) provides great value to the nation and deserves strong support in FY11, according to separate testimonies provided March 17 to the House Interior and Related Agencies Appropriations Subcommittee by NEH Chair Jim Leach and by AAU.

Mr. Leach appeared before the panel. In his prepared statement, he said that the American people have been well served by NEH projects and programs and asked Members to continue their support of “this small agency committed to expanding the idea base of America.”

AAU President Robert M. Berdahl submitted written testimony to the subcommittee that requested $204 million for NEH in FY11, an increase of $64 million over FY10 funding. The increase would include an additional $44 million for competitive national programs, raising their total to $144 million, and an additional $19.6 million for the federal/state partnership, raising its total to $60 million. The Administration has requested $161 million for NEH in FY11, a cut of nearly four percent from the FY10 level of $168 million.

In his testimony, Berdahl wrote:

“We believe that the nation would benefit from a significant funding increase for the NEH, in part as a complement to the federal investment in science and engineering research. It is through the humanities that we can better understand and address the social, economic, and political changes associated with technological development and globalization. We also believe that as teachers and supporters of the humanities, we have
an obligation and an opportunity to support through history, literature, and language a culture of tolerance and civility, which is greatly needed today.”

**OTHER CONGRESSIONAL ISSUES**

**ASSOCIATIONS WRITE TO HOUSE JUDICIARY COMMITTEE TO EXPRESS SUPPORT OF SENATE PATENT REFORM AMENDMENT**

Six higher education associations, including AAU, wrote to members of the House Judiciary Committee on March 16 expressing their support for the Senate Judiciary Committee’s substitute amendment to the Patent Reform Act of 2009 (S. 515). They encouraged committee members to maintain key provisions of this amendment as they consider patent reform. The associations’ letter follows up on a similar letter of support the associations sent to all Senators on March 5.

“The substitute amendment reforms current law in a manner that balances the interests of the various members of the patent community and, most importantly, substantially improves the patent system overall,” said the letter to House Judiciary Committee members. “As you continue your deliberations on patent reform, we urge you to maintain the important improvements to patent legislation that the House and Senate have achieved to date.”

In addition to AAU, the letter was signed by the American Council on Education, the Association of American Medical Colleges, the Association of Public and Land-grant Universities, the Association of University Technology Managers, and the Council on Governmental Relations.

**COMPETE AMERICA CALLS FOR IMMIGRATION REFORM THIS YEAR, PRAISES BIPARTISAN INITIATIVE**

Compete America, a business-higher education coalition on immigration issues in which AAU participates, praised Senators Charles Schumer (D-NY) and Lindsey Graham (R-SC) for proposing a bipartisan framework for comprehensive immigration reform that includes reform of the system for highly educated professionals.

Senators Schumer and Graham, in a [Washington Post op-ed](https://www.washingtonpost.com/news/posteverything/wp/2016/03/18/schumer-graham-proposal-would-reform-immigration-system-for-highly-educated-professionals/) that appeared online March 18 and in print today, said that the nation needs to attract “the world’s best and brightest” to help ensure economic prosperity. To that end, they said their proposal “would award green cards to immigrants who receive a PhD or master's degree in science, technology, engineering or math from a U.S. university.” They added, “It makes no sense to educate the world's future inventors and entrepreneurs and then force them to leave when they are able to contribute to our economy.”

In a [statement](https://www.competa.org/coe-statement-on-schumer-graham-immigration-framework/) praising the senators for proposing the framework and including this provision, Compete America co-executive director Jessica Herrera-Flanigan said, “America’s national interests are best served when the world’s top scientists, researchers, engineers, entrepreneurs, healthcare professionals and teachers can live and work in the United States. That is how we keep America on the cutting edge of innovation and technology, that is how we will help lead the country back to economic strength, and that is how we will create more jobs for Americans.”
AAU JOINS AMICUS BRIEFS ON AFFIRMATIVE ACTION, CAMPUS ANTI-DISCRIMINATION POLICIES

AAU has joined the American Council on Education (ACE) and other higher education associations and groups on two amicus, or friend-of-the-court, legal briefs.

The first brief deals with a case about to be considered by the U.S. Supreme Court that addresses whether Hastings College of Law at UC Berkeley has the right to deny formal recognition or funds to student organizations that violate the law school’s anti-discrimination policies. The associations’ amicus brief supports the law school’s position. The case involves the Christian Legal Society, which has been denied formal recognition by Hastings on the basis that the group’s membership policy is discriminatory and thus, violates the law school’s anti-bias policies. The associations’ amicus brief argues that the issue is the university’s academic freedom. A copy of the brief, an explanatory statement, and the list of participating organizations are available here on the ACE website.

The second amicus brief urges the U.S. Court of Appeals for the Fifth Circuit to uphold the right of the University of Texas at Austin to use race-conscious admission policies. The brief states that the University, after careful and deliberate study, concluded that in order to further its educational mission and attain “meaningful campus diversity,” some consideration of race and ethnicity in admissions was needed. The University’s policy passes the Supreme Court’s test of “narrowly tailored,” says the brief, in part because it uses no quotas or automatic scores for applicants who are members of minority groups, and employs race and ethnicity as one of a number of factors considered in admissions. The brief, an explanatory statement, and the list of participating organizations also are available on the ACE website, here.

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