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CONGRESSIONAL SCHEDULE  NEW

The House did not meet today, and will return to session on Tuesday, April 13, following the two-week spring recess. The Senate met to continue consideration of legislation to extend expiring unemployment benefits, with no roll call votes. Once the Senate adjourns, the chamber will reconvene after the recess on Monday, April 12.

BUDGET & APPROPRIATIONS

CONGRESS FINISHES HEALTH CARE, STUDENT AID OVERHAULS  NEW

Congress yesterday finished work on legislation to overhaul the nation’s health care and student financial aid systems, when the House voted final approval of the budget reconciliation bill (H.R. 4872). The vote was 220-207, largely along party lines.

The final House vote capped a two-bill process worked out earlier this month by the White House and Democratic Congressional leaders. Rather than forge a single bill from the House- and Senate-passed versions of the measure in a House-Senate conference—which would have been subject to a Republican filibuster in the Senate—the House on March 21 passed the Senate health care bill (H.R. 3590) by a vote of 219-212 and sent it to President Obama, who has signed it. The House also approved a package of “corrections” under the budget reconciliation process...
(H.R. 4872) by a vote of 220-211. The reconciliation bill required just a majority vote to pass in the Senate, not the 60 votes needed to avoid a filibuster, and it was approved on March 25 by a vote of 56-43. The reconciliation bill also contained significant reforms to the nation’s student loan system, with significant benefits for the Pell Grant program.

A point of order in the Senate struck two minor Pell Grant provisions from the bill, forcing the Senate to send the measure back to the House for a final vote, which also took place March 25. One of the Pell Grant provisions struck from the reconciliation bill would have eliminated obsolete language, but the other was a “hold harmless” provision to prevent reductions in Pell Grants if the program’s annual appropriations fell. CQToday reports that Democrats are confident they can modify the hold harmless provision in subsequent legislation.

Health Care Provisions in Reconciliation. The Senate-passed health care bill contained a number of provisions of concern to research universities, which were discussed in an AAU-ACE-APLU letter on January 13. Two of the issues were addressed in the follow-up reconciliation bill: cuts in disproportionate share (DSH) payments to hospitals for uncompensated care under Medicare and Medicaid, and the impact of increased Medicaid eligibility and costs on state funding for higher education.

For DSH payments, the reconciliation measure pared 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.

CQToday reports that the reconciliation bill also eased the states’ additional Medicaid burden, specifying that the federal government will cover the entire cost of Medicaid coverage for the newly eligible from 2014-2017. In 2018, federal matching funds for all states will cover 95 percent of the costs, falling to 94 percent in 2018, 93 percent in 2019, and 90 percent in 2020 and thereafter.

Issues not addressed in reconciliation were the application of individual health insurance market reforms to group-like student health insurance plans, problems associated with a False Claims provision in the Senate bill that could leave universities exposed to excessive whistleblower lawsuits, and increasing the number of graduate medical education slots.

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

The measure provides $36 billion of the 10-year savings to the Pell Grant program to allow the maximum award to increase each year by inflation starting in 2013, and to reduce this year’s funding shortfall by $13.5 billion, or about two-thirds. Another $2.6 billion will be allocated to Historically Black, Hispanic-serving, and Tribal colleges and universities, and $2 billion will go to community college and career-training grants. Also, $1.5 billion will be used to expand the student loan income-based repayment program, capping new borrowers’ payments at 10 percent of their net monthly incomes after adjustment for basic living costs, rather than the current 15 percent. In addition, $750 million will be allocated over five years to the existing College
Access Challenge Grant Program. The bill also allocates $10.3 billion for deficit reduction and $9.1 billion to help cover health care costs in the package.

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.

ASSOCIATIONS URGE CONGRESS TO APPROVE STUDENT AID PROVISIONS IN RECONCILIATION BILL

A group of 31 higher education associations, including AAU, wrote to Members of the House and Senate over the past several days urging them to approve higher education provisions contained in the budget reconciliation bill (H.R. 4872). “These education provisions are critical investments in America’s students and economic future,” said the two letters.

The letter to Representatives was sent March 20, the day before the House approved the reconciliation bill on Sunday, March 21. The letter to Senators was sent March 22 as the Senate began consideration of the measure.

SEVENTY REPRESENTATIVES URGE $7.4 BILLION BUDGET FOR NSF IN FY11

Seventy Members of the House of Representatives sent a letter to House appropriators on March 22 asking them to provide $7.4 billion for the National Science Foundation (NSF) in FY11, the amount requested by the President.

“A renewed commitment to core basic research and educational programs at the NSF is an essential part of meeting the multidisciplinary challenges we face in areas such as energy, health care, and nanotechnology,” the Members wrote. “In an increasingly competitive global marketplace, we must make sustained investments in the National Science Foundation.”

REPRESENTATIVES REQUEST $5.1 BILLION FOR DOE OFFICE OF SCIENCE IN FY11

A group of 43 House Members has requested leaders of the House Energy and Water Appropriations Subcommittee to provide $5.1 billion for the Department of Energy (DOE) Office of Science in FY11, the funding level requested by the Administration.

The March 19 letter, led by Representatives Judy Biggert (R-IL) and Rush Holt (D-NJ), asks appropriators to support the Administration’s funding request because it is consistent with the bipartisan commitment to double the federal investment in basic sciences over 10 years and “will increase our capacity to innovate, reduce our dependence on foreign sources of energy, enhance our competitive edge in the global economy, and thus create the jobs of the future.”

OTHER CONGRESSIONAL ISSUES
AAU JOINS NEW PATENT REFORM COALITION

Staff for Senate Judiciary Committee Chairman Patrick Leahy (D-VT) and Ranking Member Jeff Sessions (R-AL) have convened a broad coalition of organizations and associations to share information and coordinate efforts to enact the Patent Reform Act of 2009 (S. 515).

The six higher education associations, including AAU, that have been working together on patent reform, have joined the new coalition, as have the 21st Century Coalition, the American Intellectual Property Law Association, the Intellectual Property Owners Association, BIO, PhRMA, the AFL-CIO, and several individual companies and institutions.

Earlier this month, the higher education associations strongly endorsed the Senate Judiciary Committee’s substitute amendment to S. 515. They characterized the substitute amendment as a reform of current patent law that would balance the interests of the various members of the patent community and substantially improve the overall patent system. The group sent a letter to all Senators urging them to support passage of the amended bill and a similar letter to members of the House Judiciary Committee asking them to “maintain key provisions” of the Senate amendment as they consider patent reform.

In addition to AAU, the higher education group working together on patent reform includes 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.

OTHER

CFR INVITED TO E.O. LAWRENCE AWARDS EVENT ON APRIL 28

Members of the CFR and others are invited to attend an April 28 event sponsored by Secretary of Energy Steven Chu to honor recipients of the 2009 Ernest Orlando Lawrence Awards. The award recognizes mid-career scientists and engineers for exceptional R&D contributions to the Department of Energy and its mission. Among this year’s six recipients are researchers from Lawrence Berkeley Laboratory, the University of Maryland, Stanford, and Harvard.

The event will be held at the National Academy of Sciences Building, 2100 C Street, N.W., on Wednesday, April 28 at 4:00 p.m. The awards ceremony will be followed immediately by a reception. Joining Secretary Chu at the event will be DOE Undersecretary Steven Koonin and DOE Office of Science Director William Brinkman.

Those interested in attending are asked to RSVP here.

AAU INVITES APPLICATIONS FOR SENIOR POLICY ANALYST POSITION

AAU is seeking applications for the position of Senior Policy Analyst. This new position will be responsible for research and policy analysis for the association, including preparing analytic reports and position papers, as well as designing and conducting policy studies and surveys that support the association’s legislative initiatives and inform institutional policy making.
A detailed job description is available here on the AAU website. To ensure full consideration, applications should be emailed by April 23, 2010.

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