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CONGRESSIONAL SCHEDULE  NEW

The Senate met today but conducted no roll call votes; the House met in pro forma session.

The Senate will return to session on Monday, March 7, with a vote expected late in the day on patent reform legislation (see item below). As discussed below, Senate Democratic leaders plan to bring up both H.R. 1—which would cut $61 billion from current FY11 spending—and their alternative budget, which would cut $10.5 billion from current spending levels.

The House will return to session on Tuesday, March 8, and will consider mortgage relief legislation.

BUDGET & APPROPRIATIONS

TWO-WEEK CR ENACTED; VICE-PRESIDENT CONVENES HIGH-LEVEL DISCUSSIONS  UPDATED

Congress has approved, and the President has signed, a two-week continuing resolution (CR) to sustain federal funding after the current CR expires today. This heads off, at least temporarily, the threat of a government shutdown. The House vote on the bill (H. J. Res 44) was 335 to 91; the Senate vote was 91 to 9.
The short-term CR funds federal agencies and programs at largely their FY10 levels, minus $4 billion. The measure largely avoids controversial policy issues and achieves most of its savings by cutting congressional earmarks and eliminating programs the White House has already targeted in its FY12 budget proposal. The cuts include earmarks in the Department of Energy Office of Science and in the Department of Education’s Fund for the Improvement of Postsecondary Education, as well as elimination of the Leveraging Educational Assistance Program. The short-term CR does not cut Pell Grants.

At the invitation of the President, leaders of the House and Senate met yesterday afternoon with Vice President Joseph Biden, the President’s chief of staff, and OMB Director Jacob Lew to. According to a White House statement calling for the meeting, its purpose is to “find common ground on a budget that makes sure we are living within our means.” No details were provided about the substance of the meeting.

SENATE DEMOCRATS RELEASE FY11 CR WITH $10.5 BILLION IN CUTS  NEW

Earlier, the White House and congressional Democrats offered to cut another $6.5 billion in discretionary spending, in addition to the $4 billion reduction in the two-week-long FY11 CR. Senate Appropriations Committee Chairman Daniel Inouye (D-HI) today released his version of an FY11 CR, and it includes that level of spending cuts.

The plan appears to keep most federal programs at their current funding levels, minus the $10.5 billion or so in proposed cuts. AAU staff and others are still reviewing the proposal, but most of the federal research agency budgets appear to be frozen at FY10 levels, with $200 million for the Advanced Research Projects Agency-Energy, an agency that received no funding in FY10. (The House bill would provide $50 million for ARPA-E.)

A press release describing the Senate plan says it would maintain the maximum Pell Grant award at $5,550. (The House bill would reduce the maximum award to $4,705.) It also would maintain funding for the Supplemental Educational Opportunity Grant program at $757 million.

The $10.4 billion in total proposed cuts are far below the $61 billion in cuts approved by the House. The New York Times reports that Senate Majority Leader Harry Reid (D-NV) plans to allow debate and votes on the two proposals next week “to test support for the competing plans and lay the groundwork for a compromise.”

The White House continues to express support for sustained funding for research and education. The White House statement on budget talks noted above included the following: “This agreement should cut spending and reduce deficits without damaging economic growth or gutting investments in education, research and development that will create jobs and secure our future.”

INNOVATION TASK FORCE LETTER URGES SENATORS TO REJECT RESEARCH CUTS IN HOUSE FY11 CR  NEW
A group of 170 higher education and business organizations and institutions sent a letter to all members of the Senate on March 3 urging them to reject the funding cuts in key research agencies adopted by the House as part of its long-term FY11 continuing resolution (CR).

The letter, spearheaded by the Task Force on American Innovation, in which AAU participates, urges Senators to continue to support the goals of the COMPETES Act and reject the House-approved cuts that would “significantly reduce funding for the key research agencies, including the National Science Foundation (NSF), the Department of Energy (DOE) Office of Science, and the National Institute of Standards and Technology, as well as science, technology, engineering, and math (STEM) education programs contained in that law.”

Congress first enacted the COMPETES Act in 2007 on a bipartisan basis, to create a broad blueprint for strengthening the pillars of American innovation and competitiveness by: increasing the nation’s commitment to basic research in the physical sciences and engineering, strengthening STEM education, and fostering a business environment to drive innovation. These initiatives were based on the recommendations contained in the National Academies’ report, “Rising Above the Gathering Storm.” The law was reauthorized on a bipartisan basis late last year.

**GAO IDENTIFIES SAVINGS FROM REDUCING PROGRAM OVERLAPS, DUPLICATION**

A new report by the Government Accountability Office (GAO) says the federal government might save billions of dollars and provide more efficient services if it could reduce or eliminate duplication and overlap in dozens of federal programs. The study, released on March 1, describes duplication across an array of government activities, including defense, health, homeland security, and economic development. It appears that the only recommendation in the report that addresses research is one that calls for better management of research and development at the Department of Homeland Security. In education and training, the report identifies 44 programs in employment and training across three agencies; 82 teacher quality programs spread across 10 agencies, and 56 programs in financial literacy at more than 20 agencies.

The GAO report was prompted by an amendment offered by Senator Tom Coburn (R-OK) to last year’s legislation raising the federal debt limit.

**OTHER CONGRESSIONAL ISSUES**

**SENATE MAKES PROGRESS ON PATENT REFORM BILL**

The Senate this week debated but did not vote on final passage of The America Invents Act of 2011 (S. 23), legislation to update and reform the U.S. patent system. National Journal reports that Senate Majority Leader Harry Reid (D-NV) filed for cloture on the bill yesterday, with a vote expected on Monday evening, March 7, and final passage likely by mid-week.

During consideration of the bill yesterday, the Senate rejected an amendment offered by Senators Dianne Feinstein (D-CA) and Barbara Boxer (D-CA) which would have struck a key provision
of the bill calling for a transition from a first-to-invent to a first-inventor-to-file (FITF) system. The vote to table the Feinstein-Boxer amendment was 87 to 13.

The six higher education associations that have worked together on this issue, including AAU, strongly support the overall bill, as well as the specific provision to move to first-inventor-to-file. The groups expressed that support in a letter to the Senate on February 28. FITF is one of the primary recommendations for patent reform made by the National Academies committee co-chaired by Yale University President Rick Levin. Its removal effectively would have killed the bill in the Senate.

An FITF patent system would harmonize the U.S. system with that of other countries and facilitate the ability of U.S. patent holders to secure patent protection internationally. It also is expected to reduce litigation costs and increase the efficiency of the patent system.

Early in the patent reform process, some universities expressed concerns about adoption of an FITF system. To address those concerns, the university community asked for the inclusion of three provisions in patent reform legislation: 1) an effective grace period supporting academic publishing; 2) continuation of provisional patent applications; and 3) a strong inventors oath. All three provisions have been included in all versions of patent reform legislation since that request was made, and they are included in S. 23.

The six associations working together on behalf of patent reform are AAU, the Association of Public and Land-grant Universities, the Association of American Medical Colleges, the Association of University Technology Managers, and the Council on Governmental Relations.

EXECUTIVE BRANCH

COMMENTS REQUESTED ON REGULATIONS THAT PROTECT HUMAN SUBJECTS IN RESEARCH  UPDATED

The Presidential Commission for the Study of Bioethical Issues published a Federal Register notice on March 2 seeking comments on current regulations and standards related to the conduct of research involving human subjects. Comments are due on May 2.

The Commission notice says the panel is interested in receiving comments on the following issues, among others:
- the existing standards for protecting human subjects, both domestically and internationally;
- how the current system of global research works in practice; and
- the ethical and social justice issues that emerge from the current research system.

Comments concerning the following areas are “especially welcome:”
- the benefits of medical research;
- differences across global norms and standards;
- standards for ancillary care and post-trial access to treatment;
- trial design;
- duties to participants;
- challenges, if any, faced by U.S.-funded researchers working internationally, or international researchers collaborating on U.S.-funded research; and
other specific information.

The Commission is chaired by University of Pennsylvania President Amy Gutmann; the vice chair is Emory University President Jim Wagner.

ASSOCIATIONS URGE EDUCATION DEPARTMENT TO DROP “STATE AUTHORIZATION” PROVISIONS  NEW

A group of 60 higher education associations and accrediting organizations, including AAU, sent a letter to the Department of Education on March 2 urging the Department to rescind the “state authorization” provisions of the program integrity regulations the Department issued last October. As stated in the letter:

“These final regulations significantly expand and complicate the existing federal requirements for institutions to be ‘legally authorized’ in a state. While the final rule reflects changes from the draft proposal, these changes do not address the concerns we raised during the rulemaking process. In addition, the final rule includes an entirely new and problematic provision regulating distance education programs.”

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