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CONGRESSIONAL SCHEDULE   NEW

The House met in pro forma session on Thursday, September 29, to approve a week-long stopgap funding bill (see item below). The chamber will reconvene on Monday, October 3. No legislative program has been announced, but the House will need to consider the longer-term funding bill that lasts through November 18.

The Senate also met in pro forma session Thursday, September 29, with no business enacted. When the Senate reconvenes on Monday, October 3, it will consider executive nominations and vote on a cloture motion to consider the currency exchange oversight reform act (S. 1619).

BUDGET & APPROPRIATIONS

CONGRESS APPROVES WEEK-LONG FY12 CR   NEW

The House averted a government shutdown yesterday when it approved by unanimous consent a week-long FY12 continuing resolution (CR) to keep the federal government running through next Tuesday, October 4. Before the short-term measure expires, the chamber is expected to take up the longer CR that lasts through November 18. Members of Congress have been out of town this week for the Jewish holiday.

Both CRs were approved by the Senate on September 26, after House and Senate leaders reached a two-step deal to resolve the impasse over how to treat emergency disaster spending. The CRs
are needed because Congress has not approved the appropriations bills for the fiscal year which begins tomorrow, October 1.

The new version of the CR eliminates the $1 billion in FY11 disaster assistance and the $1.6 billion in spending offsets from energy-related programs that were included in the original House-passed bill. The new version includes the House bill’s $2.65 billion for FY12 emergency disaster assistance, without offsets. Additional emergency disaster assistance could be added later in the year, also without offsets, because the Budget Control Act that was agreed to in August provides for up to $11.3 billion in additional emergency disaster relief aid in FY12.

**CONGRESS FAILS TO PROVIDE PATENT OFFICE ACCESS TO NEEDED FUNDS**

Advocates for patent reform had hoped that the FY12 CR would include special language—a so-called anomaly—to give the U.S. Patent and Trademark Office (USPTO) access to the added funding authorized by the new patent reform law. Unfortunately, that language was not included in the CR.

As discussed previously, the new patent reform law creates many new tasks for the USPTO and gives the agency significantly greater access to the fees it collects to support its now-expanded operations. The FY12 omnibus appropriations package is expected to reinstate USPTO’s facilitated access to its fees, as provided by the new law and committed to in the report of the House-passed FY12 Commerce-Justice-Science appropriations bill.

However, without special language in the CR, current funding will continue for USPTO through November 18. And because Congress may need one or more short-term CRs before a final FY12 funding package is agreed to has USPTO stakeholders continuing to urge House and Senate appropriators to insert the USPTO fee access language into any funding legislation for the agency.

**HOUSE APPROPRIATIONS COMMITTEE RELEASES DRAFT FY12 LABOR-HHS-EDUCATION BILL**

House Republicans yesterday released a draft FY12 Labor-HHS-Education appropriations bill that provides total funding of $153.4 billion, which CQ Today reports is $4 billion less than the FY11 level and the same as in the Senate FY12 bill. The House bill, however, would allocate funding quite differently from the Senate measure, setting up what the publication calls “a policy battleground with Senate Democrats this fall.” No date has been announced for a subcommittee markup of the bill.

In general, the bill would increase funding for the National Institutes of Health (NIH) and maintain the Pell Grant maximum award of $5,550 by tightening student eligibility.

As described in the committee press release, the House bill would fund NIH at $31.7 billion, which is an increase of $1 billion, or 3.3 percent, over the FY11 level, and the same as the President’s request. The bill approved by the Senate Appropriations Committee would fund NIH at $30.5 billion, a reduction of $190 million from FY11.

Unlike the Senate bill, the House draft provides no funding for NIH’s new National Center for Advancing Translational Sciences and continues funding for the National Center for Research Resources, which the Administration and the Senate measure would eliminate. The Ad Hoc
Group for Medical Research notes that the House draft contains no funding for the Cures Acceleration Network (which the Senate bill would fund at $20 million), but instead provides up to $10 million to the NIH Director’s Discretionary fund, “some of which can be used to establish a Cures Acceleration Board tasked with providing recommendations for future CAN funding.”

Like the Senate bill, the House draft would preserve the $5,550 maximum award for the Pell Grant program, but it would do so by modifying Pell Grant eligibility. The Senate measure would instead eliminate the interest subsidy on undergraduate student loans during the six-month grace period before repayment begins. The House draft would eliminate from Pell eligibility students who attend college less than half-time or have not earned a high school diploma or GED, and would limit lifetime eligibility for a Pell Grant to six years, down from nine years. The committee report says the measure also would roll back “recent and unnecessary changes to the qualification formula,” which include rollbacks in the Income Protection Allowance, the minimum grant level, the definition of zero expected family contribution, and the definition of untaxed income. These changes would take effect on July 1, 2012.

As in the Senate bill, the following programs would be level-funded: Supplemental Education Opportunity Grants, Federal Work Study, TRIO, GEAR UP, Teacher Quality Partnerships, and Graduate Assistance in Area of National Need. Unlike the Senate bill, the House draft would zero out funding for Javits graduate fellowships. The House draft also would flat-fund Title VI domestic programs, but it would eliminate funding for overseas programs and the Institute for International Public Policy.

The Institute of Education Sciences would receive an increase for regional education labs; otherwise the components are flat-funded.

The House draft would prevent the Department of Education from using any funds to implement, administer, or enforce its final regulations on state authorization and credit hour, as well as the regulations on the gainful employment-new programs (published on October 29, 2010), and final regulations on gainful employment (published on June 13, 2011). The measure also would prevent the Department from promulgating or enforcing ANY new regulation or rule with respect to gainful employment on or after the date of enactment.

EXECUTIVE BRANCH

STUDENT AID ADVISORY COMMITTEE RELEASES PRELIMINARY RESULTS ON REGULATORY BURDEN  NEW

The Advisory Committee on Student Financial Assistance yesterday released preliminary findings from its review and analysis of regulations affecting higher education, as mandated by the Higher Education Opportunity Act of 2008. Among the committee’s many findings: a large majority of survey respondents perceive HEA regulations as burdensome or overly burdensome; and a majority of respondents rank HEA regulations among the most burdensome of all types of regulation.

The Committee has concluded that although a good number of burdensome regulations have been identified, the study likely needs to be refocused in order to “gather more quantifiable data on the level of burden for each of the regulations, determine a way to prioritize the recommendations, and recognize the ways in which the suggested regulations impact different sectors of higher education in different ways.”
The Advisory Committee held a hearing today to discuss the report findings and hear from campus officials on related issues, and will conduct several additional follow-up activities. The panel plans to deliver its final report to Congress and the Secretary of Education later this year.

AAU encouraged campuses to participate in the survey in order to demonstrate to Congress and the Department of Education the strength of support for reform and to provide specific recommendations for streamlining and eliminating burdensome regulations.

**ADVANCED MANUFACTURING PARTNERSHIP WEBSITE IS NOW LIVE**

The website for the Obama Administration’s Advanced Manufacturing Partnership (AMP) is now live.

President Obama announced the AMP last June at Carnegie Mellon University as a national effort to bring together industry, universities, and the federal government to invest in emerging technologies that could create high-quality manufacturing jobs and improve the nation’s global competitiveness. The Partnership is led by Andrew Liveris, Chairman, President, and CEO of Dow Chemical, and Susan Hockfield, President of the Massachusetts Institute of Technology.

The Georgia Institute of Technology has set up a website for the first AMP regional meeting, which the campus is hosting on October 14. This meeting is open to the public, and university representatives in the area are encouraged to attend.

**OSTP THANKS AAU, APLU, UNIVERSITIES FOR COMMITMENT TO ECONOMIC DEVELOPMENT**

The White House Office of Science and Technology Policy (OSTP) posted a blog on September 28 praising a group of U.S. university leaders for their commitment to increase their activities to advance regional and national economic growth and foster technology transfer. The blog also thanked AAU and the Association of Public and Land-grant Universities (APLU) for their efforts in “encouraging universities to strengthen their research commercialization efforts.”

The OSTP statement followed up on the September 16 White House event in which the President signed into law patent reform legislation (H.R. 1249), and highlighted both a letter sent to then-Secretary of Commerce Gary Locke by 140 university presidents and chancellors committing to increased economic development efforts and the announcement that day by more than 40 universities of their plans to follow through with specific commercialization efforts.

**AAU, APLU, NSF ISSUE STATEMENT ON NEED FOR PROGRESS ON CAREER-LIFE BALANCE POLICIES**

AAU President Hunter Rawlings participated in a White House event on September 26 that called attention to the importance of supporting and retaining women and girls in science, technology, engineering, and mathematics (STEM) fields. Dr. Rawlings, National Science Foundation Director Subra Suresh, and APLU President Peter McPherson issued a joint statement in which the two associations committed “to working with the National Science Foundation to support and promote flexible work and learning environments for those in STEM and other disciplines in the nation’s universities.”
FDP STUDY SHOWS ADDED COSTS OF ARRA REPORTING

The Federal Demonstration Partnership (FDP) has released an executive summary of its survey of the administrative impact of reporting requirements for the American Recovery and Reinvestment Act (ARRA), which shows that additional costs for survey respondents averaged nearly $8,000 per award. Under ARRA regulations, colleges and universities are not allowed to seek government reimbursement for these added costs.

The FDP survey found that for the 100 institutions responding, additional administrative costs averaged $7,973 per grant, with about one-third of the institutions adding administrative staff to assist with the added reporting and compliance requirements. Those institutions that increased staff added an average of three to 3.3 full-time employees. The full report will be published in October, 2011.

Part of the significance of the FDP survey findings is that the Digital Accountability and Transparency Act of 2011 (H.R. 2146), introduced by Rep. Darrell Issa (R-CA), would extend most of the ARRA reporting requirements—with the most notable exception of the ARRA job reporting requirements—to non-ARRA federal research grants and contracts. The bill would not require federal agencies to eliminate and replace other similar reporting requirements they already impose. AAU, APLU, and the Council on Governmental Relations wrote to Rep. Issa on September 15 to voice concerns about the bill.

The Federal Demonstration Partnership is a group of federal agencies, academic research institutions with administrative, faculty and technical representation, and research policy organizations that work to streamline the administration of federally sponsored research. The FDP is convened by the Government, University, Industry Research Roundtable of the National Academies.

AAU PRESIDENT TESTIFIES BEFORE TEXAS COMMITTEE ON HIGHER EDUCATION REFORM

AAU President Hunter Rawlings testified before a special House-Senate panel of the Texas legislature on September 21 on ways to improve higher education governance. President Rawlings and other higher education leaders were asked to share their views on university governance with the Joint Oversight Committee on Higher Education Governance, Excellence, and Transparency, which aims to ensure that governing boards for the University of Texas and Texas A&M University systems follow best practices in developing and instituting policies.

As reported by the Texas Tribune:

“Earlier in the year, controversy erupted when legislators and members of the higher education community, particularly those at the University of Texas, became concerned that university system regents might actually attempt to implement the controversial ‘seven breakthrough solutions’ published by the conservative Texas Public Policy Foundation and promoted by Gov. Rick Perry in 2008.

One of the invited speakers, Hunter Rawlings, president of the Association of American Universities, an elite group of top-tier research universities, also stuck to his
predecessor's assertions that the ‘solutions’ were ‘ill-informed.’ He criticized efforts to, as he put it, force institutions of higher learning toward a ‘corporate model.’

‘Such criteria are ill-suited for universities because they reduce the classroom to an assembly line, the library to a book depository, and the lab to a for-profit business,’ Rawlings stated during his testimony. Rawlings said the research conducted by universities must be valued because it promotes the critical science, engineering and math fields.”

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