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CONGRESSIONAL SCHEDULE  NEW

The House did not meet today and will reconvene in pro forma session on Monday, October 31. The legislative program for next week has not been announced at this writing.

The Senate was out of session this week, except for two pro forma sessions. When the chamber reconvenes on Monday, October 31, it will take up a judicial confirmation. On Tuesday, the chamber is expected to resume consideration of the FY12 “minibus” appropriations bill (H.R. 2112) (see story below).

BUDGET & APPROPRIATIONS

SENATE TO RESUME WORK ON FY12 “MINIBUS” NEXT WEEK  UPDATED

The Senate is expected to resume consideration on November 1 of the FY12 “minibus” appropriations package, which includes the Agriculture (H.R. 2112), Transportation-Housing (S. 1596), and Commerce-Justice-Science S. 1572 funding bills. Although the Senate was unable to finish the minibus last week, Majority Leader Harry Reid (D-NV) was able to secure a cloture motion on the bill, so he will be able to control debate more tightly when the Senate resumes work on the bill next Tuesday. Congressional leaders hope that approval of such smaller packages of FY12 appropriations bills will allow Congress to avoid using an omnibus FY12 appropriations package to enact all 12 funding bills.

The lengthy Senate process has prompted House lawmakers to consider adding a second continuing resolution (CR) to the minibus when it goes over to the House, reports CQ Today. That would provide more time to finish the remaining FY12 appropriations bills beyond the November 18 expiration of the current CR.
The Senate so far has approved only the FY12 Military Construction-Veterans appropriations bill. However, the Appropriations Committee has reported out 11 of the FY12 bills, with only the Interior and Related Agencies bill still to be considered. The House has approved six out of 12 bills, with nine reported out of committee. At the subcommittee level, only the House Labor-HHS-Education funding bill remains in draft form and has not been considered.

**HIGHER EDUCATION COMMUNITY SUBMITS TESTIMONY ON CHARITABLE DEDUCTIONS**

A group of seven higher education associations, including AAU, on October 26 submitted testimony for the record to the Senate Finance Committee for its October 18th hearing, “Tax Reform Options: Incentives for Charitable Giving.”

The associations’ testimony says, “While we recognize the need to reduce the federal deficit and address the rising national debt, we urge the committee to proceed very cautiously in making changes to the current federal charitable income tax deduction, which helps generate needed private support for colleges and universities.” The statement concludes, “…we strongly urge the Finance Committee to preserve the value of the federal income tax deduction for charitable contributions. Now is not the time to make changes in the charitable deduction that would result in a loss of charitable support.”

**EXECUTIVE BRANCH**

**AAU, APLU SUBMIT COMMENTS ON HUMAN SUBJECTS PROTECTION ANPRM**

AAU and the Association of Public and Land-grant Universities (APLU) on October 26 submitted joint comments on the federal government’s Advanced Notice of Proposed Rulemaking (ANPRM) on human subjects research protections. The ANPRM proposes major revisions to the Common Rule, the federal policy which governs human subjects research regulations for 15 federal departments and agencies.

AAU and APLU praised the Department of Health and Human Services (HHS), which issued the ANPRM, “for proactively and thoughtfully engaging in this review of the Common Rule.” They noted that the review presented “a rare opportunity to focus, in a positive way” on protection of human research subjects “with regulations that are reasonable, evidence-based, and that reflect the needs and values” of all stakeholders.

AAU and APLU also endorsed many of the principles espoused in the ANPRM, such as calibrating the level of review to the level of risk involved in research and facilitating the use of a single Institutional Review Board (IRB) for studies involving multiple institutions. However, the two associations raised several concerns about proposals in the ANPRM to implement those goals. For example, AAU and APLU support the idea of creating a system in which research presenting minimal risk would be removed from the extensive IRB review process, but they question the feasibility of implementing the complex system of “excused” research and retrospective audits detailed in the ANPRM. Regarding the ANPRM’s proposal to extend the regulations to cover all human subjects research, regardless of funding source, the associations said that “careful consideration must be given to the effects such an extension would have on areas such as students’ research, research related to classroom education or research on alternative ways to protect human subjects.”
In closing, the associations called for greater stakeholder engagement as the regulatory process moves forward, pointing out that “no matter how worthwhile the intent of changes to human subjects protection, the effects of such changes ultimately lie in the implementation details.” AAU and APLU recommended that HHS consider hosting stakeholder meetings or listening sessions to better refine the proposals as the agency moves toward the next stage of rulemaking.

**PRESIDENT ANNOUNCES STUDENT LOAN CHANGES, DOED BEGINS RULEMAKING PROCESS  UPDATED**

President Obama this week announced a plan to help students manage their student loan debt by expanding income-based repayment for current students and allowing students to consolidate their existing loans into one Direct Loan. The Department of Education (DOEd) followed up on that announcement with a notice in today’s Federal Register stating that it will establish a negotiated rulemaking committee to prepare new regulations to implement the proposed changes.

The “Pay as You Earn” plan will allow borrowers to cap their student loan payments at 10 percent of their discretionary income and forgive outstanding loan balances after 20 years beginning in 2012. (The current 15-percent income-contingent payment cap was scheduled to drop to 10-percent in 2014; this would speed up the change by two years.) The White House estimates that only 450,000 out of the 36 million students with federal student loan debt are taking advantage of income-based repayment. The new cap could reduce monthly payments for more than 1.6 million student borrowers.

The plan also will provide a discount on consolidation loans. According to the White House, there are $400 billion in outstanding Federal Family Education Loans (FFEL) and approximately six million borrowers with at least one Direct Loan (DL) and one FFEL. Beginning in January 2012, borrowers will have the option of consolidating their loans into one DL with one monthly payment. They also will receive up to a 0.5 percent reduction in the interest rate on some of their loans. Borrowers eligible for consolidation will be contacted in early 2012.

Secretary of Education Arne Duncan said that the Department hopes that simplifying repayment will make it less likely that borrowers will default. The President’s FY12 budget request included a similar program to encourage split borrowers to consolidate.

**OTHER**

**COLLEGE BOARD RELEASES ANNUAL COLLEGE PRICING AND STUDENT AID REPORTS**

Although the published tuition prices of colleges and universities rose in 2011, the average net tuition and fees actually dropped in almost all sectors from last year, according to two reports released October 26 by the College Board. Net tuition and fees are the total cost after subtracting grant aid from all sources and federal education tax credits and deductions.

The two reports, “Trends in Student Aid” and “Trends in College Pricing,” show that average net tuition and fees at public four-year institutions have increased by $170 from five years ago. This, according to the College Board, is despite the fact that over the past three years—between 2007-08 and 2010-11—state appropriations for higher education have dropped by 18 percent per
full-time student. The reduction in state support for higher education is the largest three-year
decline in 30 years.

By sector, the College Board says that average tuition and fees for in-state residents at public
four-year institutions rose by 8.3 percent from last year to $8,244, while the average for out-of-
state residents at public institutions rose by 5.7 percent to $20,770. Average tuition and fees rose
by 4.5 percent at private nonprofit institutions to $28,500, by 3.2 percent at for-profit institutions
to $14,487, and by 8.7 percent at community colleges to $2,963.

The reports also found that over the past year, grant aid per undergraduate student increased by
about seven percent, while the average amount borrowed through federal student loans declined
by two percent. Full-time undergraduate students received an average of about $12,455 in
financial aid. This included $6,539 in grant aid, $4,907 in federal loans, and $1,009 in a
combination of tax credits and deductions and Federal Work-Study.

Graduate students received approximately $200 more in grant aid per student than
undergraduates and borrowed $11,500 more in federal loans. These students received an average
of $23,955 in aid, including $6,750 in grant aid, $16,423 in federal loans, and $782 in a
combination of tax credits and deductions and Federal Work-Study.

Additionally, total postsecondary enrollment increased by about 22 percent over the past five
years, with full-time enrollment increasing more rapidly than part-time enrollment. The largest
enrollment increases were in public two-year institutions and for-profit institutions.

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