CONGRESSIONAL SCHEDULE  NEW

OTHER CONGRESSIONAL ISSUES

House to Consider Bill to Repeal Credit Hour and State Authorization Regulations

The House of Representatives is expected to consider legislation next week that would repeal Department of Education regulations on state authorization and credit hour.

The Protecting Academic Freedom in Higher Education Act (H.R. 2117), introduced by Rep. Virginia Foxx (R-VA), would repeal the state authorization regulation that significantly expands federal requirements for an institution to legally operate within a state. The rule, for example, forces institutions that offer distance education programs to meet state requirements in every state in which they have a distance education student. In response to concerns raised by the higher education community, the Department of Education announced in April 2011 that it would take a “limited enforcement approach” over the next three years on the distance learning portion of this rule.
H.R. 2117 also would repeal the new federal definition of credit hour—which institutions are concerned could open the door to federal interference in core academic decisions related to curriculum—and would prohibit the Secretary of Education from establishing a regulation about credit hour in the future.

A group of more than 70 higher education associations and accreditors, including AAU, sent a letter to Rep. Foxx last June thanking her for introducing the bill. The measure was approved by the full House Committee on Education and the Workforce on June 15, 2011.

EXECUTIVE BRANCH

OMB TO SOLICIT VIEWS ON A-21 REFORM AND CRAFTING NEW FEDERAL GRANTS “SUPERCIRCULAR” *NEW*

As part of the Administration’s ongoing effort to streamline regulations and improve oversight of federal programs, the Office of Management and Budget (OMB) is taking the next steps toward reforming cost principles and administrative requirements related to federal grants and cooperative agreements.

This effort follows up on work conducted by the Interagency Task Force on Circular A-21—to which AAU, other higher education associations, and many universities provided recommendations last summer—and by review groups for other OMB circulars. The new proposal includes merging several existing federal grant circulars into one “supercircular.”

The agency’s Advanced Notice of Proposed Guidance (ANPG), which is already posted here on the OMB website, will be published in the *Federal Register* on Tuesday, February 28. The goal is to solicit suggestions on ways to consolidate existing grant circulars, such as A-21 and A-87, into a single circular. Under a two-stage process, the ANPG will solicit comments on the set of ideas that OMB has assembled from the various review groups and other sources. OMB will then use those comments to develop a set of specific proposals that it will publish for additional public comment in the late spring, to be followed by final changes during the summer.

Examples of the proposed reforms OMB is considering, relevant to research universities, are: 1) a more risk-based approach to auditing, which aims to create a tiered auditing process based on the amount of federal award dollars received by an entity; 2) exploring alternatives to time and effort reporting, which would revolve around existing pilot efforts; 3) expanding the Utility Cost Adjustment for research to more institutions; and 4) charging allocable administrative support and computers as a direct cost.

The proposed OMB reforms also include the option for universities to choose a flat indirect (F&A) cost rate instead of their negotiated rate. OMB argues that this option might appeal to institutions because it would "reduce administrative burdens on recipients associated with documenting, justifying, negotiating, and maintaining support for a negotiated rate."

AAU will work with the Council on Governmental Relations, other associations, and campus representatives in developing a response to the ANPG. OMB will request responses within 30 days of the date on which the ANPG is published (page 4).
The American Association for the Advancement of Science (AAAS) and the organization, EducationCounsel, will hold a briefing on February 27 to release a new publication aimed at expanding the means for colleges and universities to attract more diverse students into science, technology, engineering, and mathematics (STEM) fields.

The publication, “The Smart Grid for Institutions of Higher Education and the Students They Serve: Developing and Using Collaborative Agreements to Bring More Students into STEM,” provides guidance and tools for developing voluntary, institution-based collaborative agreements for widening student participation in STEM fields. Areas of focus include models between two- and four-year institutions; between multiple four-year institutions (with a focus on minority-serving institutions); and between graduate and undergraduate programs.

The Smart Grid is part of Phase 2 of a multi-year, NSF-funded AAAS project on access and diversity in STEM fields, in which AAU has collaborated.

The briefing will be held on February 27, 2012, at the offices of EducationCounsel, LLC, located at 101 Constitution Ave., NW, Suite 900, Washington, DC. A discussion with a panel of experts from 4:00-5:30 p.m. will be followed by a reception from 5:30-7:00 p.m.

Those interested in attending should contact Pamela Dickson (202-545-2878 or pamela.dickson@educationcounsel.com).

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