CONGRESSIONAL SCHEDULE  NEW

Neither the House nor the Senate met today. When the Senate reconvenes on Monday, July 30, it is expected to consider a court of appeals nomination and resume consideration of cybersecurity legislation (S. 3414).

When the House returns on Tuesday, July 31, the chamber will take up a Republican bill to extend the Bush-era tax cuts for one year (H.R. 8). That action follows the Senate’s approval on June 25 of the Democrats’ tax measure (S. 3412) that would continue the Bush tax cuts for those with incomes up to $200,000 for individuals and $250,000 for couples. CQ.com reports that House Republicans will allow their Democratic colleagues to offer the Senate-passed bill—which Republicans have dubbed a tax hike on small business—as a substitute for their plan. The Senate bill is not expected to pass in the House. The House also will consider legislation (H.R. 6169) that would require expedited consideration of Republicans’ comprehensive tax reform package in the next Congress.

BUDGET & APPROPRIATIONS

EFFORTS SHOW THE IMPACT OF THE SEQUESTER ON NONDEFENSE DISCRETIONARY PROGRAMS

A variety of efforts are underway on Capitol Hill to demonstrate that the scheduled year-end sequester would have a devastating impact on programs funded in the nondefense discretionary (NDD) portion of the federal budget. These advocacy activities are designed to show that nondefense programs—including those in education, research, health care, labor, transportation,
and foreign policy—will be harmed at least as significantly by the sequester as defense discretionary programs. The impact on defense spending and jobs has been a recent focus on Capitol Hill. The activities include the following.

--Group of 78 House Democrats Writes to Leadership on Danger of NDD Sequester Cuts

A group of 78 House Democrats, led by Reps. Rush Holt (D-NJ) and Linda Sanchez (D-CA), sent a letter to House and Senate leaders on July 20 expressing concern over “draconian cuts to important domestic programs” that would result from the scheduled across-the-board cuts under sequestration. The Members also made clear that they would not support any budget deal that sought to avoid cuts only in defense programs.

--Senator Harkin Holds Hearing, Releases Report on Effects of Sequester

Senator Tom Harkin (D-IA), chair of the Senate Appropriations Subcommittee on Labor-HHS-Education, held a hearing on July 25 regarding the impact of the sequester on education programs. He also released a report detailing the impact of the sequester more broadly on programs under his panel’s jurisdiction. The report, “Under Threat: Sequestration’s Impact on Nondefense Jobs and Services,” is available here. It says that the National Institutes of Health (NIH) would be cut by $2.4 billion under sequestration, allocated across the NIH Institutes and Centers. The report notes, however, “OMB recently determined that, under the terms of the Budget Control Act, discretionary and mandatory Pell Grant funding would be exempt from sequestration.”

--NDD Coalition Holds Capitol Hill Rally to Decry NDD Sequester Cuts

A coalition of groups and institutions organized to support NDD programs on July 25 staged a rally on Capitol Hill to urge Members of Congress to avoid the year-end sequester. Among its other activities, the group sent a letter to all Members of Congress on July 12—co-signed by nearly 3,000 groups, including AAU—which urged Members not to approve further cuts to the nondefense discretionary portion of the budget.

SENATE FINANCE COMMITTEE REVIEWS HIGHER ED TAX INCENTIVES

The Senate Finance Committee held a hearing on July 25 to review higher education tax incentives. The session, which was part of the Committee’s continuing series of hearings on tax reform, focused on current tax incentives and potential improvements to enhance access to higher education.

Several issues were addressed in the witness testimony and the ensuing discussion, including: increasing tuition prices; the efficiency and effectiveness of tax incentives in improving access to and completion of higher education; potential consolidation of current higher education credits and other tax provisions; and whether or not federal student aid and higher education tax incentives contribute to increasing tuition prices.

Senator Charles Grassley (R-IA) and hearing witness Lynn Munson, president and executive director of Common Core, discussed other higher education tax provisions and tax subsidies for higher education institutions and urged greater transparency for taxpayers. They specifically
mentioned the tax-exempt status of traditional colleges and universities; the uses, value, and payouts of university endowments; charitable giving to universities; and tax-exempt bonds.

The opening statements by Chairman Max Baucus (D-MT) and Ranking Member Orrin Hatch (R-UT), witnesses’ written testimony, and video of the hearing are available on the Committee’s website. Senator Grassley’s opening statement is available here. Senators Jeff Bingaman (D-NM), Ron Wyden (D-OR) and John Thune (R-SD) also attended the hearing.

OTHER

ASSOCIATIONS SUBMIT BRIEF TO NLRB ON NYU GRADUATE STUDENT UNIONIZATION CASE

Under the leadership of the American Council on Education (ACE), several higher education associations, including AAU, filed an amicus brief on July 23 with the National Labor Relations Board (NLRB) regarding a case that deals with the unionization of graduate students at New York University (NYU). The ACE-led brief argues the associations’ longstanding position that graduate students at private universities are primarily students, not employees, so they should not be allowed to unionize. (As noted by Inside Higher Ed, state laws govern unionization of graduate students at public universities, and the states have taken different positions on the issue.)

Last June, the NLRB regional director in Manhattan dismissed a petition by the United Auto Workers (UAW) to unionize graduate student assistants at NYU. As expected, the regional official dismissed the petition based on the NLRB’s 2004 decision which held that graduate students at Brown University were primarily students, not employees. But the regional director also declared that teaching and research assistants at NYU might be considered the university’s employees if the Brown case were reversed. The full NLRB is now reviewing the case.

The ACE-led brief argues:

“Graduate students, admitted on the basis of their academic and scholarly potential, not on the basis of any employment-related qualifications, are expected to teach and conduct research in their quest to become independent scholars and teachers. Participation in teaching or research is one of the defining features of graduate education in the U.S. and one of the principal factors accounting for its exceptional quality.”

The supporting associations are AAU, the Association of American Medical Colleges, the College and University Professional Association for Human Resources, and the National Association of Independent Colleges and Universities.

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