March 22, 2013

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CONGRESSIONAL SCHEDULE  NEW

The Senate met today to continue consideration of its FY14 budget resolution (S. Con. Res. 8). The House did not meet. Congress will be out of session for the next two weeks for the spring recess, with the Senate scheduled to return to session on Monday, April 8, and the House on Tuesday, April 9.

When the Senate returns, its first item of business will be gun control legislation, the Washington Post reports, and Senate Majority Leader Harry Reid (D-NV) said that a package of gun-related measures would likely take several weeks of debate.

BUDGET & APPROPRIATIONS

CONGRESS APPROVES FY13 CR/APPROPRIATIONS PACKAGE  UPDATED

The House gave final approval to the FY13 spending package (H.R. 993) on March 21, sending the bill to the President to sign into law. The vote was 318 to 109. Passage of the bill was needed to sustain federal funding through the end of this fiscal year and avoid a government shutdown after the current continuing resolution (CR) expires next Wednesday, March 27. Lawmakers were anxious to finish the measure this week before the start of the spring recess.
The House vote came the day after the Senate passed the bill by a strong bipartisan vote of 73 to 26, having reached a deal earlier to limit amendments. House Republican leaders had said earlier that they were ready to move the Senate package quickly in the House, as long as it contained no provisions sufficiently controversial to prevent action.

Overshadowing the FY13 funding bill was the budget sequester, the $85 billion in across-the-board cuts in defense and nondefense spending that went into effect on March 1. Earlier in the year, many lawmakers and others thought that the damaging effects of the sequester would be so egregious—as intended—that Republicans and Democrats would find the means to turn it off. But they did not, the cuts went into effect on March 1, and the final appropriations measure did not eliminate it, so the cuts will be allocated over the final six months of the fiscal year.

As discussed previously (see AAU Weekly Wrap-up 02-15-13), the original House-passed bill included full-year bills for two of the 12 appropriations measures—Defense and Military-Construction-Veterans Affairs—which provided the Defense and Veterans Affairs Departments updated spending priorities and greater flexibility to manage their sequester cuts. The Senate package accepted those two bills and added the FY13 funding bills for Agriculture, Homeland Security, and Commerce-Justice-Science, three bills that the House and Senate had largely agreed on. (Among the agencies that thus benefit from having an appropriations bill are the National Science Foundation and NASA.) The appropriations bills move funds around and provide additional management flexibility, but they do not negate the sequester for those agencies.

The Senate measure also included a number of anomalies, which are limited changes to certain programs and funding levels for agencies covered not by full-year bills but by the CR portion of the legislation. The anomalies are generally modest, however, and also do not negate the sequester. The agencies in this category include the National Institutes of Health (NIH) and the Department of Energy.

The final FY13 funding package included funding and program changes for several research agencies and student aid programs, through both the appropriations bills included in the package and budget anomalies for programs funded through the CR. (Pell Grants are exempt from the sequester in FY13). The information on NSF and NASA has been updated since it was first reported earlier this week; AAU will provide information on other agencies as it becomes available.

AAU also has updated its FY13 priority appropriations table, but the table does NOT yet include the effects of the sequester.

- **National Science Foundation** (NSF): The bill added $221 million for NSF in FY13, raising the agency’s budget to $7.254 billion. After the sequester, however, the agency’s budget will be $6.884 billion. FY12 funding was about $7.033 billion. (See item below on the Coburn amendment.)

- **NASA**: The measure funded the space agency at $17.52 billion, which agency officials estimate will be reduced to $16.65 billion under the sequester. This compares to the FY12 budget of $17.8 billion. Within the NASA post-sequester FY13 total, Science received $4.8 billion, a cut of $295 million from the FY12 level; Aeronautics received $531 million, a cut of about $39 million from the FY12 level; and Education received $116.5 million, a cut of $22 million from the FY12 level.
• Agriculture and Food Research Initiative (AFRI): The bill increased AFRI funding by $25 million to $290 million, before the sequester. The Department indicates that the sequester will reduce the budget to about $274 million, for an INCREASE of $10 million over FY12 funding.

• Department of Energy Office of Science. An anomaly added in the Senate bill CUT $44 million from the Department of Energy, before the sequester. That amounted to cuts of $13 million from the DOE Office of Science, $10 million from ARPA-E, $11 million from Energy Efficiency and Renewable Energy, and $10 million from Nuclear Energy. (In FY12, the DOE Office of Science budget was $4.84 billion, ARPA-E was $275 million, EERE was $1.8 billion, and Nuclear Energy was $765 million.) The sequester will produce further cuts.

• National Institutes of Health: NIH was funded through the CR, but an anomaly in the bill increased the agency’s budget by $71 million, before imposition of the $1.6 billion in sequester cuts. NIH funding in FY12 was about $31 billion.

• Javits Fellowships. An anomaly allows continuation awards for Javits Fellowship recipients under the Graduate Assistance of Areas of National Need program, which Congress consolidated last year. The language enables 100 Javits recipients to receive their last year of funding.

During Senate floor consideration of the measure, the chamber also approved an amendment offered by Senators Kay Hagan (D-NC) and Jim Inhofe (R-OK) to require the military services to maintain their tuition assistance programs for active-duty troops. The Defense Department had proposed to significantly cut funding for the programs to help adjust to budget cuts mandated by the sequester, reports Inside Higher Ed. The Army, Air Force, Marine Corps, and Coast Guard had already cut funding for their programs and frozen new applications, said the publication.

SENATE DEMOCRATS ACCEPT MODIFIED COBURN NSF AMENDMENT TO CR

The university research community was deeply disappointed when during floor consideration of the FY13 funding bill, the Senate approved by unanimous consent a compromise version of an amendment by Senator Tom Coburn (R-OK) to defund political science research at NSF. Appropriations Committee Chair Barbara Mikulski (D-MD) had announced the compromise earlier.

Rather than defund all NSF political science research, the compromise language requires the NSF director to certify that any such research funded by the agency demonstrate national security value or economic benefit. The original amendment proposed by Senators Coburn and John McCain (R-AZ) would have eliminated all funding for political science research at NSF and redirected $7 million of the $10 million total to the National Cancer Institute.

The university research community had worked hard to convince Senators to oppose the Coburn-McCain amendment.

The language of the final amendment in the bill is as follows:

From page 189 of the report: SEC. 543. (a) None of the funds made available by this Act may be used to carry out the functions of the Political Science Program in the Division of Social and Economic Sciences of the Directorate for Social, Behavioral, and Economic Sciences of the
National Science Foundation, except for research projects that the Director of the National Science Foundation certifies as promoting national security or the economic interests of the United States.

(b) The Director of the National Science Foundation shall publish a statement of the reason for each certification made pursuant to subsection (a) on the public website of the National Science Foundation.

From page 199 of the report: c) Any unobligated balances for the Political Science Program described in subsection (a) may be provided for other scientific research and studies that do not duplicate those being funded by other Federal agencies. This division may be cited as the ‘‘Commerce, Justice, Science, and Related Agencies Appropriations Act, 2013’’.

HOUSE AND SENATE ACT ON RESPECTIVE FY14 BUDGET RESOLUTIONS

The House and Senate took major steps on the FY14 budget resolution this week. The House approved its measure (H. Con. Res. 25) on March 21 by a vote of 221 to 207, with all Democrats and 10 Republicans voting against it. The Senate began consideration of its budget resolution (S. Con. Res. 8) on March 20 and is continuing work on it today. With more than 130 amendments filed, the so-called “vote-a-rama” could continue into the early morning tomorrow, reports CQ.com.

As discussed previously, the House and Senate budget resolutions have widely different goals and assumptions. Numerous observers have expressed doubt that the two plans can be reconciled after each chamber approves its version.

--The House FY14 Budget Resolution proposes to balance the federal budget in 10 years without raising additional taxes. Among the ways it proposes to do so are extending the caps on discretionary spending for an additional two years (through FY23), repealing the health care law, and turning Medicare into a voucher support system. The plan, developed by Budget Committee Chairman Paul Ryan (R-WI), also would transfer significant discretionary spending from the domestic side of the budget to the defense side. The proposal would limit domestic discretionary spending in FY14 to $414 billion, which is more than $50 billion less than it would be under both the BCA cap and the sequester. Defense programs would receive $552 billion, which CQ.com reports would essentially wipe out the effects of the sequester.

--The Senate FY14 Budget Resolution, in sharp contrast to the House budget plan, would raise tax revenues by about $975 billion and cut spending by about the same amount over the next 10 years. The Democratic plan, which does not aim to balance the federal budget, also calls for replacing the sequester with a mix of different spending cuts and tax increases, and adds $100 billion in new spending on infrastructure and job training. Among other savings, the package calls for reducing defense spending by $240 billion over 10 years and reducing nondefense discretionary spending by $142 billion over that period, reports National Journal.

HIGHER EDUCATION ASSOCIATIONS SEND LETTER ON HOUSE FY14 BUDGET RESOLUTION

UPDATED
A group of 14 higher education associations, including AAU, sent a letter to all Members of the House on March 19 saying they could not support the House FY14 budget resolution. The associations’ letter said that the draconian cuts in discretionary spending imposed by the budget resolution would “limit the opportunities available to a generation of Americans” by cutting Pell Grants and other student financial aid programs and raising the cost of student borrowing. They added, “Further sharp reductions in discretionary funding would also exacerbate the damage to our nation’s scientific research and innovation imposed by sequestration.”

ADMINISTRATION WILL ISSUE FY14 BUDGET ON APRIL 8

The White House will release its FY14 budget on Monday, April 8. The Department of Energy has already announced its budget briefing schedule for that afternoon.

The FY14 budget is more than two months late, which the Administration attributes to the congressional delay in resolving final FY13 appropriations as well as the budget sequester, which went into effect on March 1.

EXECUTIVE BRANCH

OMB EXTENDS DEADLINE FOR COMMENTING ON GRANT REFORM PROPOSAL TO JUNE 2

The Office of Management and Budget (OMB) has announced that it will extend by one month the public comment period for the notice of proposed guidance on the so-called “Omni Circular.” The extension takes the comment period to Sunday, June 2.

The Omni Circular consolidates cost principles and administrative requirements for federal research grants and cooperative agreements and proposes modifications to several OMB grant circulars, including Circular A-21. The proposed circular can be viewed here. Background information about the circular is available in AAU Weekly Wrap-up, February 1, 2013.

HIGHER EDUCATION ASSOCIATIONS COMMENT ON PROVISIONS OF THE AFFORDABLE CARE ACT

A group of 10 higher education associations, including AAU, submitted comments to the Internal Revenue Service (IRS) on March 18 regarding a proposed rule on implementation of the Affordable Care Act (ACA). The comments address health insurance coverage of adjunct faculty and student campus employees.

AAU also joined four other higher education associations in submitting comments to the Department of Health and Human Services regarding self-funded student health insurance plans under the ACA.
AAU submitted comments today on the final report of the NIH Council of Councils Working Group (WG) on Use of Chimpanzees in NIH-Supported Research. The AAU comments focused on three primary areas of the WG’s recommendations: ethologically appropriate housing and retirement facilities for chimpanzees; the maintenance of a research colony of chimpanzees; and how the implementation of the report recommendations will affect the use of other non-human primates (NHP) in NIH-supported research.

In particular, AAU urged NIH to reject the WG’s recommendation to retire the majority of NIH-supported chimpanzees into a federal reserve system and the recommendation to establish infeasible and prescriptive housing requirements for research chimpanzees. The comments noted that there was little scientific evidence for such requirements and that they would come at great cost. Finally, AAU expressed concern over the “precedent this process and ultimate implementation of these recommendations sets for the use of other animal species in NIH-supported research.” The association added, “It is our hope that as NIH moves forward with its consideration of the WG’s recommendations, the agency will reaffirm the vital role of the use of animal models, including non-human primates, in biomedical research and the robust regulatory system that exists to ensure their appropriate use and well-being.”

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