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CONGRESSIONAL SCHEDULE  NEW

The House and Senate each met today in pro forma session, with no votes, after which they adjourned for the Memorial Day recess. The two chambers will reconvene on Monday, June 3. When the Senate returns, it will take up comprehensive immigration reform legislation (see article below).

BUDGET & APPROPRIATIONS

HOUSE APPROPRIATIONS COMMITTEE APPROVES FY14 SUBCOMMITTEE ALLOCATIONS

Boxed in by an extremely low, sequester-driven funding allocation for FY14 and a decision to protect defense- and security-related bills from the impact of the sequester, the House Appropriations Committee on May 21 approved a plan to distribute funding among its 12 subcommittees that would increase appropriations for defense- and security-related bills but make large cuts in several major domestic bills. The apparent strategy is to try to move bills with strong bipartisan support—Defense, Homeland Security, Military Construction-Veterans Affairs, and Agriculture—under the current allocation, with the hope that a grand deal could be struck later this year that would raise the overall allocation. Military Construction-VA and Homeland Security were approved in full committee on May 21 and 22, respectively.

Committee Chairman Harold Rogers (R-KY), a strong critic of the budget sequester, said, “The guillotine of sequestration has fallen,” reports Politico. “I think we all agree that its consequences have been, and will continue to be, very harmful, and it should be replaced in the very near term.”
Under terms of the FY13 appropriations deal (P.L. 112-240) approved in March, discretionary funding in FY14 drops to $967 billion, which is a $19 billion, or 17-percent, cut from the already deep sequester cuts taken in FY13. Although the sequester cuts in FY14 would not be across-the-board, they are to be taken equally between defense and nondefense programs.

House appropriators took a different approach. Under their allocation, Defense would receive a $26.2 billion, or 5.4-percent, increase over FY13; Homeland Security would receive a $1.2 billion, or 3.3-percent, increase; and Military Construction-Veterans Affairs would receive a $2.4 billion, or 3.4-percent, increase. Agriculture would receive a $100 million, or 0.6-percent, funding cut.

The domestic funding bill that would take the biggest hit is Labor-HHS-Education, which would be cut by $27.8 billion, or 18.6 percent. Both Energy and Water and Interior-Related Agencies would see cuts of nearly $4 billion, for cuts of 11 percent and 14 percent, respectively. Commerce-Justice-Science, where the National Science Foundation and NASA are funded, would fare relatively well, with a cut of $200 million, or 0.4 percent.

Meanwhile, the Senate Appropriations Committee will use the discretionary spending level set by the Senate-passed FY14 budget resolution and requested by the White House, $1.058 trillion. This is the funding level set by the 2011 Budget Control Act, without the added cuts of the sequester. Committee Chair Barbara Mikulski (D-MD) plans to begin markups in June.

OTHER CONGRESSIONAL ISSUES

SENATE JUDICIARY COMMITTEE PASSES COMPREHENSIVE IMMIGRATION REFORM BILL  UPDATED

The Senate Judiciary Committee on May 21 approved its comprehensive immigration reform bill, the Border Security, Economic Opportunity, and Immigration Modernization Act (S.744), by a vote of 13 to 5, with three Republicans joining 10 Democrats in support. The panel had deliberated for five days and considered more than 200 amendments, reports Politico. Senate leaders plan to take the bill to the Senate floor next month.

In the House, Republican leaders want a different, more conservative version of immigration reform, Politico reports. A bipartisan group reportedly has reached a tentative agreement on a package, although the plan was almost derailed last week over immigrants’ access to federally subsidized health care.

Amendments approved by the Senate Judiciary Committee that are of interest to higher education include:

- **Hirono Amendment**: This amendment, by Mazie Hirono (D-HI), would allow undocumented students who entered the U.S. illegally under the age of 16 and have received provisional immigrant status under the DREAM Act to qualify for federal student loans and work-study. The amendment was approved by voice vote.

- **Hatch Amendment #9**: This amendment was offered by Orrin Hatch (R-UT), Amy Klobuchar (D-MN), and Chris Coons (D-DE), three of the original cosponsors of the I-
Squared bill, which addresses immigration issues for well-educated foreign nationals. The amendment increases the H-1B labor certification fee from $500 to $1,000 in order to fund scholarships for low-income students and programs at minority-serving institutions. It was adopted by voice vote.

- **Grassley Amendment #58**: This amendment, by Charles Grassley (R-IA), requires that employment opportunities posted on the Department of Labor website include additional information. Job listings would be required to include the title and description of the position, the location where the work would be performed, and the name of the employer. The amendment passed by voice vote.

- **Klobuchar Amendment #3**: This amendment, offered by Amy Klobuchar (D-MN), Mike Lee (R-UT), and Mazie Hirono (D-HI), allows for the use of videoconferencing technologies to conduct in-person visa interviews. The amendment passed by voice vote.

- **Sessions Amendment #13**: The original amendment offered by Jeff Sessions (R-AL) would have required that any foreign national deemed a potential threat to U.S. national security submit to an interview with a consular officer when applying for a visa. During debate on the amendment, Charles Schumer (D-NY) offered a second-degree amendment that would give Department of State consular officers access to all terrorist databases and records, in order to determine if an applicant is a threat to national security. The modified amendment passed by a vote of 10-8.

- **Grassley Amendment #69**: This amendment addresses concerns about fraudulent activities of sham universities, including their violation of the Student Exchange Visitor Program (SEVP) and their failure to comply with reporting requirements under the Student and Exchange Visitor Information System. The amendment would put in place new anti-fraud provisions for student visas and require that designated school officials at each institution undergo background checks every three years. Senator Schumer offered a second degree amendment which made minor changes to the original amendment. The modified amendment passed by voice vote.

- **Grassley Amendment #77**: This amendment requires the Secretary of Homeland Security to transmit student visa data from the SEVP to U.S. Customs and Border Protection within 120 days after enactment of the bill. Failure to transmit this information would result in the suspension of the issuance of F and M visas. Despite concerns raised by some members of the committee, the amendment passed by voice vote.

**HOUSE APPROVES STUDENT LOAN INTEREST RATE BILL**  
**UPDATED**

While Congress is moving ahead with legislation to prevent the interest rates on Stafford federally subsidized student loans from doubling to 6.8 percent on July 1, there is no agreement among congressional Republicans, Democrats, and the White House on how best to do so.

The House yesterday passed the Smarter Solutions for Students Act (H.R. 1911), which would base the interest rates for student loans on the government’s cost of borrowing, with interest rates changing from year to year and a cap on how high the rates could go. The final measure included the text of a bill introduced by Rep. Luke Messer (R-IN), H.R. 1949—added to the rule
for floor consideration—that directs the Secretary of Education to convene an advisory
commitee to study what information students and families have, want, and need in researching
their college options. H.R. 1911 was approved on a largely party-line vote of 221 to 198.

Under the auspices of the American Council on Education (ACE), several higher education
associations, including AAU, wrote to committee leaders on May 15 expressing support for
many elements in H.R. 1911, but also expressing concern about its potential impact on graduate
students. ACE and a smaller group of associations, including AAU, wrote a follow-up letter on
May 22 reiterating their general support of the measure, adding that they looked forward to
working with committee leaders on such issues as the impact on graduate students and interest
rates in the out years.

Although the House bill is based in part on the proposal in President Obama’s FY14 budget, the
White House on May 22 issued a veto threat against H.R. 1911, complaining that the measure
does not lock in low rates for today’s students and does not include the President’s income-based
repayment option for borrowers who have left school. The statement also argued that student
loan interest rates should not be raised to help reduce the deficit. (The House bill would result in
$3.7 billion in additional federal revenue over 10 years.)

Meanwhile, Senate Democrats have introduced, and House Democrats are supporting, the
Student Loan Affordability Act of 2013 (S. 953), which would maintain the interest rate at 3.4
percent for two years, using non-education savings offsets, while Congress works to address the
long-term issue as part of the reauthorization of the Higher Education Act.

**HOUSE PANEL APPROVES DATA ACT UPDATED**

The House Oversight and Government Reform Committee on May 22 approved by voice vote
the Digital Accountability and Transparency (DATA) Act (H.R. 2061), which aims to provide
the public with “consistent, reliable, and searchable government-wide spending data” on
contracts, loans, and grants.

AAU, the Association of Public and Land-grant Universities, and the Council on Governmental
Relations sent a letter to the committee’s leaders in support of the bill.

H.R. 2061 is markedly different from both the bill that was passed by the House in the last
Congress and the Senate version introduced by Senator Mark Warner (D-VA), which was never
considered. Rather than imposing significant new reporting requirements on federal grant and
contract awardees, the revised bill focuses on setting government data standards through changes
in the Federal Funding Accountability and Transparency Act (FFATA).

Senators Warner and Rob Portman (R-OH) introduced a companion measure, S. 994, in the
Senate on May 21.

The revised bill includes a three-year pilot program to evaluate consolidated financial reporting
and its ability to increase transparency and reduce the compliance burden on federal award
recipients. The pilot would include recipients that collectively receive more than $10 billion in
federal funds and have received funds from multiple agencies in the form of contracts, grants,
and sub-awards.
The three associations said in their letter, “We have appreciated the opportunity to work with you during the past two years on the DATA legislation. We commend you for the improvements made to the legislation, which we now support. We look forward to continuing to work with you as the bill advances in the 113th Congress.”

A summary released by the Committee describes the major differences between the old and new versions of the House bill. The Committee has also posted a separate summary of the changes the bill would make to FFATA.

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