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CONGRESSIONAL SCHEDULE   NEW

The House met today to complete consideration of the FY14 Defense authorization bill (H.R. 1960). The Senate did not meet.

When the Senate returns on Monday, the chamber will resume consideration of the Border Security, Economic Opportunity, and Immigration Modernization Act (S. 744). (See item below.) The House also will return on Monday, but the schedule for next week has not yet been announced.

BUDGET & APPROPRIATIONS

HOUSE APPROPRIATIONS COMMITTEE APPROVES FY14 AGRICULTURE FUNDING BILL   NEW

The House Appropriations Committee on June 13 approved its FY14 Agriculture and Related Agencies funding bill, bringing to four the number of FY14 bills the panel has approved. The Committee has also passed the Military Construction-Veterans Affairs (H.R. 2217) and Homeland Security (H.R. 2216) bills, both of which have also passed the House, and the panel
approved the Defense funding bill on June 12 (see item below). None of the remaining eight FY14 appropriations bills has been scheduled for markup.

--Agriculture Appropriations Bill Would Increase Funding for AFRI  NEW

The committee-approved Agriculture bill would provide $290.7 million for the Agriculture and Food Research Initiative (AFRI) in FY14. This is $189,000 more than the FY13 pre-sequester level of $290.5 million, but $92.7 million less than the Administration’s proposed FY14 funding level of $383.4 million. (See page 15 of the committee report for details.)

HOUSE DEFENSE FUNDING BILL SUPPORTS DEFENSE BASIC RESEARCH  UPDATED

The House Appropriations Committee on June 12 approved its version of the FY14 Defense appropriations bill. Many of the funding levels for R&D in the bill are the same as the President’s FY14 budget; however, there are a few differences to note.

The committee-approved funding level for overall research, development, testing & evaluation (RDT&E) is $66.4 billion. This is $1.1 billion, or 1.6 percent, below the President’s budget request of $67.5 billion.

• **Basic Research.** The FY14 appropriation maintains strong support for 6.1 basic research at $2.2 billion. This is an increase of $5 million over the President’s request, all in Air Force 6.1.

• **Applied Research.** 6.2 applied research sees an overall increase of $52.2 million above the President’s FY14 request, to $4.7 billion. Army 6.2 research would receive a $25 million increase, Navy 6.2 a $15 million increase, Air Force 6.2 a $10 million increase, and Defense-wide 6.2 a $2.2 million increase.

• **Advanced Technology Development.** 6.3 advanced technology development research sees the biggest overall increase of $275.6 million above the President’s FY14 request, to $5.5 billion. Army 6.3 would receive a $69 million increase, Navy 6.3 a $40.7 million increase, and Defense-wide 6.3 a $174 million increase. However, Air Force 6.3 would receive $609.5 million, an $8 million cut from the President’s request.

The committee report did not include a comparison to the FY13 funding levels.

The committee-approved bill is generally consistent with the 20/20 principle contained in AAU’s FY14 funding recommendation. The 20/20 principle is that gradually, over the next three years, Science and Technology (S&T) funding at the Department of Defense (DOD) should grow to become 20 percent of total RDT&E funding at DOD and 6.1 basic research should grow to become 20 percent of S&T.

AAU’s FY14 Department of Defense funding table is available here.
The Senate Appropriations Committee will begin work next week on its FY14 funding bills. On June 18, the Agriculture and Military Construction-Veterans Affairs subcommittees will mark up their respective bills. On June 20, the full committee will take up the two bills, as well as the chair’s plan for allocating funding among the 12 subcommittees—the so-called 302(b) allocations.

Committee Chair Barbara Mikulski (D-MD) will encounter strong Republican resistance to her plan, CQ.com reports. Senate Republican appropriators have said they will oppose her allocations because the spending total exceeds the discretionary spending cap established by the Budget Control Act of 2011 and substantially reduced by the subsequent sequester.

House and Senate appropriators are working with discretionary spending totals set by their respective FY14 budget resolutions, which are $91 billion apart. House Appropriations Committee Chair Harold Rogers (R-KY) is using the House-approved discretionary funding cap of $967 billion, which is $17 billion below the already-tight FY13 funding level of $984 billion; Senator Mikulski is using the pre-sequester FY14 funding level of $1.058 billion.

OTHER CONGRESSIONAL ISSUES

SENATE BEGINS DEBATE ON COMPREHENSIVE IMMIGRATION REFORM BILL

By an overwhelming vote of 82 to 15, the Senate on June 11 voted to invoke cloture and proceed to consideration of the comprehensive immigration reform bill (S. 744), which was developed by the “Gang of Eight” and voted out of the Senate Judiciary Committee following consideration of more than 200 amendments. (The Senate approved the actual motion to proceed by a vote of 84 to 15.)

Floor debate on the immigration bill is expected to consume most of June, and Senate leaders hope the chamber will approve the measure before the July 4 recess. Majority Leader Harry Reid (D-NV) has told Senators to be prepared to work all of next week and into the weekend, if necessary, to complete action on the bill.

So far, the Senate has acted on only one amendment, voting to table an amendment by Senator Charles Grassley (R-IA) that would have required the Administration to certify “effective control over the entire southern border” of the U.S. for six months before any undocumented immigrants could apply for legal status. Senator John Cornyn (R-TX) has offered a more stringent amendment linking border security and legalization, but Republican supporters of the bill are working to develop an alternative proposal, reports Politico.

Meanwhile, House Speaker John Boehner (R-OH) has said he hopes a House bill will clear the House Judiciary Committee by the end of June, reports CQ.com, and that Congress will approve a final bill by the end of the year. National Journal says the nature of a House bill “remains a mystery,” because House Judiciary Committee Chair Bob Goodlatte (R-VA) has not yet marked up any of the immigration bills that members of his panel have introduced on a variety of issues, and the bipartisan House group that says it is developing comprehensive legislation has not yet introduced a bill.
EXECUTIVE BRANCH

AAU, APLU COMMENT ON OMB PROPOSED GUIDANCE ON REFORMING COST PRINCIPLES AND ADMINISTRATIVE REQUIREMENTS FOR GRANTS

On June 2, AAU and the Association of Public and Land-grant Universities (APLU) submitted a joint comment letter on the Office of Management and Budget’s (OMB) proposed guidance on reforming cost principles and administrative requirements for federal grants and cooperative agreements.

The proposed guidance aims to consolidate cost principles and administrative requirements for federal research grants and cooperative agreements. It would supersede and streamline requirements contained in several OMB Circulars, including A-21, A-110, and A-133. The proposed guidance includes a number of improvements from OMB’s original Advance Notice of Proposed Guidance that the two associations expect OMB to include in the final document. The associations also endorsed several suggestions made by the Council on Governmental Relations in its comments.

The three top areas in which AAU and APLU urged OMB to make further changes in its final guidance were:

- limiting agencies’ ability to deviate from OMB guidance by establishing clear criteria for when agencies may set specific limits or caps on facilities & administrative cost reimbursements for specific programs;
- streamlining sub-recipient monitoring requirements; and
- eliminating time-and-effort reporting requirements currently imposed on faculty and institutions.

REP. LIPINKSI WEIGHS IN ON OMB PROPOSED REFORM OF COST PRINCIPLES FOR GRANTS

Representative Daniel Lipinski (D-IL) also submitted comments to OMB about cost principles and administrative requirements for federal research grants and contracts. His comments focused on the same three areas: eliminating the “unnecessary burden associated with effort reporting,” minimizing sub-recipient monitoring, and creating a more formal OMB approval process for federal agencies when they establish policies that deviate from OMB guidance.

OTHER

UMR-BATTELLE HILL EVENT LAUDS ECONOMIC IMPACT OF THE HUMAN GENOME PROJECT  UPDATED

At an event on Capitol Hill on June 12, United for Medical Research (UMR) and Battelle Memorial Institute released a new report that shows that the federally funded Human Genome
Project resulted in $65 billion in economic output in 2012 and supported more than 152,000 jobs. (See also the infographic.)

The session featured remarks by National Institutes of Health Director Francis Collins and a panel discussion with leaders from industry, academic research, Congress, and the patient community.

*The Impact of Genomics on the U.S. Economy* is a follow-up to the report released in 2011 that detailed the scientific, economic, workforce, and productivity benefits arising from the federal investment in the Human Genome Project between 1988 and 2010. The new data highlight the continuous, significant dividends leveraged by the government’s modest investment in genomics through 2012.

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