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CONGRESSIONAL SCHEDULE  NEW

The House and Senate have adjourned for the August recess and will reconvene on Monday, September 9.

BUDGET & APPROPRIATIONS

PRESIDENT EXPECTED TO SIGN STUDENT LOAN BILL TODAY  UPDATED

President Obama today is expected to sign into law the Bipartisan Student Loan Certainty Act of 2013 (H.R. 1911), a measure that links student loan interest rates to the market. The bill was approved by the Senate on July 24 and by the House on July 31.

The final bill is similar to the market-based plan offered by the Administration and modified and approved by the House. But it also includes a rate cap and locks in the interest rate on a loan when it is first made, rather than allowing the rate to vary over the life of the loan, as in the earlier House-passed bill.

The bill pegs the interest rate for federally subsidized and unsubsidized loans for undergraduates at the 10-year Treasury bond yield plus 2.05 percent, with rates for unsubsidized loans for graduate students at plus 3.6 percent, and for parents at plus 4.6 percent. The rates will be capped at 8.25 percent for undergraduates, at 9.5 for graduate students, and at 10.5 percent for parents. For undergraduates this fall, the loan rate will be 3.86 percent.
The rates in the final bill are slightly higher than those in the tentative deal worked out by a bipartisan group of Senators in early July, which had to be reworked when the Congressional Budget Office determined that it would cost the federal government $22 billion over 10 years. The new plan would save the government $715 million over 10 years.

Responding to concerns raised by several Democrats that the final bill would raise student loan interest rates over the long term, Senator Tom Harkin (D-IA), chair of the Senate Health, Education, Labor, and Pensions Committee, said he expected to revisit the issue during reauthorization of the Higher Education Act.

The legislation was necessary because Congress in June failed to reach an agreement to prevent the interest rates on subsidized loans from doubling from 3.4 percent to 6.8 percent on July 1, when a one-year fix Congress enacted last year expired. The new law will provide a retroactive fix.

OTHER CONGRESSIONAL ISSUES

HOUSE MEMBERS INTRODUCE BIPARTISAN PROOF OF CONCEPT LEGISLATION

Reps. Chris Collins (R-NY) and Derek Kilmer (D-WA) introduced legislation on August 2 that would allow federal agencies to dedicate a portion of their Small Business Technology Transfer (STTR) funds to creating “proof of concept” and other innovative technology transfer programs. AAU has strongly supported such measures aimed at improving the process of translating basic research discoveries into the marketplace.

Joining as original cosponsors of the TRANSFER Act of 2013 (H.R. 2981) were Science, Space, and Technology Committee Chairman Lamar Smith (R-TX), Ranking Member Eddie Bernice Johnson (D-TX), Research and Technology Subcommittee Chairman Larry Bucshon (R-IN), and Ranking Member Dan Lipinski (D-IL). The concept of the bill was the subject of a July 24 hearing in Rep. Bucshon’s subcommittee.

Under the legislation, universities, research institutes, and national laboratories would be able to apply to agencies’ proof of concept programs for funds to support the evaluation of the scientific or technical merit, and the commercial feasibility, of research-based technologies developed by their faculty and staff. As noted in a press release issued last week by the Committee, the bipartisan bill was modeled after an amendment that Rep. Lipinski offered to the 2011 reauthorization of the STTR program.

A group of eight organizations, including AAU, sent the committee a letter on August 1 strongly endorsing the bill before it was formally introduced. Members of the CFR are encouraged to reach out to their congressional delegations to ask them to cosponsor the legislation.

EXECUTIVE BRANCH

EXPERT PANEL RELEASES RECOMMENDATIONS FOR LAB-TO-MARKET IMPROVEMENTS

NEW
A panel of national experts on technology transfer submitted a set of recommendations to the White House Office of Science and Technology Policy (OSTP) on August 5 that detailed a variety of ways to improve the transfer of federally funded research discoveries to the marketplace.

The National Expert Panel, which had been convened by OSTP at a Lab-to-Market Summit on May 20, focused on two recommendations which members felt were most important in maximizing the public return on the federal R&D investment. These were:

- That the federal government create a high level Office of Innovation and Federal Technology Partnerships to coordinate and facilitate private sector commercialization of federally sponsored research; and
- That the federal government undertake specific steps to strengthen capital investments in commercialization and the development of entrepreneurial resources supporting public sector/private sector R&D partnerships.

The report, “White House Inter-agency Lab-to-Market Summit: Recommendations from the National Expert Panel,” can be viewed here.

The panel was co-chaired by Joseph Allen, president of Allen & Associates, and Diane Palmintera, president of Innovation Associates. AAU Vice President for Policy Tobin Smith was also a member of the group.

OTHER

ASSOCIATIONS AND ACCREDITORS AGREE ON PRINCIPLES FOR ASSESSING STUDENT ACHIEVEMENT

The six presidentially led higher education associations and the seven regional accrediting commissions last month issued a consensus statement on student evaluation in accreditation, “Principles for Effective Assessment of Student Achievement.” Institutional accreditation will be an important issue in the upcoming reauthorization of the Higher Education Act (HEA).

AAU included the principles in the letter on the Higher Education Act reauthorization that the association submitted to the House Education and the Workforce Committee on August 2. (The statement of principles is on pages 10 and 11 of that document.)

The statement says that all institutions should be expected to provide evidence of success in three areas: evidence of the student learning experience, evaluation of student academic performance, and post-graduation outcomes. But the statement also emphasizes the importance of conducting student learning assessments “in ways that are congruent with the institution’s mission.”

The introduction to the statement says, in part:

“We hope that colleges and universities will find this statement useful in evaluating their assessment policies and procedures and that accrediting commissions similarly
will find the statement helpful in evaluating their assessment standards. Looking ahead, we believe that the shared principles of this consensus statement can facilitate continued cooperation and collaboration between these two allied sectors of the higher education community.”

**NOTE:** This will be the last *AAU Weekly Wrap-up* published until Congress returns to session the week of September 9.

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