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CONGRESSIONAL SCHEDULE  NEW

The House and Senate will reconvene on Monday, December 4, with the goal of wrapping up the 109th Congress by the end of the week. Next week’s agenda will include action on the outstanding FY07 appropriations bills—likely a continuing resolution that lasts into mid-February—a tax extender package, Senate confirmation of Texas A&M President Robert M. Gates as Secretary of Defense, a conference report on a U.S.-India nuclear cooperation agreement, and a U.S.-Vietnam trade deal. The House also may consider an offshore energy production bill.

Although Republican leaders hope to finish work by the end of the week, Senate Majority Leader Bill Frist (R-TN) could call the Senate back for a brief session the following week if the chamber is unable to complete the Gates confirmation.

BUDGET & APPROPRIATIONS

CONGRESS LIKELY TO PUNT FY07 SPENDING DECISIONS TO NEXT YEAR  UPDATED

CongressDaily reports that rather than continue work on individual FY07 appropriations bills, Republican congressional leaders have tentatively agreed to adopt a long-term continuing resolution (CR) that likely would last through February 15. With only the Defense and Homeland Security FY07 funding bills enacted into law, final funding for the remaining 10 FY07 appropriations bills—domestic programs and foreign aid—would be decided by the new, Democratic-controlled Congress.
Domestic and foreign aid agencies and programs have been funded since October 1—the beginning of the new fiscal year—under two successive CRs, the latest set to expire on December 8. The CRs have provided funding at the lowest of House-passed, Senate-passed, or FY06 levels. The publication Roll Call notes, however, that appropriators are compiling a list of programs that could receive higher allocations. That could be controversial, because conservative Republicans might object. It is unclear whether the research funding under President Bush’s American Competitiveness Initiative, approved thus far in both the House and Senate, is under consideration as an exception to the standards set for the CR.

OTHER CONGRESSIONAL DEVELOPMENTS

TAX COMMITTEE LEADERS PREPARE OMNIBUS TAX EXTENDER PACKAGE WITH POSSIBLE MEDICARE PHYSICIAN FIX  NEW

CongressDaily reports that House and Senate tax committee leaders are preparing a package of tax and trade extenders that they hope to see approved next week. The package, expected to include the extension of such popular provisions as the research and development tax credit, the state sales tax deduction, and the tuition deduction, could be voted on by the House as early as Tuesday and by the Senate as early as Wednesday. The package also might include a provision to prevent a cut in Medicare physician payments scheduled to go into effect on January 1, but the Administration might oppose the fix—and the bill—if, as expected, congressional leaders pay for it by cutting subsidies for insurance providers that participate in the Medicare prescription drug program.

SENATE FINANCE COMMITTEE NAMES WITNESSES FOR DECEMBER 5 HIGHER EDUCATION HEARING

As previously reported, the Senate Finance Committee will hold a hearing December 5 on tax issues related to higher education. The hearing is entitled, “Report Card on Tax Exemptions and Incentives for Higher Education: Pass, Fail, or Need Improvement?” The witness list for the hearing is as follows:

Dr. Bridget Terry Long, Associate Professor of Education and Economics, Harvard University;
Dr. James Duderstadt, President Emeritus, University Professor of Science and Engineering, University of Michigan, and a member of the Secretary of Education’s Commission on the Future of Higher Education;
Patricia McGuire, President, Trinity University, Washington, DC;
Dr. Susan M. Dynarski, Associate Professor of Public Policy, Kennedy School of Government, Harvard University;
Michael Brostek, Director, Tax Issues, Strategic Issues Team, Government Accountability Office.

The hearing begins at 10:00 a.m. in 215 Dirksen Senate Office Building.

According to the committee press release, as quoted by Inside Higher Ed, the hearing will “examine what colleges and universities are doing to justify their tax-exempt status.” The release states that tuition is “going up every year, endowments [are] growing bigger every year,
and the salary of another college president break[s] the million-dollar mark seemingly every week.” It also states that with colleges, students and parents receiving billions in tax breaks and tax relief, “it’s only logical and responsible that we look at what institutions of higher learning are doing to keep tuition affordable and education accessible to students from every income level. We need to make sure that colleges and universities don’t respond to every new tax incentive for students and parents with new tuition increases. Otherwise we’re just treading water, and tax incentives for students aren’t effective in helping students get ahead.”


EXECUTIVE BRANCH

EDUCATION DEPARTMENT CREATE NEGOTIATING COMMITTEE ON STUDENT LOAN ISSUES  NEW

The Department of Education announced this week that it has established a negotiated-rulemaking committee to address issues in Title IV student loans. The panel will hold meetings December 12-14 in the Washington, D.C. area. The Department also announced that it will establish a negotiating committee on the Academic Competitiveness Grant and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) programs, with the expectation of meetings beginning in January. No agenda, schedule, or list of committee members for the second panel has been published.

Earlier this fall, the Department solicited nominations from the higher education community for as many as four possible negotiating committees. AAU’s nominee for the loan committee, Dr. Ellen Frishberg, Director of Student Financial Aid at The Johns Hopkins University, was selected as an alternate.

The Department’s announcement, including a list of the student loan committee members, the tentative agenda, and the schedule of meetings, is available on the Department Web site at: http://www.ed.gov/policy/highered/reg/hearulemaking/2007/nr.html.

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