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CONGRESSIONAL SCHEDULE  NEW

Both the House and Senate were in session today. The House today approved the FY07 emergency supplemental funding bill (H.R. 1591), while the Senate completed work on the FY08 budget resolution (see additional detail below).

Next week, the chambers will swap work, with the House scheduled to consider its version of the FY08 budget resolution and the Senate to consider its version of the FY07 emergency supplemental funding bill.

BUDGET & APPROPRIATIONS
CONGRESS MAKES PROGRESS ON THE FY08 BUDGET RESOLUTION  UPDATED

The House and Senate worked on their respective versions of the FY08 budget resolution this week. The Senate this afternoon approved its budget resolution (S. Con. Res. 21) by a final vote
of 52-47. The House Budget Committee completed markup of its FY08 package early yesterday morning, with floor consideration expected next week.

In general, both resolutions assume higher discretionary spending in FY08 than the President has requested. The Senate version would provide $948.8 billion, $18 billion above the President’s FY08 request. The total includes $2 billion in advance FY09 appropriations. The House committee-approved version would add $24 billion to the President’s request, providing a total of $955 billion, also including $2 billion in advance FY09 appropriations.

Both measures assume higher spending in FY08 for student aid and the National Institutes of Health (NIH) than the President requested. They appear to approximate the President’s requests for the National Science Foundation (NSF), the Department of Energy Office of Science, and NASA. Both resolutions also include positive statements about federal research funding.

Although the budget resolution is an important guide for congressional spending allocations, it is worth recalling that the measure is not signed into law by the President and that the only number that binds the appropriations committees is the discretionary spending total.

--House and Senate FY08 Budget Resolutions Assume Increased Education Spending

The Senate version of the FY08 budget resolution assumes $9.2 billion above the President’s request for Function 500. This includes $6.1 billion more for the Department of Education. The added funding could be used for several purposes, including an increase in the Pell Grant maximum award (see next item below). Accompanying language rejects the Administration’s proposed elimination of Perkins loans, Supplemental Education Opportunity Grants (SEOG), and the Leveraging Educational Assistance Program (LEAP).

In the House, the Budget Committee-reported resolution assumes an additional $7.9 billion for Function 500 above the President’s FY08 request. The measure does not specify how much of the increase would be allocated to the Department of Education. Like the Senate measure, the budget rejects the President’s proposed cuts to education programs, including SEOG, Perkins loans, and LEAP. The budget language indicates that the additional funding could “support raising the maximum Pell Grant to at least $4,600.”

Both budget resolutions would create a “deficit-neutral” reserve fund for higher education. The House version also includes reconciliation instructions directed to the Education and Labor Committee to make a net cut of $75 million over 2007 to 2012. The purpose is to “speed enactment of legislation that creates efficiencies in the student loan programs and then invests all but $75 million of the savings into making college more affordable for low- and middle-income students.”

--Budget Assumptions for NIH Remain Unclear; Specter-Harkin NIH Amendment Approved in Senate

The House budget resolution assumes $286.8 billion for Function 550, which covers health-related programs, including the National Institutes of Health (NIH). Committee staff indicates that this is about $4.6 billion above the Administration’s FY08 request, which they calculate as $282.2 billion. At this writing, it remains unclear how much funding would be assumed for NIH.

The Senate budget resolution also fails to specify a funding level for NIH, but AAU staff understands that the measure assumes a $700 million increase over the President’s FY08 request. However, Senators Arlen Specter (R-PA) and Tom Harkin (D-IA) introduced a floor amendment
to add $2.2 billion for health related programs in Function 550, which was approved today by voice vote as part of a broader package of amendments.

The amendment’s $2.2 billion addition, together with the increase of $1.6 billion for Function 550 included in the underlying resolution, would be used to:

1) restore NIH funding to the FY05 level adjusted for inflation;
2) increase funding for the Centers for Disease Control and continue facilities construction and revitalization; and
3) restore funding for Health Professions Training Programs to their FY05 levels.

--House and Senate Show Support for General Science Programs

The House committee-passed version of the FY08 budget resolution assumes $27.6 billion for the General Science, Space budget category, Function 250, about the same as the President’s FY08 request. Function 250 covers NSF, the Department of Energy Office of Science, and NASA. An overview of the Chairman’s Mark says this will fund the House Democratic innovation agenda, “putting us on a path to double funding for NSF and providing significant increases in K-12 math and science education.” The Chairman’s Mark does not specifically address funding for the DOE Office of Science or NASA.

The original Senate committee-reported version of the budget resolution assumed funding for Function 250 of $26.5 billion, or about $1 billion less than both the House version and the President’s FY08 request. The measure specified that NASA would be funded at the President’s request of $17.3 billion, leaving the remaining agencies to share the reduction.

However, on the Senate floor the chamber approved by a vote of 97-1 an amendment offered by Senators Jeff Bingaman (D-NM) and Lamar Alexander (R-TN) to add $1 billion to Function 250. The two Senators said their amendment was intended to add $398 million to NSF, $610 million to the DOE Office of Science, and $11 million to the National Institute of Standards and Technology.

--House and Senate Budget Resolutions Include Statements on Research and Education

The House budget resolution includes a Sense of the House statement on the innovation agenda, which says, “It is the sense of the House to provide sufficient funding that our Nation may continue to be the world leader in innovation, education, and economic growth.” The statement goes on to say that it will support initiatives to “educate 100,000 new scientists, engineers, and mathematicians and place highly qualified teachers in math and science K-12 classrooms,” as well as “put us on the path toward doubling funding for the National Science Foundation, basic research in the physical sciences and collaborative research partnerships; and toward achieving energy independence in ten years through the development of clean and sustainable energy technologies.”

Language in the Senate budget resolution notes that resources for NSF, the DOE Office of Science, and the National Institute of Standards and Technology are critical to promoting innovation and competitiveness. It adds, “The Committee is concerned about the geographic imbalance in federal research funding and believes that it is incumbent upon the departments and agencies to ensure a more equitable distribution of funding and the development of research infrastructure throughout the nation.”
SENATOR KENNEDY SAYS HIGHER EDUCATION FUNDING INCREASES TO COME FROM RESTRUCTURING

Senator Edward Kennedy (D-MA) chairman of the Senate Health, Education, Labor, and Pensions (HELP) Committee, said at a news conference yesterday that Senate Democrats would press for a $300 increase in the Pell Grant maximum award for FY08, to $4,610 (which is nearly the same increase proposed in the House budget resolution). CQToday reports that the Senator said that the budget resolution’s extra $6.1 billion above the President’s FY08 request for the Department of Education would be used largely to fund the No Child Left Behind law. The cost of relieving “crushing college costs” would come through restructuring student loan programs, not new money. Specifically, Senator Kennedy said he could obtain $10 billion to $13 billion, in part, by making lenders compete for the right to offer federally backed student loans.

SENATE HEARING FOCUSES ON CONSEQUENCES OF FLAT NIH BUDGET; NIH DIRECTOR CALLS FOR RELAXING FEDERAL STEM-CELL RESEARCH POLICY

At a Senate hearing March 19 on the National Institutes of Health (NIH) budget, NIH Director Elias Zerhouni and four university researchers testified how the agency’s flat budgets over the past three years are threatening scientific and medical progress. In response to a question, Dr. Zerhouni also called for the Bush Administration to loosen its restrictions on federal funding for research on human embryonic stem cells.

During the hearing, the five speakers told leaders of the Senate Labor-HHS-Education Appropriations Subcommittee that the lack of grant money since the NIH budget doubling concluded in FY03 has reduced grant success rates from 30 percent to 20 percent, halted promising research mid-stream, discouraged potential new investigators, and undermined U.S. global leadership in biomedical research.

Senators Tom Harkin (D-IA) and Arlen Specter (R-PA), chairman and ranking member of the panel, vowed to increase funding for NIH in FY08. Senator Specter said the two legislators would offer an NIH amendment to the Senate budget resolution when it was considered on the Senate floor (which they have). The President’s FY08 request for NIH would cut funding by $511 million from the FY07 enacted level because it would reduce overall funding by $311 million and increase the Global AIDS transfer by $200 million.

As reported widely in the press, Director Zerhouni also said, in response to a question from Senator Harkin, that current federal restrictions on funding stem-cell research are blocking progress and should be relaxed. “It is clear today that American science would be better served and the nation would be better served if we let our scientists have access to more cell lines,” he said. The President’s policy allows federal funding only for research on embryonic stem cell lines created before his 2001 stem-cell policy statement.

In addition, Senator Harkin and Dr. Zerhouni discussed the issue of NIH providing public electronic access to peer-reviewed articles based on NIH-funded research. To make an “open access” system work, Dr. Zerhouni said, Congress would have to require researchers to provide their articles to public data bases as a condition of NIH funding. Any process for making these articles public should not sacrifice peer review, he said, or harm individual scientific journals. He said that requiring articles to be posted publicly within six months of publication could harm journals, but that there should be some flexibility in determining a specific timeframe for public access.
The session was the first of six hearings on NIH. The remaining hearings will include testimony from directors of the NIH institutes and centers.

UNIVERSITY REPRESENTATIVES RELEASE REPORT ON THE STATUS OF BIOMEDICAL RESEARCH

At a press conference immediately following the Senate hearing on NIH March 19, a group representing nine research institutions, under the leadership of Harvard University, released a report on the implications for biomedical research of a flat NIH budget. The scientists’ report explains how consecutive years of stagnant NIH budgets have harmed progress in disease treatment and prevention and have undermined U.S. competitiveness in biomedical research.

The report was developed by representatives of Harvard University, the University of California, Columbia University, The Johns Hopkins University, The University of Texas at Austin, Washington University in St. Louis, University of Wisconsin-Madison, Yale University, and Partners Healthcare.


OTHER CONGRESSIONAL DEVELOPMENTS

HOUSE MEMBERS INTRODUCE SCIENTIFIC COMMUNICATIONS BILL

Rep. Doris Matsui (D-CA), joined by House Science and Technology Committee Chairman Bart Gordon (D-TN), has introduced legislation aimed at improving the ability of scientists to communicate the relevance and importance of scientific research and technical topics to policy makers.


OTHER

ASSOCIATIONS RESPOND TO EDUCATION DEPARTMENT’S PROPOSALS TO INCREASE INSTITUTIONAL DATA REPORTING UPDATED

The higher education associations are responding to the Department of Education’s proposals to increase the amount of data collected from higher education institutions in the form of two community letters. The letters address the Department’s Federal Register notice of January 24, 2007 regarding the Integrated Postsecondary Education Data System (IPEDS).

The first letter, sent on behalf of 40 higher education associations March 21, points out that the cost and time required for institutions to comply with the proposed additional data reporting would be far higher than the Department estimates. The associations note that the total reporting
burden for institutions has grown considerably in recent years, and that for current reporting, “No school we have consulted believes the 51-hour estimate remotely reflects the time they spend on this task.” The letter asks the Department to undertake a “comprehensive, independent study” of the effort required to complete the current eight surveys in the 2006-2007 cycle. This would create a “reasonable baseline” for analyzing the effects of proposed survey changes.

The second letter, detailing broader concerns about the Department’s proposals, will be submitted to the Department on the deadline of Monday, March 26. Those members of the CFR who would like additional information about the letter are asked to contact Matt Owens of the AAU staff.


UCI CHANCELLOR TESTIFIES ON ROLE OF PUBLIC INVESTMENT IN UNIVERSITIES IN PROMOTING ECONOMIC GROWTH  NEW

Michael Drake, chancellor of the University of California, Irvine, testified today before the House Financial Services Committee about the role of the federal investment in university research and education in promoting economic growth. He made his presentation at a hearing, chaired by Rep. Barney Frank (D-MA), in which Members heard broadly about the role of public investment in economic growth. Among the speakers was former U.S. ambassador to France and financier, Felix Rohatyn.


A copy of Chancellor Drake’s testimony is available on the AAU Web site at: http://www.aau.edu/resuniv/Drake_Testimony_03-23-07.pdf.

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