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CONGRESSIONAL SCHEDULE  NEW
The House was in session briefly today; the Senate was not. Both chambers will reconvene on Monday, January 26.

The House next week will focus on its economic recovery package (H.R. 598), with Democratic leaders expecting to begin floor consideration on Wednesday, January 28. The goal is to conclude consideration of the bill that day; there will be no votes in the House on Thursday and Friday because Republicans will be holding their policy retreat.

Next week, the Senate is expected to spend most of its floor time on legislation to reauthorize and expand the State Children’s Health Insurance Program (SCHIP), along with confirmation of several of President Obama’s Cabinet-agency nominees. CQToday reports that following consideration of the SCHIP bill, the chamber will take up its version of the economic recovery package (S. 1), discussed below.

BUDGET & APPROPRIATIONS
CONGRESS MAKES PROGRESS ON ECONOMIC RECOVERY PACKAGE  NEW
The House and Senate have begun work in earnest on the massive economic recovery package supported by the Obama Administration, which House and Senate Democratic leaders hope to have on the President’s desk for signature by February 13, before the Presidents Day recess.
President Obama held a bipartisan meeting of congressional leaders this morning to encourage them to support the package and act on it quickly. Although Republican leaders have expressed concern that the package contains too much new spending and too little tax reduction, CongressDaily reports that leaders from both parties agreed that the package likely would be approved. The publication noted, however, that continuing disagreements about the contents of the package could mean that the final vote will be largely along party lines, rather than bipartisan.

--House Committees Finish Work on Economic Recovery Package  NEW

Three committees of the House have completed work on the Democratic $825-billion economic recovery package (H.R. 598), setting up floor consideration next Wednesday, January 28. The plan combines $550 billion in new spending with $275 billion in individual and corporate tax breaks. (See spending bill press release, report, and text, and tax bill press release.)

Because the House plan was developed in consultation with the Obama transition team, the new Administration has not proposed a separate economic stimulus plan.

An AAU summary of House provisions of particular interest to universities is available on the AAU website.

The House Appropriations Committee finished markup of the $358-billion discretionary spending portion of the bill on January 21, approving four amendments, including two that require funded infrastructure projects to pay prevailing wages under the Davis-Bacon Act and to use U.S.-produced iron and steel.

The House Ways and Means Committee yesterday approved the portion of the package under its jurisdiction: $275 billion in tax provisions, an expansion of Medicaid, an extension of health insurance for those who lose their jobs, and incentives to encourage widespread adoption of electronic medical records.

- Simplified Education Tax Credit. Among the bill’s tax provisions is a new education tax credit of $2,500 per year for the first four years of higher education, which includes textbook costs among the covered expenses. The credit would replace the HOPE tax credit and the above-the-line tuition tax deduction for tax years 2009 and 2010. Up to 40 percent of the credit would be refundable. (The Senate education tax credit discussed below would be refundable up to 30 percent.)

The House Energy and Commerce Committee also considered its portion of the economic recovery package yesterday, specifically provisions regarding Medicaid, healthcare coverage for displaced workers, expansion of broadband Internet access, and added support for clean energy and energy efficiency.

--Senate Committees to Mark up Recovery Package Next Week  NEW

Committee work on the Senate version of the package (S. 1) will begin next Tuesday, January 27, when the Appropriations and Finance committees take up the portions of the bill under their respective jurisdictions.

The Senate Appropriations Committee has not made its plan public, but the Finance Committee today issued a press release detailing the tax provisions in the Senate package. As noted above,
the committee’s education tax credit is the same as the House version, but would make up to 30 percent of the credit refundable rather than the 40 percent in the House measure.

INNOVATION GROUPS EXPRESS SUPPORT FOR RESEARCH AND EDUCATION PROVISIONS IN ECONOMIC RECOVERY PACKAGE

Two innovation coalitions, the Task Force on the Future of American Innovation and Tapping America’s Potential, wrote to House Democratic leaders today thanking them for including research and education investments in their economic recovery package.

The letter, which can be found on the AAU home page, was endorsed by more than 100 universities and other organizations, including numerous AAU institutions. It was signed by both AAU President Robert Berdahl and Princeton University President and AAU Chair Shirley Tilghman.

EXECUTIVE BRANCH

AAU HAS SENT AGENCY-SPECIFIC POLICY RECOMMENDATIONS TO THE NEW ADMINISTRATION

As discussed at the CFR retreat earlier this month, AAU submitted a set of detailed policy recommendations to President-elect Obama’s transition team in late December that address issues under the jurisdiction of the Office of Science and Technology, the Office of Management and Budget, the Department of Education, and major federal research agencies. The document, which was submitted on December 23, follows up on the more general recommendations that the association submitted to the Presidential candidates in September.

The policy, organizational, and funding recommendations in the document are aimed at helping the nation to maintain its global preeminence in science and technology, improve the quality of life of its citizens, strengthen national security, and speed the nation’s economic recovery. They were developed with the assistance of the AAU Task Force on the 2008 Election.

ASSOCIATIONS COMMENT ON PROPOSED GI BILL RULES

AAU joined with two other associations—the National Association of College and University Business Officers and the National Association of Student Financial Aid Administrators—in submitting comments to the Department of Veterans Affairs on the proposed rule implementing the Post 9/11 Veterans Educational Assistance Act of 2008 (P.L. 110-252.)

The associations’ letter, which responds to the proposed rule published in the December 23 Federal Register, expresses strong support for the new GI bill but also outlines several implementation issues. These issues include definitions, duration, payments and overpayments, and the yellow ribbon program. Individual AAU institutions have also submitted comments.

The new law goes into effect on Aug. 1, 2009.

AAU SUBMITS NOMINEES FOR HEOA NEGOTIATED RULEMAKING COMMITTEES
AAU today submitted a list of nominees for the Department of Education’s negotiated rulemaking committees that are drafting regulations to implement student financial aid provisions in the Higher Education Opportunity Act (HEOA). The AAU nominees were based on recommendations made by AAU-member campuses.

The Department has established the committees to draft proposed regulations for the new law (P.L. 110-315) in the following five areas:

1. Loans—Lender/General Loan Issues
2. Loans—School-Based Loan Issues
3. Accreditation
4. Discretionary Grants
5. General and Non-Loan Programmatic Issues

Department officials will contact nominees by letter to let them know if they have or have not been selected as negotiators. Each negotiating committee will hold its first meeting in the Washington, D.C. area sometime in February, to be followed by two subsequent meetings at roughly monthly intervals. Each meeting will last for about three days. The exact dates and locations of the meetings will be published in the Federal Register and posted on the Department's website.

The schedule for negotiations aims to ensure publication of the final regulations by the November 1 statutory deadline for publishing student financial assistance final regulations (to be addressed by Teams I, II, III, and V). Although not subject to the November 1 statutory deadline, the schedule for the Title IV discretionary grant programs (to be addressed by Team IV) aims to allow publication of regulations in time for competitions to be held during fiscal year 2010.

It is worth noting that personnel changes resulting from the change in administrations may affect these plans.

**RSS FEEDS AVAILABLE FROM AAU WEBSITE**

Members of the AAU Council on Federal Relations (CFR) and others are reminded that they can monitor news on the AAU website through Really Simple Syndication (RSS) feeds. Such feeds are available for What's New, Hot Topics, AAU Weekly Wrap-ups, and Press Releases.

More information about RSS feeds is available on the AAU website.

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