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CONGRESSIONAL SCHEDULE  NEW

The House and Senate have been in recess this week; both chambers will return on Monday, February 23.

The House next week is expected to consider an FY09 omnibus appropriations bill, needed to fund programs and agencies in the nine out of 12 FY09 appropriations bills whose funding will run out on March 6, when the Continuing Resolution (CR) is set to expire. The Senate is expected to consider the measure the following week. (See additional details below.)

CongressDaily reports that the Senate next week will consider legislation to give the District of Columbia a voting member in the House (S. 160). The Senate also is expected to take up the confirmation of Hilda Solis as Secretary of Labor.

President Obama will address a joint session of Congress on Tuesday evening, February 24, and release his FY10 budget outline on Thursday, February 26.

BUDGET & APPROPRIATIONS

PRESIDENT SIGNS ECONOMIC RECOVERY PACKAGE INTO LAW  NEW
President Obama on February 17 signed into law his economic recovery package, the American Recovery and Reinvestment Act (P.L. 111-5). The $787-billion measure provides significant added funding for student aid and for scientific research, instrumentation, infrastructure, and science education. AAU has updated its chart on the AAU website comparing those provisions in the House, Senate, and final bills.

OMB GUIDANCE URGES AGENCIES TO FOLLOW COMPETITIVE GRANT PROCESSES, DISCOURAGES ADD-ONS TO EXISTING GRANTS  NEW

The White House Office of Management and Budget (OMB) on February 18 issued initial implementation guidance to the federal agencies on spending the economic recovery funds. Among provisions of interest in this document are those relating to the allocation of grants and cooperative agreements and the extensive new reporting requirements for entities that accept Recovery Act funds.

--Guidance on Grants and Cooperative Agreements

Page 32 of the OMB guidance addresses grants and cooperative agreements, noting that although the Recovery Act calls on agencies to spend the funding as quickly as possible, “this statement, by itself, does not constitute a sufficient justification to support award of a federal grant on a non-competitive basis.”

Agencies are expected “to follow the same laws, principles, procedures, and practices in awarding discretionary grants with Recovery Act funds as they do with other funds,” and to promote competition “to the maximum extent practicable.” It adds, “Agencies may want to consider the appropriateness of limited competitions among existing high-performing projects versus full and open competitions and formula allocations.”

The guidance adds that while agencies may consider obligating funds to existing grants, including continuations and renewals, it does not recommend such grant supplements. Since Recovery Act funds will have to be tracked and accounted for separately, with added reporting and posting requirements, “there is a greater risk that the grant recipient will be unable to track and report Recovery Act funds separately.”

--Guidance on Significant New Reporting Requirements

Beginning on page 14, the OMB guidance discusses the extensive reporting requirements for recipients of federal funding under the Recovery Act, including quarterly reporting beginning July, 2009.

Among the elements to be reported on a quarterly basis to the federal agency providing the Recovery funding are: the total amount of Recovery funds received from the agency; the amount of those Recovery funds obligated or expended to projects or activities; a detailed list of all projects or activities for which Recovery funds were obligated or expended; an estimate of the number of jobs created or retained by the project or activity; and detailed information on any subcontracts or sub-grants awarded by the recipient.

The guidance document adds, “The final guidance issued by OMB for the Recovery Act will lay out in more detail specific reporting instructions and how the data collection for this reporting will work government-wide.”
Some federal agencies have issued general statements about their plans to use the funds they will receive under the Economic Recovery Act. **However, all of the agencies’ plans will need to be reviewed and approved by OMB.** Among the agencies that have released information:

- Energy Secretary Steven Chu yesterday announced a reorganization of the Department of Energy aimed at expediting use of new loan authority, loan guarantees, and funding.
- The National Science Foundation is expected to release details of its plan after next week’s meeting of the National Science Board (February 23-24).
- The Department of Education has created a page on its website to provide information on the more than $100 billion in education funding contained in the Recovery Act. The page will be updated as new information becomes available. The Department also has said that in the next few days it will issue a payment schedule for Pell Grants for 2009-10 that reflects the new maximum grant outlined in the Recovery Act.
- Initial plans for NIH are discussed below.

--Acting NIH Director Outlines Plans for Economic Recovery Funds

Raynard Kington, Acting Director of the National Institutes of Health (NIH), said on February 18 that officials are still working out details of how the agency will spend the $10.4 billion it will receive under the Recovery Act, but that NIH plans to obligate the money within two years and does not assume the funding will be added to the NIH base budget. He added that there will be no across-the-board percentage increases in grants or programs.

Dr. Kington emphasized that use of the economic recovery money would not be business as usual: there will be substantially greater reporting requirements, such as information on economic impact and the number of jobs created and retained as a result of a research grant.

The Acting Director made his remarks during a conference call with AAU senior research officers, which he followed with a presentation to the broader research community sponsored by the American Association for the Advancement of Science.

Dr. Kington described the funding streams in the bill as follows:

- $8.2 billion for research activities, of which $7.4 billion is to be allocated across the NIH Institutes, Centers, Divisions, and the Common Fund (which includes cross-cutting activities such as the NIH Roadmap); $800 million will remain in the Office of the Director;
- $1 billion for extramural construction, repairs, and alterations through the National Center for Research Resources (NCRR); the review process for construction and renovation projects has not been determined;
- $300 million for shared instrumentation;
- $500 million for construction and improvements on the NIH campus; and
- $400 million transferred from the Agency for Healthcare Research and Quality for comparative effectiveness research.

Research funding will be allocated in three general ways:

- Funding of grant applications from FY08 and FY09 that were judged to be “highly scientifically meritorious” but not funded. Among the criteria of the selection process will
be whether meaningful progress toward project goals can be achieved with two years of committed funds, rather than the usual four years of funding.

- **Supplements to existing grants to accelerate and/or expand their work.** This may include added equipment, training positions, and summer jobs for students. Such additions will not be made by formula, but will be based on scientific opportunity and public health needs. The new money will not be used to restore cuts made to project proposals during earlier negotiations.

- **NIH Challenge Grants.** There will be a “reasonable” number of awards made under this new program aimed at supporting cross-cutting research. The Institutes, Centers, and Divisions will have an opportunity to identify areas in which they would like to see applications. NIH will issue a Request for Applications for the program soon.

Dr. Kington said that funding will not be provided in a lump sum, but over two years. When asked if the grants would have carryover authority, he reminded listeners that the money was intended as “a short-term stimulus” and said universities should not ask for money they didn’t think they could spend in two years.

**ACE, NACUBO PLAN FEBRUARY 23 WEBINAR ON ECONOMIC RECOVERY PACKAGE**

Two higher education associations have scheduled a webinar next Monday afternoon aimed at helping college and university officials better understand what the $787-billion economic recovery package will mean for their campuses.

The American Council on Education (ACE) and the National Association of College and University Business Officers (NACUBO) will hold the session on Monday, February 23, from 1:30 to 3:00 p.m. EST.

ACE President Molly Corbett Broad and ACE Senior Vice President Terry Hartle will discuss key elements of the new legislation and how these provisions are expected to affect students, families, and institutions. There will be time for questions and comments.

Registration information is available [here](#) (password: stimulus).

**CONGRESS TO CONSIDER FY09 OMNIBUS APPROPRIATIONS BILL**

Last year, Congress was able to finish work on just three FY09 appropriations bills—Defense, Homeland Security, and VA-Military Construction. Funding for the remaining bills was extended largely at their FY08 levels in a Continuing Resolution (CR) that lasts until March 6.

No details of the package have been released publicly.

As noted above, CQToday reports that the House will take up the omnibus bill next week; the Senate will consider it the following week. If the omnibus bill is not enacted before the CR expires, Congress will need to extend the CR to continue funding for affected agencies.

**WHITE HOUSE TO RELEASE FY10 BUDGET OUTLINE ON FEBRUARY 26**
The Obama Administration will release its initial budget outline for FY10 on Thursday, February 26, indicating the President’s budget priorities for the next year as well as long-term budget projections. No details are yet available. With the new Administration still getting settled, its full FY10 budget is not expected to be released until late March or April.

OTHER CONGRESSIONAL ISSUES
AAU AND NASULGC URGE OPPOSITION TO BILL TO ELIMINATE NIH’S PUBMED CENTRAL

AAU and the National Association of State Universities and Land-Grant Colleges (NASULGC) sent a letter to members of the House Judiciary Committee on February 19 urging them to oppose legislation that would eliminate the public access archive, PubMed Central, at the National Institutes of Health (NIH).

The letter asks members to oppose the “Fair Copyright in Research Works Act (H.R. 801),” introduced by Committee Chairman John Conyers (D-MI), because it would both eliminate PubMed Center and prevent other federal research funding agencies from adopting similar public access policies.

AAU has strongly supported PubMed Central from its outset. The NIH archive provides free public access to accepted manuscripts reporting the results of research funded wholly or in part by NIH no later than 12 months after those results are published in a peer-reviewed journal.

OTHER
HUMANITIES ON THE HILL RECEPTION WILL FEATURE “READING LOLITA IN TEHRAN” AUTHOR


The event will be held Monday, March 2, from 6:00 p.m. to 7:30 p.m. in the Montpelier Room at the Madison Building of the Library of Congress. The address is 101 Independence Avenue, S.E.

Those wishing to attend the reception must RSVP to Liz Paine at (703) 842-0811 or epaine@statehumanities.org.

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