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CONGRESSIONAL SCHEDULE NEW

The Senate was in session today but held no recorded votes. The House remains in session at this writing, having approved the second of its 12 FY10 appropriations bills—Legislative Branch (H.R. 2918)—and voted to impeach a U.S. district court judge.

CQToday reports that Congress next week will continue the focus on FY10 appropriations: the House and Senate both are expected to consider the FY10 Homeland Security appropriations bill (H.R. 2892), and the House also may take up the Interior-Environment spending bill.

The House next week also may consider defense authorization legislation (H.R. 2647), and CongressDaily reports that House Speaker Nancy Pelosi (D-CA) has kept open the possibility of floor consideration of the energy/climate change bill (H.R. 2454).

The Senate next week may try to finish work on a tourism promotion bill (S. 1023).

BUDGET & APPROPRIATIONS

HOUSE APPROVES FY10 COMMERCE-JUSTICE-SCIENCE FUNDING BILL AMID PARTISAN CONTROVERSIES NEW

The House approved the FY10 Commerce-Justice-Science appropriations bill (H.R. 2847) on June 18 by a vote of 259 to 157, following three days of partisan wrangling over rules for its
consideration. House Republicans were angered that the rule for considering the bill limited their amendments, so they forced several votes and re-votes on amendments. CQToday reports that the final bill was approved after nearly eight hours of consecutive voting, with “no significant changes.”

The publication reports that the Senate version of the bill will be marked up by the Senate Appropriations Committee on Thursday, June 25. No date is yet listed for subcommittee markup.

The House measure provides $64.4 billion, which is $6.7 billion, or 12 percent, more than FY09 funding and $200 million less than the President’s request of $64.6 billion.

The House Appropriations Committee has posted a list of program terminations and reductions in the bill. Several reductions refer to “availability of prior year funds,” which presumably is a reference to funding provided through the Recovery Act.

The following information on the bill was reported originally in AAU Weekly Wrap-up, 06-05-09:

**National Science Foundation (NSF):** The measure includes $6.9 billion for NSF. This is an increase of about $459 million, or seven percent, above the FY09 level but $108 million below the President’s FY10 request.

Within the NSF portfolio, the bill includes $5.64 billion for Research and Related Activities, an increase of nine percent over FY09; $863 million for Education and Human Resources, a two-percent increase over FY09; and $114 million for Major Research Equipment and Facilities Construction, a cut of 25 percent from FY09.

To provide some context, NSF received $3 billion in the American Recovery and Reinvestment Act (ARRA) to be spent over FY09 and FY10. From that funding, $2.5 billion was allocated to Research and Related Activities; $100 million to Education and Human Resources; $400 million to Major Research Equipment and Facilities Construction; and $2 million to the Office of Inspector General. These amounts are not reflected in the FY09 figures cited above.

**NASA:** The bill provides $18.2 billion for NASA. This is $421 million above FY09 funding but $483 million below the President’s FY10 request. Subcommittee chairman Alan B. Mollohan (D-WV) said the NASA allocation did not match the President’s request because lawmakers are awaiting recommendations from the group led by former Lockheed Martin CEO Norm Augustine that is studying the future of manned space flight.

Within the NASA portfolio, the bill includes $4.49 billion for the Science Mission Directorate, which is $7 million below FY09 funding and about $19 million below the request; $501 million for the Aeronautics Mission Directorate, which is $1 million above FY09 and $6 million below the request; and $175 million for Education, which is about $5 million above FY09 funding and $49 million above the request.

The bill also includes $3.29 billion for the Exploration Mission Directorate, which is $212 million below the FY09 level and $67 million below the request; $6.1 billion for Space Operations, which is about $333 million below FY09 funding and about $78 million below the request; and $3.1 billion for Cross-Agency Support Programs, about $142 million below the FY09 level and $237 million below the FY10 request.
NASA received $1 billion in ARRA funds, to be spent over FY09 and FY10. From that funding, $400 million was allocated to the Science Mission Directorate in order to support Earth Science missions and climate change research; $150 million to the Aeronautics Mission Directorate; $400 million to the Exploration Mission Directorate; and $50 million to Cross-Agency Support.

**HOUSE APPROPRIATIONS COMMITTEE APPROVES INCREASE FOR NEH UPDATED**

The House Appropriations Committee on June 18 approved the FY10 Interior-Environment appropriations bill with $170 million for the National Endowment for the Humanities (NEH), which is $15 million above FY09 funding. The measure provides the same budget level and increase for the National Endowment for the Arts.

**SENATE APPROPRIATIONS COMMITTEE APPROVES FY10 SUBCOMMITTEE ALLOCATIONS NEW**

The Senate Appropriations Committee approved funding allocations for its 12 subcommittees on June 18, as well as its first two FY10 funding bills, Legislative Branch and Homeland Security. CQToday reports that the Senate allocations are higher than the House allocations for Commerce-Justice-Science and Energy & Water ($64.80 billion v. $64.314 billion, and $33.75 billion v. $33.30 billion, respectively) but lower than the House allocations for Interior-Environment and Labor-HHS-Education ($32.10 billion v. $32.30 billion and $163.10 billion v. $163.40 billion, respectively).

**OTHER CONGRESSIONAL ISSUES**

**SENATE COMMITTEE BILL WOULD RAISE SMALL BUSINESS SET-ASIDES FOR ALL MAJOR RESEARCH AGENCIES UPDATED**

As they did last year, the House and Senate small business committees are considering legislation to reauthorize the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs.

The measure marked up by the Senate Small Business Committee on June 18 (S. 1233) not only would increase the small business research set-asides over 10 years but also would apply them to all 11 major research agencies, including the National Institutes of Health (NIH). Last year’s bill exempted NIH from its proposed increases.

The Committee bill would increase the SBIR set-aside incrementally over 10 years from its current 2.5 percent to 3.5 percent in 2020 for all major research agencies, including the Departments of Agriculture, Defense, and Energy; the National Science Foundation (NSF); NIH; NASA; and the National Institute of Standards and Technology. The STTR set-aside would increase over five years from its current .3 percent to .6 percent by 2015.

Although AAU supports reauthorization of the two small business programs, the association opposes increases in the set-asides because they would reduce funding for competitive grant programs in basic and applied research that fund university research.
Earlier this year, AAU President Robert Berdahl testified before the House Science and Technology Committee on the SBIR and STTR programs. He questioned the justification for increasing the small business set-asides when such increases would come at the expense of peer-reviewed basic and applied research programs at federal research agencies such as NSF, “…where success rates have hit all-time lows in recent years.”

Dr. Berdahl said in his testimony, “Our view is that the best way to increase the amount of funding available to [the SBIR and STTR] programs is to provide steady and sustained funding increases for federally supported research.”

The House Small Business Subcommittee on Contracting and Technology has approved four small business bills that are now being reviewed in full committee. Among them is H.R. 2772, a bill that reauthorizes these programs but does not include the increase in the SBIR/STTR set-asides.

EXECUTIVE BRANCH

OMB MEMO CHARTS AGENCY PLANNING FOR FY11 BUDGET

The Office of Management and Budget (OMB) on June 11 issued guidance to federal departments and agencies about planning for the FY11 budget, which the memo characterizes as “an important step in the President’s effort to change how Washington does business and put our fiscal house in order.”

The memo offers guidance on four “deliverables:” identifying a limited number of “high-priority” performance goals, submitting the FY11 budget, steps to reform agency hiring processes, and steps to improve employee satisfaction and wellness.

In reference to the FY11 budget, the memo says, “To be successful, we must focus resources on our highest national priorities, including investments in health reform, clean energy, and education.” It directs agencies, unless exempted by OMB, to develop three different requests for discretionary spending in FY11:

- at the FY11 level listed for the agency in the FY10 budget submission;
- at an FY10 freeze level; and
- at a five percent reduction from the FY11 level listed in the FY10 budget documents.

Each agency also is expected to include significant terminations, reductions, and administrative savings—at least five—that would reduce costs below FY10 budget levels.

Agencies also are reminded that the Recovery Act was intended to be temporary and “not to be built into the ‘base’ budget” for FY11.

OTHER

CFR INVITED TO ATTEND JUNE 22 SEMINAR, “NIH RESEARCH DRIVING THE LIFE SCIENCES CENTURY”
Members of the CFR are invited to attend a Capitol Hill seminar titled, “NIH Research Driving the Life Sciences Century,” on Monday, June 22, from 1:00 to 2:00 EDT in Room 210 Cannon House Office Building. Those intending to participate are asked to RSVP to UMR@gpgdc.com.

The session, which is sponsored by association and university members of United for Medical Research, including AAU, will feature Jeff Lieberman, host of Discovery Channel’s Time Warp, moderating a panel of research and policy experts.

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