Friday, July 31, 2009

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CONGRESSIONAL SCHEDULE  NEW

The Senate was in session today to debate the FY10 Agriculture appropriations bill (H.R. 2997, s. 1406), but has adjourned. The chamber will return to session on Monday, August 3, to resume consideration of the Agriculture bill.

The House remains in session at this writing, having earlier approved a bill to give shareholders a role in determining corporate executive pay and now considering unanimous consent requests. At the conclusion of today’s business, the House will begin the August recess; it is slated to return on Tuesday, September 8.

BUDGET & APPROPRIATIONS

HOUSE APPROVES ALL 12 FY10 APPROPRIATIONS BILLS  NEW

The House this week approved the last of its 12 of its FY10 appropriations bills—Defense—hitting the mark set by the House leadership earlier this year.

With Senate approval this week of the Energy and Water funding bill (S. 1436), the Senate has now approved three of its 12 FY10 appropriations bill. That number is likely to rise next week with expected approval of the FY10 Agriculture funding bill, which the Senate began debating this week.
The Senate Appropriations Committee on July 30 approved the FY10 Labor-HHS-Education funding bill with $163.1 billion in discretionary spending, which is $2.4 billion more than the companion measure approved by the House on July 24 (H.R. 3293).

**National Institutes of Health.** The bill includes $30.8 billion for the National Institutes of Health (NIH), which is the same as the Administration’s FY10 request, $442 million above FY09 funding, and $500 million below the House-passed level. (This funding does not include the $10.4 billion appropriated to NIH through the American Recovery and Reinvestment Act).

The Committee report notes that proposed funding for NIH “falls below the amount needed to keep up with biomedical inflation,” but adds that the “record-high” increase provided by ARRA “greatly mitigates the need for more funding than the administration has requested in fiscal year 2010.”

As with the House committee, the Senate report rejects the Administration’s proposal to “earmark” increases for cancer and autism research as a “dangerous precedent.” The report adds, “The Committee has long subscribed to the view that funding levels for individual diseases should be determined without political interference….In the long run, no one's interest would be served if Members of Congress with no professional expertise in medical research were asked to make funding decisions about hundreds of diseases and health conditions.”

**Student Aid:** The bill provides $19.3 billion for student financial aid. As with the House bill, the measure would maintain the maximum discretionary Pell Grant award at $4,860, which, when combined with mandatory spending of $690 approved through the College Cost Reduction and Access Act, would raise the maximum award to $5,550 for the 2010-2011 school year. This is an increase of $200 over the FY09 maximum award.

Also like the House bill, the measure does not include language (as expected) proposed by the Administration that assumes the Pell Grant will become an appropriated entitlement, as this proposal is currently being considered by the authorizing committees.

**Perkins Loans:** The bill provides no funding for the Perkins Program, noting that the Administration has proposed to restructure the program as a mandatory credit program. The House bill continues discretionary funding for Perkins, pending congressional review of the Administration’s legislative proposal, but provides only $49.7 million for loan cancellations, a reduction of $18 million from FY09.

**Work-Study, SEOG, and LEAP:** As with the House bill, the Senate measure level funds these programs at FY09 levels ($980.5 million, $757.5 billion, and $63.9 million, respectively). Unlike the House bill, which would add $20 million each to the TRIO and GEAR UP programs, the Senate bill would level fund the two programs at $848.1 million and $313.2 million, respectively.

**Javits and GAANN:** As with the House bill, the Senate measure would level fund the Javits and GAANN graduate education programs at $9.7 million and $31 million, respectively.

**Student Aid Administration:** The House and Senate bills provide an additional $117 million for a total of $870.4 million, presumably to handle increased student loan activities.
International Education Programs: The bill provides $118.9 million for Title VI international education programs and Fulbright Hays, which is $10 million less than the Administration’s request and the House-approved level.

HOUSE APPROVES FY10 DEFENSE APPROPRIATIONS BILL  NEW

The House approved the FY10 Defense appropriations bill (H.R. 3322) on July 30 by a vote of 400 to 30. The measure would increase funding for 6.1 basic research over the FY09 appropriation and the FY10 Administration’s budget request. An updated version of the FY10 appropriations table for Defense research accounts has been posted on the AAU website.

H.R. 3322 would provide $1.93 billion for 6.1 basic research. This is $89.3 million, or 4.8 percent, above the FY09 level of $1.84 billion, and $133 million, or 7.4 percent, above the Administration's request of about $1.8 billion.

For the broader Science & Technology (S&T) category, the House bill would provide $13.18 billion, a cut of $303 million, or 2.2 percent, from the FY09 level of $13.49 billion. However, this is $1.53 billion, or 13.2 percent, above the Administration’s request of $11.65 billion. S&T programs include defense-wide and military service funding for 6.1 basic research, 6.2 applied research, and 6.3 advanced technology development.

Within this total, applied research (6.2 programs) would receive $4.93 billion, a $185.9 million, or 3.6-percent, cut from the FY09 level of $5.11 billion, but a $680.2 million, or 16-percent, increase over the Administration's request of $4.25 billion. Advanced technology development (6.3 programs) would receive $6.33 billion, a $206.4 million, or 3.2-percent, cut from the FY09 level of $6.53 billion, but a $720.5 million, or 12.9-percent, increase over the Administration's request of $5.6 billion.

Overall, the measure includes $80.24 billion for Defense Research, Development, Test, and Evaluation (RDT&E). This is a cut of $282.8 billion, or 0.4 percent, from the FY09 level, but $1.29 million, or 1.6 percent, more than the Administration’s FY10 request.

DEFENSE SCIENCE AND TECHNOLOGY SUPPORT INCLUDED IN RECOVERY ACT FUNDING

The American Recovery and Reinvestment Act included $300 million for the Near Term Energy-Efficient Technologies Program Plan which will is funded through Defense research, development, testing, and evaluation (RDT&E) programs in FY09. Of that total, $193 million was allocated to basic and applied research and advanced technology accounts.

A table that illustrates the breakout of the $300 million is now available on the AAU website.

SENATE APPROVES FY10 ENERGY AND WATER APPROPRIATIONS BILL  NEW

The Senate on July 29 approved its version of the FY10 Energy and Water funding bill (S. 1436) by a vote of 85 to 9.
The bill provides $27.4 billion for the Department of Energy, which is $519 million more than the House-approved level of $26.9 billion, $605 million above FY09 funding, but about $1 billion less than the Administration’s FY10 request of $28.4 billion.

DOE Office of Science. The Senate bill would fund the DOE Office of Science at $4.9 billion, which is $45 million below the House-approved level and $43 million below the Administration’s FY10 request of $4.94 billion. (The Office of Science also received $1.6 billion in Recovery Act funds, to be spent over FY09 and FY10.) The Senate bill includes about $41 million in congressional directed projects; the House bill includes about $38 million. These projects would reduce the amount of money available to support the funding requested by the President.

The Senate-passed bill funds Basic Energy Sciences at $1.65 billion, which is $25 million less than the House level and about $35 million below the request. Advanced Scientific Computing would receive $399 million, which is $10 million below the House level and the request. Nuclear Physics would receive $540 million, or $4 million above the House level and $12 million below the request; High Energy Physics would receive $813 million, $6 million below both the House level and the Administration request; Biological and Environmental Research would receive $604 million, the same as the Administration request and $7 million above the House level; and Fusion Energy Sciences would be funded at $416 million, $5 million below the request and $25 million below the House level.

Energy Efficiency and Renewable Energy. The Senate bill would provide $2.248 billion, which is $70 million below the request, about $2 million below House funding, and $319 million above the FY09 level.

Innovation Hubs. The Department has requested $280 million to initiate eight Energy Innovation Hubs. The Senate bill supports three hubs: Fuels from Sunlight (within the Office of Science), Energy Efficient Building Systems (within the Office of Energy Efficiency and Renewable Energy), and Modeling and Simulation (within Nuclear Energy). The committee report says that the Fuels from Sunlight and Energy Efficient Building Systems hubs should each receive $22 million, but only if the Department of Energy is able to free up the funding by supporting with Recovery Act funds an infrastructure/roads project associated with the planned expansion of the National Renewable Energy Laboratory. It is unclear from the committee report how much funding is being provided for the Modeling and Simulation hub.

The House bill provides just $35 million for the centers within the Office of Science Basic Energy Science program, citing redundancy of the program with other DOE initiatives and a lack of implementation details.

RE-ENERGYSE. DOE has requested $115 million in FY10 for a new clean energy education initiative called, REgaining our ENERGY Science and Engineering Edge (RE-ENERGYSE). The Senate bill provides no funding for RE-ENERGYSE.

The House Committee report notes that the panel supports the desired results of the proposed RE-ENERGYSE program but believes the Administration’s justification for it lacks sufficient details. The Committee also expresses concern that the program might duplicate existing science, technology, engineering, and mathematics (STEM) education programs at DOE and other federal agencies. The Committee bill does not fund the program, but it provides $7.5 million for DOE to conduct a study to better define future energy education and workforce needs and to understand gaps in existing federal STEM education efforts that should be filled appropriately by DOE.
As proposed by the Administration, the RE-ENERGYSE program would provide $80 million for higher education programs, including support for new experiential learning opportunities for undergraduate students as well as three-year fellowships for doctoral students and one-year postdoctoral opportunities in energy-related fields. The program also would grant competitive awards to universities to develop and offer a master’s degree in Interdisciplinary Energy Studies, focused on clean energy.

The remaining $35 million in the program would support technical training and K-12 education. This includes support for community colleges to train technicians and faculty in science, technology, engineering, and mathematics (STEM) fields, and for activities aimed at engaging K-12 students and their teachers in such activities as reducing energy use at their schools and moving toward a zero-carbon footprint.

Neither bill would provide FY10 funding for the new Advanced Research Projects Agency-Energy (ARPA-E), for which the Administration requested $10 million. The new agency received $400 million in Recovery Act funds and $15 million in FY09.

The White House Statement of Administration Policy (SAP) on S. 1436 expresses concern that the bill provides less than requested for the Office of Science, which “would not maintain the President’s proposed path to double the funding of this office over 10 years.” The statement also “strongly opposes” reductions in funding for both the Energy Innovation Hubs and RE-ENERGYSE.

OTHER CONGRESSIONAL ISSUES

CONGRESS APPROVES TWO-MONTH EXTENSION OF SMALL BUSINESS PROGRAM AUTHORIZATION

Congress has voted to extend for two months the authorization for the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs, while House and Senate negotiators continue efforts to agree on a new reauthorization bill (H.R. 2965, S. 1233). The extension to September 30 (S. 1513) is needed because the SBIR authorization runs out today.

House and Senate negotiators have been unable to reach agreement on two major elements: whether and by how much to increase the small business set-aside in the research budgets of major federal research agencies and the terms under which venture capital-supported small companies can compete for SBIR funding.

AAU has supported reauthorization of both programs and has specifically endorsed the House-passed bill (H.R. 2965). The association continues to oppose the Senate-passed bill (S. 1233) because it would increase the percentage set-aside for small business in the research budgets of the major federal research agencies from 2.5 percent to 3.5 percent over 10 years for SBIR and from .3 percent to .6 percent over five years for STTR. AAU has argued in congressional testimony that the best way to increase the funding available for these programs is to provide steady and sustained increases for federally funded research overall.

OTHER
AAU, the Association of Public and Land-grant Universities, and the Science Coalition, are working together on an effort to keep the public and policymakers informed about the economic impact that research funding through the American Recovery and Reinvestment Act (ARRA) is having on communities around the country.

The three organizations issued a joint press release on July 30 that includes some early examples of the scientific research and education grants that universities around the U.S. are receiving. Sample grants range from summer internships for high school students and teachers to work with university cancer researchers, to research support for investigating new materials for converting solar energy to electricity, and funding to help initiate a new marine biotechnology facility.

The release is the first of what will be periodic updates on ARRA-funded research activities, which will seek to spotlight activities at a wide variety of campuses in every state and the District of Columbia.

Campuses that would like to share their ARRA-funded activities are asked to send that information to ARRAresearch@qga.com.

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