Friday, September 18, 2009

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CONGRESSIONAL SCHEDULE   NEW

Neither the House nor the Senate met today due to the Rosh Hashanah holiday.

When the House and Senate reconvene on Monday, September 21, their focus will be on FY10 appropriations. (See appropriations item below.)

The Senate next week is expected to complete work on the FY10 Interior appropriations bill, to be followed by consideration of either the Commerce-Justice-Science or Defense appropriations bill.

The House next week is scheduled to consider a short-term continuing resolution to sustain funding for federal programs after the new fiscal year begins on October 1, as well as legislation to extend unemployment benefits for an additional 13 weeks in states with a jobless rate above 8.5 percent.

BUDGET & APPROPRIATIONS

CONGRESS CONTINUES WORK ON FY10 APPROPRIATIONS BILLS   NEW

Although the new fiscal year is less than two weeks away, Congress has not completed any of the 12 FY10 appropriations bills. The House has approved all of its bills, but the Senate has passed just five, with two more possible next week. It remains unclear when House-Senate conference agreements will be completed on the five bills that both chambers have passed, but
Senate Majority Leader Harry Reid (D-NV) said yesterday, “we’re going to do our utmost” to have those finished and approved by Congress before the new fiscal year.

As discussed above, the House next week will consider a continuing resolution (CR) to sustain funding for federal programs after September 30. The CR is likely to last through the month of October. Also expected is some type of end-of-year omnibus appropriations package that includes the bills that Congress is unable to complete separately.

AAU AND APLU URGE SUPPORT FOR ENERGY SCIENCE AND EDUCATION INITIATIVES

AAU and the Association of Public and Land-grant Universities (APLU) have written to House and Senate appropriators outlining three university priorities for the upcoming House-Senate conference on the FY10 energy and water appropriations bill. “Each of these priorities aligns with our nation’s goal to develop cleaner, cheaper and efficient sources of energy,” they wrote.

The AAU-APLU letter urges conferees to continue strong funding for the Department of Energy (DOE) Office of Science; enhance support for energy research through the Administration’s proposed energy innovation hubs; and support DOE education efforts, including the proposed Re-gaining our ENERGY Science and Engineering Edge (Re-ENERGYSE) initiative.

ORGANIZATIONS URGE STRONG FUNDING OF ENERGY INNOVATION HUBS

Sixty-two associations, universities, and corporations—including AAU—have sent a letter to members of the House and Senate Energy and Water Appropriations subcommittees urging them to support the Administration's proposed energy innovation hubs in the final FY10 funding bill.

The letter notes that members of the group agree with DOE that existing structures for research, development, and commercialization are insufficient to quickly produce the advances needed to meet the nation’s energy and climate goals. “The Hubs are specifically designed to complement and draw upon the work of other DOE programs, such as the Energy Frontier Research Centers (EFRCs) and the Advanced Research Projects Agency for Energy (ARPA-E),” said the letter.

HOUSE COMMITTEE GEARING UP FOR TAX EXTENDERS BILL

According to news reports, Democratic members of the House Ways and Means Committee are beginning work on a tax bill to extend several business and other tax provisions that are scheduled to expire at the end of December, including the AMT patch and possibly the tax credit for first-time homebuyers. Two expiring provisions of particular interest to colleges and universities are the IRA charitable rollover and the tuition tax deduction. In addition, under current law, the estate tax is set to vanish in 2010 and return in 2011 with a tax rate higher than the 2009 level, so Democratic leaders will want to address that issue. They also may use the bill as a vehicle for a cost-of-living adjustment for Social Security beneficiaries.

OTHER CONGRESSIONAL ISSUES

HOUSE APPROVES STUDENT AID OVERHAUL

NEW
The House yesterday, by a vote of 253 to 172, approved legislation to implement the President’s plan to overhaul the federal student aid system. The vote was largely along party lines, with just five Republicans voting in favor of the measure and four Democrats voting against it.

The Student Aid and Fiscal Responsibility Act (H.R. 3221) would save an estimated $87 billion over 10 years by eliminating the federally subsidized private student loan market and moving all new subsidized loans into the Direct Loan program.

The House-passed bill would direct $40 billion of the expected 10-year savings into the Pell Grant program, providing for a $200 increase in the maximum Pell Grant award to $5,550 in 2010 and indexing annual increases to the rise in the Consumer Price Index plus one percent. (The Pell Grant increase is also supported by mandatory funding through the College Cost Reduction Act.)

Additional savings from H.R. 3221 would be used to expand and change the criteria for the Perkins Loan Program, keep interest rates on subsidized federal student loans low by making them variable in 2012, and create a new College Access and Completion Innovation Fund designed to support new approaches to improving higher education access and student graduation rates.

Savings also would be used to provide $10 billion for the President’s community college initiative; $8 billion to improve early childhood education; $4.1 billion for modernization and repair of school and college facilities; and $10 billion for deficit reduction. Additionally, the bill would simplify the federal student financial aid form.

Among concerns that have been raised in the higher education community about the bill is the proposed overhaul of the Perkins Loan Program, which could obligate institutions either to pay interest on behalf of their student borrowers while they are in school or to pay new participation fees.

Also of concern is the proposed College Access and Completion Innovation Fund, which is intended to help achieve the President’s goal of increasing the number of college graduates. Only 25 percent of the available funding ($3 billion total over five years) would be available for competition among higher education institutions. States would retain the majority of funding, and to be eligible for grants, they would have to develop rigorous statewide longitudinal data systems, which could give states major new regulatory control over public colleges and universities. (The original proposal included private institutions, but they received an exemption in the final House bill.)

The Senate companion measure is expected to be introduced soon.

HIGHER EDUCATION ASSOCIATIONS EXPRESS VIEWS ON HOUSE STUDENT AID BILL

Eighteen higher education associations, including AAU, sent a letter to all Members of the House of Representatives on September 16 providing the organizations’ views on the budget reconciliation bill (H.R. 3221).

The letter, spearheaded by the American Council on Education, endorsed several provisions in the bill that would help students, such as setting aside additional mandatory funding for the Pell
Grant program, streamlining the Free Application for Federal Student Aid, and modifying a scheduled interest rate increase for subsidized student loans.

The associations’ letter also expressed concern about provisions of the proposed College Access and Completion Innovation Fund which have the potential to expand state control over institutions of higher education, and about proposed changes in the Perkins Loan Program. The letter added, “We do not wish to impede the progress of this bill or stand in the way of its passage, but we hope to address these issues as the legislation moves toward its eventual enactment.”

OTHER

NAS PLANS SYMPOSIUM SEPTEMBER 24 ON SCIENTIFIC DATA FOR EVIDENCE-BASED POLICY AND DECISION MAKING NEW

The National Academies of Science will hold a public symposium on September 24 to discuss Obama Administration policies and programs that aim to ensure that federal policies are based on the best and most unbiased scientific information. The NAS Board on Research and Data Information is hosting the session, which will feature presentations by high-level Administration officials, followed by a panel discussion among those speakers and members of the Board.

The public is invited to attend the symposium, which will be held next Thursday, September 24, from 3:30 to 6:30 p.m., at the National Academy of Sciences auditorium, 2100 C Street, NW, Washington, DC.

Those interested in attending are asked to RSVP to Cheryl Levey at clevey@nas.edu. Additional information about the symposium, including invited speakers, is available on the NAS website here.

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