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# AAU WEEKLY WRAP-UP

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## CONGRESSIONAL SCHEDULE *NEW*

The Senate today considered a housing bill (S. 896) but held no roll call votes. The House did not meet.

CQToday reports that both chambers next week will work mainly on financial industry legislation. The House is expected to consider bills to crack down on predatory housing lending (H.R. 1728) and to expand the definition of financial fraud (H.R. 1748). The Senate is expected to finish work on its housing bill (H.R. 896) and to consider credit card reform (S. 414) and an overhaul of Defense acquisition rules (S. 454).

## BUDGET & APPROPRIATIONS

### CONGRESS APPROVES FY10 BUDGET RESOLUTION *UPDATED*

Congress approved the conference report for the FY10 concurrent budget resolution on April 29, setting the stage for the appropriations process and for legislative battles over the President's initiatives to overhaul the health care, energy, and student aid systems. The House approved the budget resolution (S. Con. Res. 13) by a vote of 233 to 193, with 17 Democrats and all Republicans voting against it. The Senate approved it later that day by a vote of 53 to 43, with four Democrats and all Republicans voting against it.

The FY10 [budget resolution](#), which serves as a tax and spending blueprint for Congress and is not signed into law by the President, provides \$1.096 trillion in non-emergency discretionary spending in FY10, or \$10 billion less than the Obama Administration requested in the budget

[outline](#) it released on February 26. The overall appropriations level, which is binding on Congress, includes the President's \$556.1 billion request for defense programs and \$10 billion less than his request for domestic appropriations, though these specific figures are not binding.

The most controversial provision in the budget resolution allows use of the fast-track reconciliation process for health care reform and student aid legislation, enabling such legislation to pass the Senate by a simple majority rather than by the 60 votes needed to avoid a filibuster. The reconciliation provision, which has been strongly criticized by Senate Republicans, was originally included in the House version of the budget resolution but not in the Senate. CQToday reports that Democrats insist that reconciliation will be used only if bipartisan negotiations break down.

Democrats could have 60 votes in the Senate by this summer. Senator Arlen Specter announced April 29 that he would change his party affiliation from Republican to Democratic, and a court decision scheduled for June in Minnesota could declare Democrat Al Franken the winner in that state's contested Senate race. But as CQToday notes, "It's not that easy." Neither Senator Specter nor a number of other Democratic Senators can be considered automatic votes for Democratic leadership positions.

### **--Reconciliation Instructions to House and Senate Education Committees *NEW***

The reconciliation instructions for student aid require the House and Senate education committees to draft legislation that reduces spending by \$1 billion a year over the next five years. While the instructions would allow the committees to propose the complete overhaul of student loans that the Administration has offered—moving all student lending to the direct loan program—the committees also will consider other proposals. The *Chronicle of Higher Education* notes that the instructions include nonbinding "Sense of the Senate" language that says any changes in the student loan programs "should include some future role for the currently involved private and nonprofit entities" and references jobs losses that could occur if bank-based lending were eliminated.

### **--Higher Education Associations Express Support of FY10 Budget Resolution**

Several higher education associations, including AAU, [wrote](#) to all members of the House of Representatives on April 28 and to members of the Senate the following day, expressing support for the FY10 budget resolution. The letters focused on the provision that would enable the Pell Grant program to become a full entitlement.

"We are pleased that S. Con. Res. 13 includes instructions to the authorizing committees to reduce the deficit, while providing for the conversion of the Pell Grant program to a full entitlement," said the associations' letter. "As part of achieving the goal of a full Pell entitlement, we understand Congress will be looking to modify existing federal student loan and grant programs... We welcome the discussion and look forward to working with you as you draft legislation to best serve America's students and families."

## **OTHER CONGRESSIONAL ISSUES**

### **HOUSE JUDICIARY COMMITTEE MARKS UP FALSE CLAIMS BILL**

The House Judiciary Committee on April 28 marked up and passed the False Claims Act Corrections Act of 2009 (H.R. 1788).

During consideration of the bill, Rep. Dan Maffei (D-NY) offered an amendment to address the overpayment issue that AAU raised in its April 20 [letter](#) to the Committee. Rep. Maffei cited concerns raised by universities and hospitals related to the drawing down of grants and the process by which over- and underpayments are reconciled with the federal government. He showed committee members the letters from AAU and Association of American Medical Colleges and had them included in the committee record. Reps. Zoe Lofgren (D-CA), Lamar Smith (R-TX) and Darrell Issa (R-CA) echoed his concerns about the effect on universities and expressed support for his amendment.

Rep. Howard Berman (D-CA), author of H.R. 1788, responded that the Maffei amendment dealt with "existing law" rather than his legislation. He said his concern was that universities or other organizations might identify overpayments but not reconcile them for years, thus allowing them to use federal money during the interim.

Rep. Maffei withdrew his amendment, but before doing so reiterated that it was important to judge intent in the billing reconciliation process. He received a commitment from Rep. Berman to address the overpayment issues before floor action on the bill.

## **SENATE PASSES MORTGAGE FRAUD BILL WITH FALSE CLAIMS PROVISIONS**

The Senate approved the Fraud Enforcement and Recovery Act of 2009 (S. 386) on April 28 by a vote of 92-4. As previously reported, AAU has [expressed](#) reservations about the false claims provisions of S. 386.

## **EXECUTIVE BRANCH**

### **AAU COMMENTS ON RECOVERY ACT REPORTING *NEW***

AAU President Robert M. Berdahl today submitted [comments](#) to the Office of Management and Budget (OMB) regarding standard data elements that the agency proposes to require for reporting under the American Recovery and Reinvestment Act (ARRA). OMB requested comments on these data elements, which will be used for organizations to report back to federal agencies on spending of ARRA funds through grants, cooperative agreements, and loans. The AAU letter endorses the April 29 [letter](#) of the Council on Government Relations and raises four main concerns:

- reporting requirements must be uniform and standardized across federal agencies;
- the electronic portal for filing required reports must be fully functional and adequately supported;
- final and quarterly reporting periods should be adjusted to allow for complete data submission; and
- the federal government must develop uniform guidance on the calculation of “jobs created or retained” through Recovery Act funding.

## **ARRA-E ISSUES ITS FIRST FUNDING SOLICITATION**

The Department of Energy's new Advanced Research Projects Agency-Energy (ARPA-E), has issued its first Funding Opportunity Announcement (FOA) for research and development aimed at "transformational energy-related technologies." The detailed program announcement is available on the new ARPA-E [website](#).

The announcement emphasizes that transformational technologies are those that disrupt the status quo rather than simply making incremental progress on current technologies. For that reason, the agency is asking applicants to submit a concept paper about their technical idea first so that ARPA-E staff can let them know if the proposal warrants a full application.

ARPA-E was authorized in the 2007 America COMPETES Act (P.L. 110-69) to support high-risk, high-payoff energy research, in a manner similar to the original Defense Advanced Research Projects Agency. Congress appropriated no money for the new agency until this year, when \$400 million for ARPA-E was included in the American Recovery and Reinvestment Act. An additional \$15 million was provided through the FY09 omnibus appropriations act.

## **DEPARTMENT OF ENERGY ANNOUNCES ENERGY FRONTIER RESEARCH CENTERS**

The Department of Energy on April 27 [announced](#) the list of awardees for its new Energy Frontier Research Centers (EFRC) program, which aims to "accelerate scientific breakthroughs needed to build a new 21<sup>st</sup>-century economy." Of the 46 centers funded through the competition, 31 are led by universities. Each center is expected to receive \$2-4 million per year for five years.

The Department initiated the centers competition last year as a means of bringing together "groups of leading scientists to address fundamental issues in fields ranging from solar energy and electricity storage to materials sciences, biofuels, advanced nuclear systems, and carbon capture and sequestration." The Department received about 260 applications from colleges and universities, DOE laboratories, for-profit entities, and nonprofit organizations, from which the awardees were selected. The Department press [release](#) says that more than 110 institutions from 36 states and the District of Columbia will participate in EFRC research.

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