



AAU WEEKLY WRAP-UP

ASSOCIATION OF AMERICAN UNIVERSITIES
1200 NEW YORK AVENUE NW, SUITE 550, WASHINGTON, D.C. 20005
Phone: 202-408-7500 Fax: 202-408-8184
www.aau.edu

August 6, 2010

CONTENTS

CONGRESSIONAL SCHEDULE *NEW*

BUDGET & APPROPRIATIONS

Senate Approval of Jobs Bill Sets up House Vote Next Week *NEW*

Senate Democrats May Cut FY11 Spending Cap *NEW*

Senators' Report Criticizes Recovery Act Projects, Including Several in Research *UPDATED*

OTHER CONGRESSIONAL ISSUES

Roundtable Submits Statement to House Panel on Open Access

EXECUTIVE BRANCH

Associations Weigh in on Proposed Program Integrity Regulations *UPDATED*

Senate Passes NASA Reauthorization Bill *NEW*

Patients Petition HHS to Break Exclusive Patent on Rare Disease Drug

OTHER

AAU Posts "Google—It Began With an NSF Grant"

CONGRESSIONAL SCHEDULE *NEW*

Although the House adjourned July 30 for the August recess, Speaker Nancy Pelosi (D-CA) has called the chamber back into session for August 9 and 10 to vote on the Senate-passed \$26.1 billion package of state aid for Medicaid and education (see item below). The House will meet in pro forma session on Monday, August 9, with votes on Tuesday, August 10. Following the legislative session, the House will adjourn, to reconvene on Tuesday, September 14.

The Senate adjourned August 5, to reconvene on Monday, September 13.

Senate Majority Leader Harry Reid (D-NV) said August 2 that when the Senate returns in September, he wants to take up the FY11 Defense authorization bill. News reports indicate that Senate Democrats also plan to bring up a small business jobs bill (H.R. 5297), as well as a bill to extend expiring tax cuts approved during the administration of George W. Bush. A major issue will be whether to extend tax breaks for high earners, or to limit them to those earning under a certain threshold.

Senator Reid's office has released a schedule for the rest of the year. The Senate will be in session from September 13 to October 8; from November 15 to 19, following the elections; and then beginning November 29 until adjournment.

The House [schedule](#) shows the chamber in session from September 14 through October 8, with no dates listed as yet for a lame-duck session.

BUDGET & APPROPRIATIONS

SENATE APPROVAL OF JOBS BILL SETS UP HOUSE VOTE NEXT WEEK *NEW*

In something of a surprise, the Senate on August 5 approved a \$26.1 billion package for the states to bolster Medicaid and avert layoffs of public school employees (H.R. 1586). Because few believed the Senate would be able to pass the measure, House Democrats had already begun their August recess; as noted above, Speaker Pelosi has called the House back to consider the bill.

The key Senate vote came on August 4, when Democrats were able to secure a 61 to 38 vote on a procedural motion, averting a possible filibuster and setting up the August 5 vote. The bill was approved on a final vote of 61 to 39.

Although congressional Democrats had tried repeatedly to attach the assistance to other pieces of legislation, Senate Democrats reduced the cost of the package and included a combination of tax increases and spending cuts to pay for it. That enabled them to secure the votes needed for it to pass.

The package for the states includes \$16.1 billion for Medicaid and \$10 billion to avoid layoffs of public school employees. The Medicaid funding had been included in the tax extenders bill the Senate failed to pass on June 24; the public school funding was included in the House version of the FY10 supplemental funding bill, but was stripped out before final passage.

The final spending package does not include \$4.5 billion to help cover the Pell Grant shortfall. Funding for the shortfall has been included in the House version of the FY11 Labor-HHS-Education appropriations bill, but not in the Senate version.

SENATE DEMOCRATS MAY CUT FY11 SPENDING CAP *NEW*

Senate Democrats may cut their FY11 discretionary spending cap—including both national security and domestic spending—by an additional \$6 billion, according to news reports. Without the 60 votes needed to approve the higher cap adopted by the Senate Appropriations Committee—which itself represents a cut of \$4 billion below the level approved by the Senate Budget Committee—Senate Majority Leader Harry Reid (D-NV) has indicated that Democrats are likely to accept the lower level proposed by Senate Republicans.

Senate Republicans have proposed total FY11 discretionary funding of \$1.108 trillion, which is \$6 billion below the Senate Appropriations Committee-approved level, \$13 billion below the House-approved level, and \$20 billion below the President's FY11 request. (The President's FY11 budget request included a freeze on domestic discretionary spending—which was flexible, not across-the-board—that did not affect the Departments of Defense and Homeland Security, veterans program, or foreign aid.)

SENATORS' REPORT CRITICIZES RECOVERY ACT PROJECTS, INCLUDING SEVERAL IN RESEARCH *UPDATED*

A report issued August 3 by Senators Tom Coburn (R-OK) and John McCain (R-AZ) includes several research projects among 100 projects funded through the American Recovery and Reinvestment Act which they claim are “wasteful, mismanaged, and overall unsuccessful in creating jobs.”

The research projects identified in the [report](#) cover a variety of areas, including behavioral sciences, biological sciences, and health. Although the funding agency is identified for only a few of the listed projects, most probably were funded by the National Science Foundation and the National Institutes of Health.

The White House released a [statement](#) on August 3 calling the report a partisan attack that is inaccurate and misleading. Other responses to the report include a Washington Post [blog](#) that focuses on the use of monkeys to better understand cocaine addiction, as well as an [editorial](#) in the Durham Herald Sun that defends local university projects on the Senators' list that deal with Alzheimer's Disease and ways to improve security on social networking websites.

OTHER CONGRESSIONAL ISSUES

ROUNDTABLE SUBMITS STATEMENT TO HOUSE PANEL ON OPEN ACCESS

The Scholarly Publishing Roundtable, a group representing a broad range of stakeholders in scholarly publishing, has submitted a [statement](#) for the record to a House panel that held a July 29 hearing on public access to federally funded research. The Roundtable statement described the group's January 2010 [report](#) on public access, noting that its recommendations sought to “balance the need for and potential of increased access to scholarly articles with the need to preserve the essential functions of the scholarly research enterprise.”

The [hearing](#), held July 29 by the House Government Oversight Committee's Subcommittee on Information Policy, Census, and National Archives, included witnesses from academic publishing, associations, academe, industry, and government. The Chronicle of Higher Education reported that Subcommittee Chairman William Lacy Clay, Jr. (D-MO) said in his opening remarks that the hearing was not connected to a specific bill but was convened “to examine the current state of federally funded research and to discuss the potential implications of increased access.”

The Roundtable statement noted that many of its recommendations had been included in the House and Senate versions of the COMPETES Act reauthorization. The letter encouraged the Committee “to support the legislative pathway that has been launched by the COMPETES Act reauthorization bills for the effective expansion of public access to the results of federally funded research.”

EXECUTIVE BRANCH

ASSOCIATIONS WEIGH IN ON PROPOSED PROGRAM INTEGRITY REGULATIONS *UPDATED*

AAU and more than 70 higher education associations and accrediting organizations sent a [letter](#) to the Department of Education on August 2 explaining their concerns about proposed “program integrity” regulations, many of which are aimed at cracking down on for-profit occupational training programs.

The associations’ letter, led by the American Council on Education, applauded the Department’s efforts to protect students and taxpayers from bad actors, but it expressed the following concern:

“In too many instances, the sweep of the proposed regulations and the increase in administrative workloads that would affect all institutions does not seem justified to stop a relatively small number of schools from engaging in some fraudulent or unlawful activities. For example, a single anecdote is the basis for the Department’s proposal to require 6,000 institutions to accept a federal definition of “credit hour” and require all recognized accrediting agencies to assume a greatly enhanced role in policing institutional procedures pertaining to the award of credit.”

The associations’ letter provides detailed comments on the issues of credit-hour definition, state authorization requirements, deceptive advertising and marketing tactics, incentive compensation, gainful-employment reporting and disclosure, and requirements to take attendance.

Meanwhile, at an August 4 hearing on for-profit colleges’ recruitment practices in the Senate Health, Education, Labor, and Pensions Committee, Chairman Tom Harkin (D-IA) said the draft Department of Education regulations were a good first step. But after hearing from investigators from the Government Accountability Office about shady recruitment and marketing practices at 15 for-profit colleges, Senator Harkin said he intended to hold additional hearings and to introduce legislation that “can’t be overturned by another administration” and is “tightly designed legislation to correct these practices.”

SENATE PASSES NASA REAUTHORIZATION BILL *NEW*

The Senate on August 5 approved by voice vote its NASA reauthorization bill (S. 3729), a \$58.4 billion, three-year authorization of NASA and its programs. As reported previously, the Administration and Members of Congress have been in a heated battle for the past several months over the future direction of NASA and its human space flight operations. According to members of the Senate Commerce Committee, this bill represents a bipartisan [compromise](#) that incorporates much of the plan for space that President Obama outlined in his FY11 budget request for NASA.

The House version of the reauthorization bill (H.R. 5781) was [approved](#) by the House Science and Technology Committee on July 22. The measure has several differences from the Senate-passed bill, most notably the manner in which it addresses and funds commercial crew transportation carriers. Both bills recognize the importance of earth science and observation missions, robust support for space science research, and continued support for aeronautics research and technology development.

PATIENTS PETITION HHS TO BREAK EXCLUSIVE PATENT ON RARE DISEASE DRUG

Three patients with a rare disease have submitted a [petition](#) to the Department of Health and Human Services (HHS) asking the agency to break the exclusive patent rights on Fabrazyme, the only drug approved to treat their disease, in order to relieve a current shortage of the drug.

The individuals are asking that HHS use the “march-in” authority provided by the Bayh-Dole Act to grant an open license to patents associated with manufacture of Fabrazyme, currently held by the Genzyme Corporation, so that the drug can be made by other companies. The petition is supported by a Washington, D.C.-based advocacy group, [Knowledge Ecology International](#), which works to limit patent rights it sees as harming public health.

The NY Times [reports](#) that the patients’ petition may face an uphill battle because three previous petitions for march-in rights on other drugs were rejected, and it is not clear that approving the petition would lead to a greater supply of the drug in the short term. However, unlike two petitions filed six years ago, the new petition does not focus on pricing policies. Rather, it focuses on allegations of drug rationing and of the consequent need to “alleviate health or safety needs which are not reasonably satisfied by the contractor, assignee, or their licensees as provided in [Bayh-Dole march-in provision] 35 U.S.C. Section 203(a)(2).”

For a previous petition filed in 2004 over the price of an HIV treatment drug, an AAU representative, Dr. Ted Poehler of the Johns Hopkins University, [testified](#) against the exercise of march-in rights before an HHS review panel. As noted above, however, the current petition focuses on different factors. AAU will continue to monitor this issue.

OTHER

AAU POSTS “GOOGLE—IT BEGAN WITH AN NSF GRANT”

AAU has posted a new document on its website that [shows](#), in graphic form, how two graduate students built on research supported by the National Science Foundation to create the ubiquitous web browser—and multi-billion-dollar company—Google. The document joins several other documents in the section, “[Societal Benefits Illustrated—An AAU Project](#).”

End of document