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# AAU WEEKLY WRAP-UP

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## CONGRESSIONAL SCHEDULE *NEW*

The House and Senate were in session today. The House approved the FY10 Labor-HHS-Education appropriations bill (H.R. 3293); the Senate was in session but held no roll call votes.

Both chambers will reconvene on Monday, July 27. Majority Leader Steny Hoyer (D-MD) said this afternoon that the House next week is scheduled to consider the FY10 Defense appropriations bill, a financial services bill (H.R. 3269), and a food safety bill (H.R. 2749).

The Senate on Monday will begin work on the FY10 Energy and Water appropriations bill (S. 1436) but will hold no roll call votes that day.

## BUDGET & APPROPRIATIONS

### PROGRESS CONTINUES ON FY10 APPROPRIATIONS BILLS *NEW*

The House continues steady work on the FY10 appropriations bills and is likely to meet Democratic leaders' goal of approving all 12 bills before the August recess, which is scheduled to begin at the end of next week. (The Senate will remain in session through the first week of August.) The House yesterday approved the FY10 Transportation-HUD funding bill and today approved the FY10 Labor-HHS-Education appropriations bill (see item below).

The last remaining bill, Defense, which was reported from committee on July 22, is slated for floor debate next week. No committee report on the bill is yet available. The general [summary](#) of the bill provides no details on general research funding, but it highlights about \$310 million in funding for biomedical research.

The Senate approved no new FY10 appropriations bill this week. It has approved only the Legislative Branch and Homeland Security bills, but, as discussed above, is scheduled to consider the Energy and Water measure next week. The Appropriations Committee has voted out nine bills, with the Defense, Labor-HHS-Education, and Transportation-HUD bills still to be considered. The Labor-HHS-Education and Transportation-HUD bills are scheduled for subcommittee consideration on Tuesday, July 28, and Wednesday, July 29, respectively.

### **HOUSE APPROVES FY10 LABOR-HHS-EDUCATION BILL *NEW***

The House of Representatives approved its version of the FY10 Labor-HHS-Education appropriations bill (H.R. 3293) today by a vote of 264 to 153. The measure includes \$160.7 billion in discretionary spending, which is \$5.6 billion more than the comparable FY09 level and \$52 million below the Administration's request. (See committee [summary](#) for additional details.)

The measure provides \$31.3 billion for the National Institutes of Health (NIH), an increase of \$941 million, or 3.1 percent, above the FY09 level and \$500 million above the President's FY10 request. Chairman Obey's previous [statement](#) on the bill says that it rejects "the Administration's targeted funding approach" and ensures "that all institutes and centers receive funding to offset biomedical research inflation."

For Pell Grants, the bill would maintain the maximum discretionary grant award at \$4,860, which, when combined with mandatory spending of \$690, would provide a maximum Pell Grant award of \$5,550 in FY10. That is an increase of \$200 over the FY09 maximum award.

Campus-based student aid programs would be level-funded, but the measure increases funding for early intervention, preparation, and support activities, including a \$20 million increase for both TRIO and GEAR-UP, raising their funding levels to \$868 million and \$330 million, respectively.

During consideration of the bill, the House considered five amendments, three of which are of interest to research universities.

- An amendment offered by Rep. Darrell Issa (R-CA) to eliminate funding for three peer-reviewed National Institutes of Health (NIH) grants was accepted by Appropriations Committee Chairman David Obey (D-WI) without a roll-call vote. The three grants in question support research intended to improve understanding of the behavioral factors in HIV transmission and to investigate methods of intervention and prevention. Representatives of research universities are concerned that inclusion of this amendment sets a bad precedent of congressional interference in agency funding decisions and will work to have the amendment removed as the process moves forward.
- An amendment by Rep. Robert Wittman (R-VA) to reduce overall funding in the bill by \$802 million failed by a vote of 199 to 229.
- An amendment by Rep. Mark Souder (R-IN) to prohibit funding in the bill from being used to support needle exchange programs also was defeated, by a vote of 211 to 218.

### **ORGANIZATIONS THANK HOUSE APPROPRIATORS FOR NIH FY10 FUNDING**

A group of 157 patient groups, scientific and medical societies, research institutions, and industry organizations, including AAU, sent a [letter](#) to leaders of the House Labor-HHS-Education Appropriations Subcommittee on July 16 thanking them for making the National Institutes of Health (NIH) a priority in their FY10 funding bill.

The letter to Subcommittee Chairman David Obey (D-WI) and Ranking Member Todd Tiahrt (R-KS) thanks them for their “tireless efforts and continued leadership in support of NIH.” The [measure](#), which was approved in full committee on July 17 and today by the full House, would fund NIH at \$31.3 billion, which is \$942 million above FY09 funding and \$500 million above the President’s FY10 request.

### **HOUSE DEFENSE APPROPRIATIONS BILL WOULD INCREASE 6.1 BASIC RESEARCH NEW**

The FY10 Defense appropriations bill approved earlier this week by the House Appropriations Committee would provide increased funding for 6.1 basic research over the FY09 appropriation and the FY10 Administration’s budget request. (Neither the bill number nor the committee report was available at this writing.)

The measure, approved in subcommittee on June 16 and in full committee on July 22, would provide \$1.929 billion for basic research. This is \$87.1 million, or 4.7 percent, above the FY09 level of \$1.842 billion, and \$130.83 million, or 7.3 percent, above the Administration's request of about \$1.798 billion.

For the broader Science & Technology (S&T) category, the House bill would provide \$13.164 billion, a cut of \$322.4 million, or 2.4 percent, from the FY09 level of \$13.486 billion. However, this is \$1.514 billion, or 13.0 percent, above the Administration’s request of \$11.650 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 \$4.925 billion, a \$188.1 million, or 3.7-percent, cut from the FY09 level of \$5.113 billion, but a \$678.0 million, or 16.0-percent, increase over the Administration's request of \$4.247 billion. Advanced technology development (6.3 programs) would receive \$6.310 billion, a \$221.4 million, or 3.4-percent, cut from the FY09 level of \$6.532 billion, but a \$705.5 million, or 12.6-percent, increase over the Administration's request of \$5.605 billion.

The House bill breakout for 6.1 basic research and 6.2 applied research across the services is as follows:

- Army 6.1: \$441.0 million, a \$1.8 million or 0.4-percent increase over FY09;
- Army 6.2: \$1.221 billion, a \$12.9 million or 1.0-percent cut from FY09;
- Navy 6.1: \$547.7 million, a \$300,000 or 0.1-percent increase over FY09;
- Navy 6.2: \$655.8 million, a \$120.6 million or 15.5-percent cut from FY09;
- Air Force 6.1: \$474.6 million, a \$5.7 million or 1.2-percent increase over FY09;
- Air Force 6.2: \$1.186 billion, a \$30.6 million or 2.5-percent cut from FY09;
- Defense-wide 6.1: \$465.8 million, a \$79.4 million or 20.5-percent increase over FY09; and
- Defense-wide 6.2: \$1.862 billion, a \$24 million or 1.3-percent cut from FY09.

The bill would fund the National Defense Education Program at the Administration's requested level of \$90 million, an increase of \$21 million above the FY09 level of \$69 million.

For the Defense Advanced Research Projects Agency (DARPA), the bill would provide \$3.048 billion for FY10. The bill's accompanying report notes that this represents a reduction of \$200 million from the Administration's request and \$81.97 million less than the FY09 funding level. The report states: "Based on historic under execution in several program elements, the Committee has reduced this funding level."

Overall, the House Appropriations Committee approved \$80.211 billion for Defense Research, Development, Test and Evaluation (RDT&E). This is a cut of \$310.1 billion, or 0.4 percent, below the FY09 level, but \$1.266 million, or 1.6 percent, above the Administration's FY09 request.

A further [breakout](#) of the Defense appropriations levels for accounts of interest to research universities, including the University Research Initiative accounts, is available on the AAU web site.

## **MORE THAN ONE HUNDRED GROUPS URGE FULL FUNDING OF RE-ENERGYSE PROGRAM**

A group of 112 student groups, universities, and associations, including AAU, sent a letter to all members of the Senate on July 22 urging them to fully fund the Obama Administration's energy education initiative, REgaining our ENERGY Science and Engineering Edge (RE-ENERGYSE).

The [letter](#), a [press release](#), and a [fact sheet](#) on the RE-ENERGYSE program are available on the AAU website.

The House-passed FY10 appropriations [bill](#) (H.R. 3183) provides just \$7 million in planning money for the initiative; the Senate Appropriations Committee-passed [bill](#) (S. 1436) provides none.

## **OTHER CONGRESSIONAL ISSUES**

### **HOUSE PANEL APPROVES SWEEPING HIGHER EDUCATION BILL**

The House Education and Labor Committee on July 21 approved far-reaching higher education legislation (H.R. 2331) that would restructure the federal student loan program and funnel the savings over 10 years into a variety of higher education and K-12 programs, as well as deficit reduction.

The committee [approved](#) the Student Aid and Fiscal Responsibility Act, introduced by Committee Chairman George Miller (D-CA), by a vote of 30 to 17. The measure would eliminate the federally guaranteed private student loan program, add mandatory funding to the Pell Grant program without making it an entitlement, and reshape the Perkins Loan program.

The bill also would:

- provide new funding for community colleges and Historically Black and other minority-serving institutions,
- keep student loan interest rates low,
- make it easier for families to apply for financial aid,
- increase support for college access and degree-completion programs,
- provide funding for schools modernization, renovation and repair, and
- create an early learning challenge fund.

As the Administration has proposed, the Miller bill would close down the Federal Family Education Loan (FFEL) program and move all new lending into the Direct Loan program at the Department of Education. This is estimated to generate \$87 billion in savings over 10 years. Of these savings, \$40 billion would be allocated to Pell Grants, with the rest supporting other initiatives in the bill, along with \$10 billion in deficit reduction.

The Miller bill rejects the President’s proposal to make the Pell Grant program an entitlement; House and Senate appropriators would continue to set the Pell Grant maximum award each year. However, the bill would use mandatory funds to increase the maximum award automatically each year through 2019 by the Consumer Price Index plus one-percent, an increase which the Administration has requested. This would raise the Pell Grant maximum from \$5,550 in 2010 to \$6,900 in 2019.

During the July 21 markup, 25 amendments were introduced, 17 of which passed the committee. Seven of the approved amendments are of particular interest to AAU universities:

- The manager’s amendment submitted by Chairman Miller retained the in-school interest exemption for graduate and professional student borrowers. (AAU would have opposed H.R. 3221 if a provision ending this exemption had not been removed from the original bill.)
- The manager’s amendment also made other changes to the original bill, including: specifying which student aid programs would be subject to a family asset cap, slightly changing proposed allocations for the College Access and Completion Fund, creating a job retention incentive payment to student loan servicers, correcting erroneous changes to calculating needs analysis, adding language to promote more opportunities for students to participate in apprenticeships through community colleges, and expanding the definition of partnerships eligible for community college partnership funding.
- An amendment by Susan Davis (D-CA) to forgive any federal student loans for members of the military who borrowed for the term in which they are called to active duty.
- An amendment by Howard “Buck” McKeon (R-CA) to allow veterans who attend private colleges in states with a zero or very low basic tuition benefit (such as California) to shift the unused portion of the maximum fee benefit to help cover the costs of the veteran’s actual tuition.
- An amendment by Robert Andrews (D-NJ) to alter the 90/10 rule for proprietary institutions—which requires at least 10 percent of their revenues to come from non-Title IV federal student aid—by expanding the definition of non-Title IV revenue and providing proprietary schools three years as opposed to two years to come into compliance, among other provisions.

- An amendment by David Loesback (D-IA) and Marcia Fudge (D-OH) to encourage states to coordinate with their workforce investment boards in developing plans for using the Access and Completion Funds.
- An amendment by Jared Polis (D-CO) and Paul Tonko (D-NY) to give priority to states applying for Access and Completion Grants that focus on increasing degrees or certificate completions in STEM fields for women and other underrepresented groups.
- An amendment by Ruben Hinojosa (D-TX) to extend funding authorized in the bill for Historically Black and minority-serving institutions to 2019.

The bill could be considered as early as next week on the House floor. No companion measure has been introduced in the Senate.

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