March 27, 2015

CONTENTS:
BUDGET, APPROPRIATIONS & TAXES
House and Senate Approve FY16 Budget Resolutions
House Budget Resolution Adds Money for Defense
Senate Adopts Its Budget Resolution after Voting on 49 Amendments
OTHER CONGRESSIONAL ISSUES
Senator Alexander Issues Three White Papers for HEA Reauthorization
House Panel Holds Hearing on Abusive Patent Practices
EXECUTIVE BRANCH
NACIQI Retains Recommendations on Differential Accreditation Review
OTHER
Upcoming Symposium on the Role of Universities in Science Policymaking

BUDGET, APPROPRIATIONS & TAXES

HOUSE AND SENATE APPROVE FY16 BUDGET RESOLUTIONS

The House and Senate have each approved their respective budget resolutions for FY16 (H. Con. Res. 27, S. Con. Res. 11). They will attempt to work out the differences between the two versions in a conference committee when Congress returns from the two-week recess that began today.

Both measures seek to balance the federal budget over the coming decade through a combination of cuts to several entitlement and mandatory programs and to nondefense discretionary spending. Both would beef up defense spending and promise no tax hikes.

While a budget resolution is a congressional document that is not signed into law by the President, it expresses congressional intent and sets the level of overall discretionary spending to be allocated in the appropriations process. Both budget resolutions also contain instructions that could, if the Republican-led House and Senate agree on a final resolution, set the stage for consideration of a reconciliation bill to implement changes in entitlement programs, tax laws, and/or budget rules. Such legislation could be approved over Democratic opposition, because a reconciliation bill cannot be filibustered in the Senate. However, the President is expected to veto any bill that makes significant changes in the Affordable Care Act or other Administration priorities.
The House approved its FY16 budget resolution (H Con Res 27) on March 25 by a vote of 228-199. No Democrats voted for the measure, which was approved after Members voted to reject five alternative budget plans. The House-approved fiscal blueprint, offered by House Budget Committee Chairman Tom Price (R-GA), technically stays within the discretionary spending caps set by the Budget Control Act for FY16, but bolsters defense spending by adding $38 billion to the President’s request of $58 billion for the Overseas Contingency Operations (OCO) fund. The OCO fund is not subject to the caps and need not be offset with cuts elsewhere.

Among the defeated plans was another version offered by Chairman Price that would have added $36 billion to the OCO fund for defense but required that a portion of the added spending be offset. The House also defeated alternative budgets offered by House Democrats, the Republican Study Committee, the Congressional Black Caucus, and the Congressional Progressive Caucus.

Like the House version, the Senate budget resolution would allow the OCO fund for defense to rise to $94 billion in FY16, with no offset for the added funds. Both versions also maintain the nondefense discretionary portion of the budget at $493.5 billion—essentially a freeze from FY15—which is the cap established by the Budget Control Act in 2011.

However, among the amendments approved by the Senate was one by Senator Tim Kaine (D-VA) expressing support for lifting the defense and nondefense discretionary spending caps by equal amounts for FY16 and FY17 and offsetting the increased spending with other spending cuts and tax revenues. The amendment was approved by a vote of 50-48, with the support of six Republicans.

Several of the nonbinding amendments expressed support for university priorities in research and education. Among these messaging amendments were those by:

- Dick Durbin (D-IL) in support of increased funding for biomedical and other basic scientific research (#345), APPROVED as part of the managers’ amendment;
- Susan Collins (R-ME) in support of year-round Pell Grants, APPROVED;
- Richard Burr (R-NC) expressing support for simplifying the student loan repayment system, with income-based repayment options (#652), APPROVED;
- Elizabeth Warren (D-MA) expressing support for allowing student borrowers to refinance their loans at lower interest rates (#652), REJECTED;
- Al Franken (D-MN) to prevent proposed cuts in the Pell Grant program (#828), REJECTED; and
- Tammy Baldwin (D-WI) to provide for two free years of community college (#432), REJECTED.
Also added to the managers’ amendment was an amendment on campus sexual assault offered by Sen. Kirsten Gillibrand (D-NY). The amendment (#520) expresses support for implementing an “independent and standardized online survey tool developed by the Department of Education, in consultation with the Department of Justice, to measure the prevalence of sexual assault at institutions of higher education.”

Amendments that were introduced but apparently not brought up for a vote were by:

- Jerry Moran (R-KS) on funding for the National Institutes of Health (#338);
- Lamar Alexander (R-TN) and Patty Murray (D-WA) to promote safe, cutting-edge medical treatments, devices, and cures (#501); and
- Alexander to prevent use of federal funds for a federal college ratings system (#500).

**AAU ISSUES STATEMENT OPPOSING HOUSE AND SENATE BUDGET RESOLUTIONS**

AAU issued a statement on March 23 that urged the House and Senate to reject their respective FY16 budget blueprints because they would make college less accessible for millions of Americans and would likely widen, not close, the nation’s innovation deficit due to significant cuts to nondefense discretionary spending.

“With our investments in scientific research having flattened out and competitor nations pouring resources into research and higher education, we face a significant innovation deficit that threatens our nation’s global economic preeminence,” the association said. “A budget that makes it virtually impossible to help close the innovation deficit is the wrong approach, and we urge Congress to reject these budget blueprints.”

**OTHER CONGRESSIONAL ISSUES**

**SENATOR ALEXANDER ISSUES THREE WHITE PAPERS FOR HEA REAUTHORIZATION**

Senator Lamar Alexander (R-TN), chairman of the Senate Health, Education, Labor and Pensions (HELP) Committee, has issued three white papers to spark discussion for reauthorization of the Higher Education Act (HEA). The white papers deal with institutional accreditation, consumer information, and college risk-sharing on student loans.

The Chairman asks students, parents, and other interested parties to weigh in on the three topics by Friday, April 24; he will share the comments with others on the committee. AAU will respond on one or more items.

**HOUSE PANEL HOLDS HEARING ON ABUSIVE PATENT PRACTICES**
The House Judiciary Committee’s subcommittee on courts, intellectual property, and the internet held a hearing on March 25 to discuss abusive patent litigation, with a focus on specific incidents in which such abusive litigation has harmed small businesses, retail firms, and start-ups.

Full committee chairman Bob Goodlatte (R-VA) used his written statement to describe why he believes that his legislation, the American Innovation Act (H.R. 9), is the appropriate response to this issue.

One of the witnesses, Bryan Pate, CEO of ElliptiGO, Inc., said in his written statement, “I am here today because broad changes to the patent system proposed by this committee scare me… I am afraid that if H.R. 9 is enacted as written it will have the unintended consequence of hurting American innovators and companies like mine, while perversely protecting unscrupulous foreign competitors.” He engaged in a number of exchanges with Chairman Goodlatte, Subcommittee Chairman Darryl Issa (R-CA), and other supporters of H.R. 9.

The university research community has expressed concerns that the sweeping nature of H.R. 9 could seriously harm technology transfer. AAU has endorsed a more targeted bill, the STRONG Patents Act, introduced earlier this month by Senator Chris Coons (D-DE).

**EXECUTIVE BRANCH**

**NACIQI RETAINS RECOMMENDATIONS ON DIFFERENTIAL ACCREDITATION REVIEW**

At its March 23 meeting, the National Advisory Committee on Institutional Quality and Integrity (NACIQI) heard additional views on its draft recommendations on accreditation policy, and decided to move forward with only modest changes. Among the recommendations approved by the committee, which advises Education Secretary Arne Duncan on accreditation issues, were several to make accreditation a “more differentiated process,” accounting for unique institutional missions with an increasing focus on student outcomes.

AAU supports differential review; the association submitted written comments to NACIQI on February 25 and provided oral comments at the March 23 meeting.

Committee members rejected Education Department Undersecretary Ted Mitchell’s request to consider how to address college affordability, reports Politico. The panel struck language that would have charged NACIQI with reviewing how accreditors assess institutional affordability.

NACIQI members plan to continue discussion of their draft recommendations in advance of the Higher Education Act reauthorization. The committee’s next meeting will be June 25-26, 2015.

**OTHER**
UPCOMING SYMPOSIUM ON THE ROLE OF UNIVERSITIES IN SCIENCE POLICYMAKING

The University of Michigan is hosting a two day symposium on March 30-31 that will feature science policy leaders discussing how universities can better use their campuses’ scientific insights, technologies, and talents to help policymakers address pressing national challenges. Those interested in viewing all or portions of the program, “Strengthening the Roles of Universities in National Science Policymaking: Education, Research, and Engagement,” can do so via the webcast linked to from the homepage here.

As stated by the organizers, the purpose of the conference “is to bring together leaders from government and academia to explore how universities can more productively inform and engage in the formulation of national policies affecting the sciences and engineering and the effective application of science and technology to a host of societal challenges. An explicit goal is to develop and recommend specific action items for education, research, and engagement.”

Among the speakers will be National Science Foundation Director France Cordova, National Academy of Sciences President Ralph Cicerone, American Association for the Advancement of Science CEO Rush Holt, and White House Office of Science and Technology Policy Director John Holdren.

Please visit us at www.aau.edu and follow us on Twitter at @AAUniversities.