



SUNY FEDERAL RELATIONS UPDATE

Friday, October 5, 2007

It was a notable moment for higher education last week when on Thursday, President Bush signed the College Cost Reduction and Access Act of 2007, a bill that cuts \$22.3 billion from federal student lender subsidies over five years and devotes most of the savings to increased student financial aid benefits. In a lengthy signing statement, the President said, "I have the honor of signing a bill that will help millions of low-income Americans earn a college degree." He added that he still hopes to work with Congress to make the Pell Grant available year-round, and he expressed concern that the bill would create "new and duplicative programs that divert resources from the Pell Grants." The President's full signing statement is available on the White House Web site at: <http://www.whitehouse.gov/news/releases/2007/09/print/20070927-3.html>. The measure provides \$11.7 billion in additional funds over five years to increase the Pell Grant maximum award from the current \$4,310 to \$5,400 by academic year 2012-2013—providing historic increases in this cornerstone financial aid program for needy students. The new law also cuts the Stafford Loan interest rate in phases from the current 6.8 percent to 3.4 percent in 2011, and it provides for income-based student loan repayment.

On Wednesday of last week, Interim Chancellor John Clark had a number of meetings with Members and staff of the New York State congressional delegation last Wednesday to discuss higher education and research-related concerns, appropriations, and the establishment of this office. He also met with Dr. John Marburger, Science Adviser to the President and Director of the Office of Science and Technology Policy. And, also last week, Bobbi Teliska, Vice President for Sponsored Programs at the Research Foundation, joined representatives from Stony Brook University, Binghamton University, SUNY Cobleskill, as well as Beth Kempter and me, for meetings in the offices of Senators Schumer and Clinton to discuss a very serious concern regarding indirect costs and a troublesome provision limiting indirect cost recovery on certain federal research grants currently proposed on Capitol Hill. We had two very productive meetings and were able to deliver a letter on the issue signed by the presidents of SUNY's four university centers as well as John O'Connor, Vice Chancellor & Secretary of the University; and President of the Research Foundation.

Many thanks to those of you who were able to attend our SUNY Federal Relations breakfast gathering on the morning of Wednesday, September 26. I was very pleased to have representatives from all of SUNY's campus sectors join us, as well as

Becky Fertig, Federal Policy Analyst for Education in the Washington Office of Governor Eliot Spitzer.

Federal fiscal year 2008 began Oct. 1, but Congress has not completed work on a single fiscal 2008 spending bill. As a result, much of the federal government currently is operating under a stopgap spending bill that runs through Nov. 16. While the House and Senate agreed to spend \$954.1 billion overall on the 12 annual spending bills, there had previously been little agreement on how to divide that amount between the twelve appropriations bills that comprise the annual federal spending package. Democrats plan to spend \$23 billion, including advance appropriations, more than the \$933 billion Bush requested for the 12 appropriations measures and with the exception of the veterans' funding bill, the president has threatened to veto any bill that would provide more funding than he requested. While we may be closer to seeing Congress complete at least some FY2008 bills, we are still weeks, perhaps even months, away from seeing final action on all twelve spending bills.

I also thought you might be interested in this synopsis of an analysis by CQ of House appropriations earmarks in the fiscal 2008 spending bills which clearly shows the pecking order of lawmakers who receive earmarks. The following is an excerpt from CQ Budget Tracker:

In general, both Democrats and Republicans have rewarded the same sorts of lawmakers with the most earmarks: appropriators, party leaders and politically vulnerable incumbents. Losing out in comparison are rank-and-file lawmakers and non-appropriators from safe seats. Using data compiled by Taxpayers for Common Sense, CQ reviewed earmarks credited to individual lawmakers and found that of the \$4.2 billion in such earmarks in House spending bills, 45 percent went to the 66 members of the Appropriations Committee, whose members represent just 15 percent of the House. CQ found that friends and allies of Defense Appropriations Chairman John Murtha did markedly better than other lawmakers. Defense traditionally includes the largest amount of earmarks (\$2.4 billion for individual lawmakers in this year's House bill), and like all Appropriations subcommittee chairmen, Murtha alone decides who will get the earmarks. Those who received the most: fellow Pennsylvanians, longtime Appropriations colleagues, fellow military veterans, and congressmen with similar "lunch-bucket Democrat" backgrounds. Members seeking Defense earmarks usually visit the chairman in a specific area of the House chamber where he traditionally sits, known as "the Murtha Corner." The CQ analysis also found a stark disparity between amounts received by white lawmakers and black and Hispanic lawmakers. White Democrats averaged \$12 million in earmarks per member, while black Democrats averaged just over \$6 million and Hispanics averaged just under that amount. Republicans averaged \$8.7 million per member. No one has suggested there is discrimination in the awarding of earmarks; rather, most black and Hispanic lawmakers come from safe districts and few sit on Appropriations or hold House leadership positions. Illinois' Jesse L. Jackson Jr., said the needs of a congressional district should be considered,

but not the political vulnerability of the member. "I think that most Americans would object to federal taxpayers dollars being distributed for political purposes."

Provided below is additional information on these and other issues.

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Please see below for more information on:

- **Guide to New Lobbying Rules Released by ACE**
- **Senate Approves FY08 Defense Spending Bill**
- **Peer-to-Peer Language Contained in McKeon-Keller HEA Bill**
- **HR 2436 Nanotechnology in the Schools Act**

Guide to New Lobbying Rules Released by ACE

The American Council on Education has released a document highlighting the new lobbying rules that have been signed into law. The document outlines key guidelines that institutions must follow in order to comply with the law. It is important to note that public colleges and universities remain exempt from Congressional gift and travel restrictions. The document can be found by accessing the following link:

<http://www.acenet.edu/AM/Template.cfm?Section=Home&TEMPLATE=/CM/ContentDisplay.cfm&CONTENTID=23707>.

Senate Approves FY08 Defense Spending Bill

The Senate approved by voice vote its version of the FY08 Defense appropriations bill. The measure contains no language on indirect costs. The House-passed version of the bill would limit to 20 percent the indirect cost reimbursement rate for defense basic research. This means that the issue will most likely be resolved in the House-Senate conference on the bill, expected to occur later this month. The Department of Defense (DOD) continues its strong opposition to the House language.

The Senate bill would provide \$11.64 billion for science and technology (S&T) programs at DOD. This is about \$550 million less than the House-passed figure of \$12.19 billion and \$1.68 billion less than the FY07 level. However, the Senate number is \$871 million above the Administration's request. 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.

Peer-to-Peer Language Contained in McKeon-Keller HEA Bill

Legislation to reauthorize the Higher Education Act (HEA) introduced today by House Education and Labor Committee Ranking Member Howard "Buck" McKeon (R-CA) and the Higher Education Subcommittee Ranking Member Ric Keller (R-FL) contains provisions regarding unauthorized peer-to-peer filesharing of copyrighted materials, such as music and movies. The bill includes a requirement that would require all higher education institutions provide students with information concerning penalties for violating copyright law, campus disciplinary procedures for copyright violators, and information about technological measures institutions may employ to prevent illegal filesharing. This language is similar to the provisions ultimately adopted during Senate consideration of its HEA bill, S. 1642, in July.

In addition, this bill contains the original language on peer-to-peer proposed during the Senate debate that would direct the Secretary of Education to require the top 25 higher education recipients of copyright infringement notices to notify the Secretary about various campus policies and require institutions to implement technology-based deterrents to prevent illegal filesharing.

EDUCAUSE, the association of campus information technology officers, has alerted its membership to this development.

HR 2436 Nanotechnology in the Schools Act

Rep. Hooley (D-OR) has introduced HR 2436, Nanotechnology in the Schools Act, with the intent to strengthen the capacity of secondary schools, community colleges and undergraduate programs while preparing US students for careers in the field of nanotechnology by providing grants to "low-need" schools. The maximum grant award available is \$150,000 per institution to provide proper instruction (the total dollar amount set aside for this program is 15 million for FY08). A few items to note about these grants: First, grant money may only be used for undergraduate education. Also, matching funds equal to 1/4 the grant amount are required by each institution. This bill is in the very early stages of the process, and there is currently no identical bill in the Senate; however we will continue to track its progress through the process.

NIH Peer Review Consultation Meeting Scheduled for October 22

The National Institutes of Health (NIH) will be conducting a Peer Review Consultation Meeting October, 22.

"Peer review is a fundamental and critical part of the National Institutes of Health (NIH) in support of biomedical and behavioral research. The NIH has formed the Peer Review Working Group of the ACD to gather information from the external community to explore possible enhancements to all aspects of the peer review process. The goal is ambitious but important: craft a system with a minimum of bureaucratic burden that identifies and funds the best scientists to do the best science.

"The Peer Review Working Group of the Advisory Committee to the NIH Director (ACD) is hosting a consultation meeting with advocacy groups to be held October 22, 2007,

from 8:30 a.m. to 12:30 p.m. (EST) at the Hilton Washington, 1919 Connecticut Avenue NW, Washington, DC, (202) 483-3000.

"Time will be provided during a segment of the meeting for participant volunteers to make brief presentations (less than five minutes each) to offer specific strategies or tactics for enhancing NIH peer review and research support. In particular, the NIH is seeking bold, unconventional approaches to perceived issues. Most of the meeting will be devoted to open discussion, so there will be substantial opportunity to direct input at the meeting. If you would like to be considered for a five-minute presentation on the day of the meeting, please forward your proposal to Dr. Vesna Kutlesic (kutlesicv@od.nih.gov) by close of business on Friday, October 12, 2007, with a brief summary (less than 250 words) of your idea.

"To register for the meeting, please visit <http://enhancing-peer-review.nih.gov/meetings/102207-registration.html>. The website provides a registration link. If you are unable to attend, we hope you will contribute written comments on the peer review process through PeerReviewRFI@mail.nih.gov."