



SUNY Federal Relations Update Thursday, January 15, 2009

FEDERAL ECONOMIC STIMULUS: DETAILS EMERGING

The US House of Representatives has just released a summary of the much discussed economic stimulus legislation. Entitled the "American Recovery and Reinvestment Bill of 2009", the summary includes many provisions of interest to higher education. I have attached the 21-page summary document, but highlighted below are some of the items that may be of interest to you. As has been stated many times by House Leadership, there are no earmarks in this legislation.

Current estimates project the bill to reach \$850 billion, with \$550 billion in targeted spending and \$300 billion in tax cuts.

I have also attached a press release from the House Ways and Means Committee, which is writing the tax provisions for the legislation. Related to higher education, they are proposing simplification of the Hope and Lifetime Learning higher education tax credits by creating a \$2500 partially-refundable tax credit (applicable to the first four years of higher education expenses).

Congressional Leadership hopes to see this legislation pass before President's Day (February 16, 2009).

EDUCATION

- School Construction: \$20 billion, including \$14 billion for K-12 and **\$6 billion for higher education, for renovation and modernization, including** \$100 million for school construction in communities that lack a local property tax base because they contain non-taxable federal lands such as military bases or Indian reservations, **technology upgrades and energy efficiency improvements.** Also includes and \$25 million to help charter schools build, obtain, and repair schools.
- Pell Grants: \$15.6 billion to increase the maximum Pell Grant by \$500, from \$4,850 to \$5,350.
- College Work-Study: \$490 million to support undergraduate and graduate students who work.

- Student Loan Limit Increase: Increases limits on unsubsidized Stafford loans by \$2,000.
- \$100 million for competitive grants to states to address teacher shortages and modernize the teaching workforce.
- **\$79 billion in state fiscal relief, including: \$39 billion to local school districts and **existing state and federal formulas**; \$15 billion to states as bonus grants as a public colleges and universities distributed through** reward for meeting key performance measures; and \$25 billion to states for other high priority needs such as public safety and other critical services, which may include education.

HEALTHCARE

- Health Information Technology: \$20 billion to jumpstart efforts to computerize health records to cut costs and reduce medical errors.
- Medicaid Aid to States (FMAP): \$87 billion to states, increasing through the end of FY 2010 the share of Medicaid costs the Federal government reimburses all states by 4.8 percent, with additional relief tied to rates of unemployment. This approach has been used in previous recessions to prevent cuts to health benefits for their increased low income patient loads at a time when state revenues are declining.
- Medicare and Medicaid Regulations: The bill extends the moratorium on Medicaid and Medicare regulations through October 1, 2009.

CLEAN, EFFICIENT, AMERICAN ENERGY

- Reliable, Efficient Electricity Grid: \$11 billion for research and development, pilot projects, and federal matching funds for the Smart Grid Investment Program to modernize the electricity grid making it more efficient, secure, and reliable and build new power lines to transmit clean, renewable energy from sources throughout the nation.
- Energy Efficiency and Renewable Energy Research: \$2 billion for energy efficiency and renewable energy research, development, demonstration, and deployment activities to foster **bills. Funds are awarded on a competitive basis to universities, energy independence, reduce carbon emissions, and cut utility companies, and national laboratories.**
- Energy Efficiency Grants and Loans for Institutions: \$1.5 billion for energy sustainability and efficiency grants and loans to help school districts, **institutes of higher education**, local governments, and municipal utilities implement projects that will make them more energy efficient.
- Department of Defense Research: \$350 million for research into using renewable energy to power weapons systems and military bases.

SCIENTIFIC RESEARCH

- **National Science Foundation:** \$3 billion, including \$2 billion for expanding employment opportunities in fundamental science and engineering to meet environmental challenges and to improve global economic competitiveness, \$400 million to build major research facilities that perform cutting edge science, \$300

million for major research equipment shared by institutions of higher education and other scientists, \$200 million to repair and modernize science and engineering research facilities at the nation's institutions of higher education and other science labs, and \$100 million is also included to improve instruction in science, math and engineering.

- **National Institutes of Health Biomedical Research:** \$2 billion, including \$1.5 billion for expanding good jobs in biomedical research to study diseases such as Alzheimer's, Parkinson's, cancer, and heart disease - NIH is currently able to fund less than 20% of approved applications – and \$500 million to implement the repair and improvement strategic
- **University Research Facilities:** \$1.5 billion for NIH to renovate university plan developed by the NIH for its campuses.

research facilities and help them compete for biomedical research grants. The National Science Foundation estimates a maintenance backlog of \$3.9 billion in biological science research space. Funds are awarded competitively.

- **Department of Energy:** \$1.9 billion for basic research into the physical sciences including high-energy physics, nuclear physics, and fusion energy sciences and improvements to DOE laboratories and scientific facilities. \$400 million is for the Advanced Research Project Agency – Energy to support high-risk, high-payoff research into energy sources and energy efficiency.
- **NASA:** \$600 million, including \$400 million to put more scientists to work doing climate change research, including Earth science research recommended by the National Academies, satellite sensors that measure solar radiation critical to understanding climate change, and a thermal infrared sensor to the Landsat Continuing Mapper necessary for water management, particularly in the western states; \$150 million for research, development, and demonstration to improve aviation safety and Next Generation air traffic control (NextGen); and \$50 million to repair NASA centers damaged by hurricanes and floods last year.
- **Biomedical Advanced Research and Development, Pandemic Flu, and Cyber Security:** \$900 million to prepare for a pandemic influenza, support advanced development of medical countermeasures for chemical, biological, radiological, and
- **National Institute of Standards and Technology:** \$300 million for competitive construction grants for research science buildings at colleges, universities, and other research organizations and \$100 million to coordinate nuclear threats, and for cyber security protections at HHS.
- **National Oceanic and Atmospheric Administration Satellites and Sensors:** \$600 million for satellite development and acquisitions, including climate sensors and climate modeling.

research efforts of laboratories and national research facilities by setting interoperability standards for manufacturing.