

SUNY Federal Relations Update Monday, November 3, 2008

The US House of Representatives is adjourned for the year, subject to the call of the chair. The US Senate is in pro forma session—to keep the President from making recess appointments—and plans to return to session on November 17 for a lame-duck session. House leaders have not said if the House will also return for a lame-duck session after the November elections.

See below for more on:

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- Transportation Officials Propose \$455 Billion in Highway Spending
- AAAS Update on S&T in the 2008 Presidential Election
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A Second Stimulus Package?

On October 17, CQToday reported that House Majority Leader Harry Reid (D-NV) and House Speaker Nancy Pelosi (D-CA) are calling for Congress to consider a second economic stimulus package. The White House says no decisions have been made regarding support for a new stimulus, despite a recent endorsement by Federal Reserve Chairman Ben S. Bernanke. Testifying before House Budget on Oct. 30, Bernanke said consideration of a new economic stimulus package “seems appropriate” given the expectation the economy will “likely be weak for several quarters, and with some risk of a protracted slowdown.” But he declined to endorse any particular stimulus proposals and wouldn’t say how large such a package should be, other than to say that it “should be significant.”

Transportation Officials Propose \$455 Billion in Highway Spending

On Monday, October 20, CQ.com reported that transportation officials representing all 50 states adopted a \$545 billion proposal for next year’s surface transportation reauthorization bill, which would almost double the \$286 billion authorized in the 2005 highway law.

The proposal before the American Association of State and Highway Officials would include a strict cap on congressional earmarks and would fund new spending with a mix of fuel tax increases, bonds, and levies on shipping containers, car sales and miles driven.

The plan would let lawmakers earmark only 5 percent of all spending, a sharp reduction from the last five-year highway law, which allowed members of Congress to earmark 18 percent of the total cost. Critics pointed to such earmarks in that law as Alaska's "bridge to nowhere" as symbols of government waste and abuse.

AAAS Update on S&T in the 2008 Presidential Election

See the newsletter at:

http://election2008.aaas.org/news/election_newsletter_preelection08.shtml

Brief Excerpts:

Obama and McCain Advisers Debate Energy Policy: On October 21, advisers to the Obama and McCain campaigns met at Stanford University to offer their respective candidates' plans for the nation's energy future. The 90-minute debate, which was organized by Scientists and Engineers for America (SEA) and co-sponsored by AAAS, placed a prominent focus on energy security and energy independence, although the debaters differed on how best to achieve those ends and over what their candidate would do in his first 100 days in office. The newsletter has more details, plus links to the full story from AAAS and the SEA archived webcast.

The education advisors to Barack Obama and John McCain met to discuss the education policies of their respective campaigns in a debate at Columbia University's Teachers College on October 21. The debate, which was moderated by the President of the Teachers College, Susan Fuhrman, focused on a variety of issues related to education policy, including education in science, technology, engineering, and math (STEM) and the No Child Left Behind Act. The newsletter has more, plus links to an archived video of the event and a complete transcript.

Links to articles, reports, and other resources are in the newsletter.

Transition Preparations Underway

On October 9, President Bush signed an executive order that will direct preparations for the transition within the executive branch. The campaigns of John McCain and Barack

Obama have appointed directors of their respective transition preparations. For Obama it is John Podesta and for McCain it is William Timmons. For more information: http://election2008.aas.org/news/election_newsletter_october08.shtml

Stony Brook to Host Advanced Energy Conference November 19-20, 2008

The Advanced Energy Research & Technology Center at Stony Brook University, a public-private partnership dedicated to the advancement of energy research and technology deployment, is organizing the second Annual Advanced Energy Conference the conference will feature a series of internationally recognized speakers who will share energy research, energy technologies and applied energy technologies with global application. Among other solutions to be explored related to decreasing oil reserves are Renewable Energy such as solar, wind, bio-fuels and geothermal power; Energy Efficiency in areas such as efficient power transmission and distribution, energy efficient data center operations, and the benefits of energy efficient building programs such as the United States Green Building Council's LEEDS Certification; Conservation; Smart Energy; Distribution Networks; and, Nanotechnology Applications for energy storage systems (peak load supply and portable applications such as batteries). See attachments for more information.

FY 2009 Recap

Congress did not pass any of the dozen individual appropriations bills for fiscal year 2009 before leaving for the current "recess". Instead, Congressional leaders opted to fully fund military construction and Departments of Defense, Homeland Security, and Veterans Affairs at fiscal year 2009 requested levels and level-fund domestic spending at fiscal year 2008 levels-- leaving domestic funding decisions until the new President takes office. President signed the temporary spending bill which will keep the federal government funded through early March 2009.

The "continuing resolution" (CR), as this type of measure is known, provides \$2.5 billion to cover a shortfall in the Pell Grant program. The shortfall is due to the increase in Pell-eligible students attending college.

The legislation also contained contains two tax provisions related to colleges and universities:

- *Extension of Deduction of Education Expenses through 2009* ~ Extends "above the line" deduction for qualified tuition and other education expenses at higher education institutions. As under current law, the maximum deduction would be \$4,000 for taxpayers with adjusted gross incomes up to \$65,000 for single returns or \$130,000 for joint returns. Taxpayers with adjusted gross incomes up to \$80,000 for a single return, or \$160,000 for a joint return, could receive deductions of up to \$2,000.

- *Extension of Tax-Free IRA Withdrawals for Charity through 2009* ~ Extends ability of taxpayers aged 70-1/2 or older to make up to \$100,000 in qualifying tax-free distributions per year to certain charities, including higher education institutions, from their individual retirement accounts (IRAs), including both traditional IRAs and Roth IRAs.

AAAS Status Report on FY 2009 Appropriations

As excerpted from the American Association for the Advancement of Science:

Congress left Washington for the rest of the year after completing action on a bailout for the financial sector and postponing final budget decisions for most federal agencies until 2009. To keep the government operating, lawmakers approved a continuing resolution (CR) extending funding for all programs in unsigned 2009 appropriations bills at or below 2008 funding levels through March 6. The CR contains final FY 2009 appropriations for the Departments of Defense (DOD), Homeland Security (DHS), and Veterans Affairs (VA); all three receive substantial increases for their R&D portfolios, but other federal agencies in the remaining 9 of the 12 appropriations bills will be operating temporarily at or below 2008 funding levels for several months. Earlier in the year, congressional appropriators endorsed large increases for the three physical sciences agencies in the American Competitiveness Initiative (ACI), increases for human spacecraft development, increases for biomedical research in the National Institutes of Health (NIH), and increases in other parts of the federal research and development (R&D) portfolio. But instead, most federal programs will continue to operate at or below 2008 funding levels for several months into the new fiscal year.

Taking out development investments, the federal investment in basic and applied research totals \$58.2 billion at the start of FY 2009, a small \$244 million or 0.4 percent increase due to large research increases in the finalized DOD, DHS, and VA budgets offset by cuts in research funding for agencies such as NSF, DOE Office of Science, and NIH that received supplemental 2008 appropriations in June but lose those funds in the CR. ***After adjusting for inflation, the federal investment in research could decline for the fifth year in a row in 2009 if the CR's funding levels hold for the entire year.***

The flat funding levels of the CR put requested increases for the three agencies in the Bush Administration's American Competitiveness Initiative (ACI) on hold. Although Senate appropriators had endorsed and even added to large requested increases for the National Science Foundation (NSF), the Department of Energy's Office of Science (DOE OS), and Commerce's National Institute of Standards and Technology laboratories (NIST) in early versions of the 2009 appropriations bills, the next Congress may have to start all over again and in the meantime, the three key physical sciences agencies begin FY 2009 with funding levels at or slightly below 2008.

The full update is available on the AAAS R&D web site on the "What's New" and "FY 2009 R&D" pages: <http://www.aaas.org/spp/rd/upd908.htm>

