AAU WEEKLY WRAP-UP



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CONGRESSIONAL SCHEDULE NEW

The House met in pro forma session today, with no votes. The Senate was in recess this week. Both chambers will return to session on Monday, December 9. At the top of the pre-holiday agenda will be consideration of a budget conference deal or other legislation to fund the government beyond January 15, when the current continuing resolution expires. *CQ.com* reports that House Majority Leader Eric Cantor (R-VA) said the House next week may also consider legislation to address physician payments under Medicare—the "doc fix"—as well as legislation regarding farm programs, including a possible conference report on the farm bill.

BUDGET & APPROPRIATIONS

BUDGET CONFERENCE LEADERS APPEAR CLOSE TO A DEAL UPDATED

Leaders of the House-Senate budget conference committee are just a few billion dollars in budget savings away from a deal and will work through the weekend to try to craft a final package, *Politico* reports today. The agreement they are working toward would set top-line discretionary spending levels for FY14 and FY15 and "blunt the impact" of the sequester for those two fiscal years. *Politico* and other sources are also reporting that the subject of extending unemployment benefits could complicate the negotiations at the final hour. *CQ.com* reports that even though no agreement has been announced, House Republican leaders hope to begin

consideration of a package as early as Tuesday, December 10, so that Members have three days to review it before a final vote. That schedule could, in theory, enable the House to recess for the year on Friday, December 13, as House Speaker John Boehner (R-OH) says he plans to do.

PRESS CONFERENCE ON DECEMBER 2 FOCUSED ON SEQUESTER'S HARM TO U.S. WORKFORCE

AAU President Hunter Rawlings joined a group of association leaders in education, business, healthcare, and manufacturing at a <u>press conference</u> on December 2 to discuss the consequences of sequestration budget cuts for America's workforce. The goal was to report on how the current and future strength of the U.S. workforce "will be diminished without a responsible solution to the nation's fiscal challenges."

The session featured Northrop Grumman CEO Wes Bush, who chairs the Aerospace Industries Association; Dorothy Coleman of the National Association of Manufacturers; Ian Steff of the Semiconductor Industry Association; and Emily Holubowich of the Coalition for Health Funding and NDD United. Also attending were representatives of Association of Public and Land-grant Universities (APLU), the Business-Higher Education Forum, the Task Force on American Innovation, Texas Instruments, and UT-Battelle, Manager of Oak Ridge National Laboratory.

President Rawlings's remarks are available <u>here</u>; the Aerospace Industries Association has posted this <u>event overview</u>.

AAU, APLU, AIA URGE GOVERNORS TO OPPOSE SEQUESTRATION; LETTERS DETAIL IMPACTS IN EACH STATE

AAU, APLU, and the Aerospace Industries Association (AIA) have written individualized letters to each of the 50 state governors urging them to continue to communicate with their congressional delegations about the negative effects of the federal budget sequester on their states. (A document with all 50 letters can be viewed here.)

Each of the letters details the economic costs of the sequester in that state, including loss of gross state product, numbers of jobs lost, and lost wages, as well as the harmful effects on higher education institutions in the state. For the state of Maryland, for example, the loss in state domestic product is an estimated \$11.5 billion, with 4,062 jobs lost and \$5.9 billion in lost wages. For the U.S. overall, George Mason University economist Stephen Fuller estimates that sequestration will cost the U.S. economy \$215 billion, 2.14 million jobs, and \$109 billion in lost wages.

GROUP OF 470 ORGANIZATIONS CALLS ON CONGRESS TO ELIMINATE SEQUESTER

Under the auspices of NDD United, a group of 470 organizations sent a <u>letter</u> to every Member of Congress on December 4 urging them to replace sequestration with a "bipartisan, balanced approach to deficit reduction." AAU signed on to the letter.

The letter says that funding for the nondefense discretionary (NDD) portion of the federal budget has dropped by nearly 18 percent in inflation-adjusted dollars since 2010 levels, "bring[ing] funding for NDD programs as a share of our economy to the lowest level on record, with data going back to 1976."

TASK FORCE ON AMERICAN INNOVATION URGES RELIEF FROM SEQUESTER

The Task Force on American Innovation (TFAI), a group in which AAU participates, sent a <u>letter</u> to the co-chairs of the FY14 budget conference committee urging them to reach an agreement that "provides relief from the sequester and helps close our nation's innovation deficit by ensuring sustained and robust support for scientific research and STEM education." The letter goes on to say. "The many companies, universities, and scientific societies represented by the Task Force agree that unless we change course, America's role as the world innovation leader will be in danger and our future prospects for economic growth bleak."

OTHER CONGRESSIONAL ISSUES

HOUSE APPROVES INNOVATION ACT NEW

The House of Representatives yesterday approved the Innovation Act (<u>H.R. 3309</u>), legislation that is aimed at reducing abusive patent litigation but contains a number of provisions that AAU and others believe could undermine legitimate patent rights. The vote was 325 to 91.

During floor consideration, the House approved four amendments, including one supported by the associations: Rep, Dana Rohrabacher's (R-CA) amendment reinstating Section 145, which provides an opportunity for independent judicial review of U.S. Patent Office decisions under certain circumstances.

The six higher education associations that have worked together on patent reform expressed support for the goals of H.R. 3309 but opposed it out of concern that "the cumulative impact of a number of the provisions of this bill would seriously undermine the ability of legitimate patent holders to enforce their patent rights."

Senate Judiciary Committee Chairman Patrick Leahy (D-VT) has scheduled a December 17 hearing on a similar bill, the Patent Transparency and Improvements Act (S. 1720), and has indicated that he is open to modifications. Senators John Cornyn (R-TX), Orrin Hatch (R-UT), and Charles Schumer (D-NY) have introduced their own bills, as well.

HOUSE SCIENCE COMMITTEE APPROVES TRANSFER ACT NEW

The House Science, Space and Technology Committee yesterday approved the Technology and Research Accelerating National Security and Future Economic Resiliency (TRANSFER) Act of 2013 (H.R. 2981). AAU and many other organizations strongly support the measure, which the committee approved by voice vote.

The TRANSFER Act would allow federal agencies to dedicate a small portion of their Small Business Technology Transfer funds to creating "proof of concept" and other innovative technology transfer programs. In a <u>letter</u> to key committee members, AAU and other organizations expressed support for the measure, which is aimed at improving the process of translating basic research discoveries into the marketplace.

Other organizations that have endorsed the TRANSFER Act include: APLU, the American Council on Education, the Association of American Medical Colleges, the Association of Independent Research Institutes, the Association of University Research Parks, the Association of University Technology Managers, the State Science and Technology Institute, Battelle, SRI International, and the National Venture Capital Association.

EXECUTIVE BRANCH

AAU SUBMITS RESPONSE TO PRESIDENT'S PROPOSED COLLEGE RATING SYSTEM

AAU submitted a comment <u>letter</u> to the Department of Education on December 2 regarding the President's "Plan to Make College More Affordable: A Better Bargain for the Middle Class," released last August. The association's comments focus on the "Paying for Performance" section of the plan, which calls for creating a new college rating system by 2015 and linking it to federal student aid by 2018.

In preparing the comment letter, AAU staff consulted with AAU institutional research officers and other campus experts. Those individuals provided advice on the reliability, validity, and methodological limitations of the metrics proposed in the President's plan related to access, affordability, and outcomes.

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