



Issue #09-05

## GOVERNMENT RELATIONS UPDATE – May 21, 2009

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### FEDERAL BUDGET

**President Barack Obama releases detailed budget outline.** President Barack Obama issued his final budget outline for fiscal year 2010 which, as expected, proposes increases for the major science and technology research agencies:

- **National Institutes of Health (NIH):** The FY10 Obama request is \$30.996 billion, an increase of \$443 million or 1.45 percent above FY09. Cancer and autism research are at the top of Obama's agenda for health research. The full NIH release can be seen [here](#).
- **National Science Foundation (NSF):** \$7.04 billion, an increase of about \$550 million or 8.5 percent above FY09. The FY10 request for research and related activities is \$5.85 billion, up \$670 million or 12.9 percent above FY09. Initiatives of note include a \$92 million foundation-wide investment in transformative research, \$203 million for the Faculty Early Career Development Program and \$122 million for the Graduate Research Fellowship program, which would support 1,654 new fellowships in FY10. The full summary can be seen [here](#).
- **Department of Energy Office of Science (DOEOS):** \$4.9 billion, an increase of \$184 million or nearly 4 percent above FY09. The full summary can be found [here](#).
- **Department of Defense (DOD):** \$11.65 billion, an increase of \$174.2 million or 1.5 percent above FY09 for DOD science and technology. Funds for 6.1 basic research would be \$1.8 billion, an increase of nearly \$100 million or 5.9 percent, and 6.2 applied research and 6.3 advanced technology would remain relatively constant. The full summary can be seen [here](#).
- **Department of Education (DOE):** \$46.7 billion in discretionary funding, an increase of \$1.3 billion over FY09. The dramatic increase is primarily for the federal Pell Grant Program, which would become an entitlement. In addition, the federal student loan program will be revamped (see below). The full summary can be seen [here](#).
- **National Aeronautics and Space Administration (NASA):** \$18.6 billion, an increase of \$904 million or 5.1 percent above FY09. The request includes \$4.4 billion for NASA's science portfolio, down from \$4.5 billion in FY09. The full summary can be seen [here](#).

The formal budget process now commences in earnest. Committee hearings in the House and the Senate to examine the president's budget began last week. (Source: AAU and <http://www.whitehouse.gov/omb/budget/>.)

### FEDERAL ISSUES UPDATE

**Sallie Mae reverses position on student loan incentives.** The largest college student loan lender, Sallie Mae, has abruptly ended its opposition to President Obama's proposed plan to eliminate the approximately \$90 billion in funding that goes to the Federal Family Education Loan Program. Obama's plan would bolster the direct lending program and increase funding for the Pell Grant program.

Catching student loan industry observers by surprise, Sallie Mae began circulating its own plan last week that largely embraces Obama's proposal, although the Sallie Mae proposal would save slightly less than the \$90 billion under the Obama plan. Observers say the switch makes it much more likely that President Obama can pass his plan to restructure the federal student aid program. The full *Washington Post* article can be found [here](#).

**Dr. Holdren defends science and technology budget.** Dr. John Holdren, director of the Office of Science and Technology Policy (OSTP), testified May 14 before the House Science and Technology Committee, where he renewed the administration's pledge to emphasize research on renewable energy and the human space program. Holdren also said doubling NSF's baseline budget remains a goal of the Obama administration. Dr. Holdren's testimony can be found [here](#).

**Rep. Flake proposes bill on Ph.D.s and citizenship.** Rep. Jeff Flake, R-Arizona, has filed a bill that would amend the Immigration and Nationality Act to exempt from counting against established quotas any "aliens who have earned a Ph.D. degree in science, technology, engineering or mathematics from a U.S. institution of higher education and who have an offer of employment from a U.S. employer in a field related to such degree." The bill, otherwise known as the "Stopping Trained in America Ph.D.s from Leaving the Economy Act of 2009" (STAPLE Act), has been referred to the Subcommittee on Immigration, Citizenship, Refugees, Border Security and International Law.

**Sen. John Cornyn**, R-Texas, authored a similar bill last year called the "Securing Knowledge and Leadership Act of 2007" (SKIL Act). Sen. Hutchison served as a cosponsor. According to Cornyn's staff, he plans to refile the SKIL Act in the current Congress. For more information on the H1B visa debate, see [here](#).

**Lemnios nominated as director of defense research and engineering at DOD.** Dr. Zachary Lemnios, chief technology officer at the Massachusetts Institute of Technology Lincoln Laboratory, has been nominated as director of defense research and engineering at the Department of Defense. (Source: AAU.)

#### STATE UPDATE: 2009 LEGISLATIVE SESSION

**SB 45, tuition exemption bill, passes the Legislature.** [SB 45](#), which offers a tuition exemption at public institutions for students in certain inter-institutional programs, has passed both the House and the Senate after strong support by Rice. It now awaits the signature of **Gov. Rick Perry**.

**Martinez testifies on Advanced Research Program (ARP).** Rice Government Relations Director **Ray Martinez** testified last week before the Senate Higher Education Committee in favor of [HB 58](#), a bill that would allow private universities to compete for ARP funds. Because of low proposed funding for the ARP in the coming biennium, the bill's fate is in doubt, with opposition based largely on the need to increase funding for the program before allowing private universities like Rice to participate.

#### **Status of Bills of Interest to Rice, 81<sup>st</sup> Session:**

**HB 2939 Author:** Callegari

**Caption:** Relating to the establishment of the Texas Hurricane Center for Innovative Technology at the University of Houston.

**Last Action** 04/16/2009; the bill died in committee, but was resurrected as an amendment to an existing bill ([HB 708](#)). HB 708 has passed the House and will be considered in the Senate in the coming week.

**HB 1893 Author:** Driver

**Caption:** Relating to the carrying of concealed handguns on the campuses of institutions of higher education.

**Last Action** 5/11/2009; the bill died in the House floor, but the Senate companion, [SB 1164](#), is poised to pass the Senate this week and be considered before the full House as early as next week. SB 1164 includes an amendment allowing private universities to continue to prohibit concealed handguns on their premises.

**HB 3709 Author:** Coleman

**Caption:** Relating to certain charitable corporations granted eminent domain power by Section 6(b), Chapter 178 (S.B. 289), Acts of the 56th Legislature, Regular Session, 1959 (Article 3183b-1, Vernon's Texas Civil Statutes), repealing the power of eminent domain and condemnation of residential property adjacent or contiguous to such medical center, for the purpose of constructing, maintaining, and operating health care, educational and support entities as a part of the medical center or related facilities; and amending Article 3183b-1 to provide for legal remedies and measures to rectify past condemnation practices within residential neighborhoods.

**Last Action** 05/06/2009; the bill was left pending in committee and is now dead; however, Rep. Garnet Coleman is expected to try to amend the bill onto other legislation in the closing days of the legislative session.

**HB 1358 Author:** Keffer

**Caption:** Relating to the Cancer Prevention and Research Institute of Texas.

**Last Action** 05/12/2009; [HB 1358](#) has passed the House and is scheduled to be heard by the full Senate. It contains a provision allowing Rice and Baylor College of Medicine to appoint one member each to the CPRIT University Advisory Committee.