

WASHINGTON UPDATES

June 2017

BUDGET AND APPROPRIATIONS

Fiscal Year 2018 Budget Update

On May 23, the Trump Administration released their Fiscal Year (FY) 2018 Budget Request. UCLA's Office of Government and Community Relations hosted a [briefing](#) on the FY18 budget request. The Federal Relations team developed an [analysis](#) of the President's FY 2018 Budget Request and its impacts to higher education, student aid, research funding, science, health care and other areas important to UCLA.

On June 14, Chancellor Gene Block sent a [letter](#) to the Secretary of Health and Human Services and the Director of the White House Office of Management and Budget to express our concerns on the proposed funding cuts to research grants sponsored by the National Institutes of Health.

UC President Janet Napolitano sent a [letter](#) to the California Congressional Delegation urging their support for federal funding for education, research, health care and other programs of importance to the UC system.

CONGRESSIONAL LEGISLATIVE ACTIVITY

American Health Care Act/Better Care Reconciliation Act

On May 4, the U.S. House of Representatives passed the American Health Care Act (AHCA), legislation to repeal and replace health insurance coverage provisions in the Affordable Care Act (ACA). On May 24, the Congressional Budget Office (CBO) issued an updated score for the amended AHCA, projecting that the bill would reduce the federal deficit by \$119 billion and result in 23 million fewer Americans having health care coverage within 10 years. The AHCA would cut Medicaid spending by \$610 billion over ten years by restructuring Medicaid as a block grant or per capita cap allotment program, and by an additional \$250 billion in part through phasing out the Medicaid expansion provided by the ACA.

On June 22, the Senate released a draft of their version of the bill, the "Better Care Reconciliation Act of 2017." On June 26, the Congressional Budget Office released their analysis of the Senate bill, projecting \$321 billion in cost reduction and 22 million more people would become uninsured within 10 years if the bill is enacted. A vote on this bill has been postponed until after the July 4th recess. The Executive Vice President of the UC Health System sent a

[letter](#) in March to the California delegation, and a [letter](#) in June to both our Senators on the AHCA.

Federal Perkins Loan Program Extension Act

On May 17, the Federal Perkins Loan Program Extension Act was introduced by Reps. Elise Stefanik (R-NY) and Mark Pocan (D-WI) to extend the Perkins Loan Program until September 30, 2019. The Federal Perkins Loans Program, which received a two-year extension in 2015, provides low-cost loans to financially needy undergraduate and graduate students. While President Trump's FY 2018 Budget Request eliminates the program, the program retains strong bipartisan support in Congress. UC wide, \$35 million was disbursed in Perkins loans for the 2015-16 academic year to more than 16,000 undergraduate and 2,200 graduate students.

To Offer Refugees College Help (TORCH) Act

On June 20 – World Refugee Day – Rep. Jared Huffman (D-CA-2) introduced the TORCH Act, legislation to amend the Higher Education Act to guarantee in-state tuition for refugees living and studying in the United States. President Napolitano's statement of support was included in Rep. Huffman's [press release](#), specifically noting that the legislation aligns with UC's longstanding commitment to ensure all qualified students are given an opportunity to succeed at the university. As of June 23, 54 members of the House have cosponsored the legislation, including Reps. Zoe Lofgren (D-CA-19), ranking member of the House Subcommittee on Immigration and Border Security, and Susan Davis (D-CA-53), ranking member of the House Subcommittee on Higher Education and Workforce Development. The legislation would also provide similar in-state tuition benefits to asylees and Special Immigrant Visa (SIV) holders who assisted U.S. armed forces in Iraq and Afghanistan.

POLICY AND REGULATORY UPDATES

HHS Proposal to Cut NIH F&A costs cap to 10 Percent

UCLA continues to work with leaders in Congress, the Administration and the university community to defend against a Department of Health and Human Services proposal to cap National Institutes of Health (NIH) facilities and administrative (F&A) expenses for academic research at 10 percent. UC President Janet Napolitano sent a [letter](#) to the Administration asserting that "a cut to NIH F&A is a cut to NIH research," and that the proposal would destabilize the federal government-university research partnership with UC and other academic institutions. Several UC campuses, [including UCLA](#), have sent letters to the Hill describing the adverse impacts on UC research from the proposed F&A cap.

Year-round Pell Grant Implementation

On June 19, the U.S. Department of Education issued [guidance](#) for the implementation of year-round Pell Grants, as required in the FY 2017 omnibus appropriations bill, which reinstated the program. This expansion of the Pell Grant program will allow students to access up to 150 percent of their annual Pell award in one academic year, possibly accelerating students' time to degree completion and potentially lowering their overall cost of education. Students may begin to receive year-round Pell Grants on July 1 for summer coursework if it is assigned to the 2017-18 academic year.

Reinstatement of Travel Ban

On June 26, the Supreme Court announced that they will allow the White House Executive Order banning travel from Iran, Libya, Somalia, Sudan, Syria and Yemen from entering the US for 90 days to take effect, with a few exceptions including students accepted to U.S. universities.

Foreign nationals who have "bona fide relationships with any person or entity in the United States" will be banned, but non-citizens without such relationships with persons or entities in the United States will be banned. In addition to students, an example of a formal relationship would be an employee who has accepted a job with a company in the US.

H-1B Visas

In April, the U.S. Department of Homeland Security (DHS) suspended its "premium processing" of H-1B skilled-worker visa applications for up to six months, which would have numerous negative impacts on UCLA. UCLA's Dashew Center participated in a conference call for UC's International Student Services directors, with the executive director of the Office of Academic Engagement at DHS in May about the problems UC campuses are having. In April, Sen. Dianne Feinstein (D-CA) joined with Sens. Chuck Schumer (D-NY) and John Cornyn (R-TX) to send a letter to DHS Secretary John Kelly urging reinstatement of the premium processing service for U.S. colleges and universities. DHS responded that it is looking at alternative ways to address the issue.

UC ARPA-E Research Grants Released after Long DOE Administrative Review

After months of effort by UC to work with our California Congressional delegation, the Administration and other key stakeholders, several Department of Energy (DOE) Advanced Research Projects Agency-Energy (ARPA-E) research grant awards were finalized in early June. Roughly \$90 million in ARPA-E awards – including \$17 million in approved ARPA-E grants to three UC campuses and the Lawrence Berkeley National Lab – had been publicly announced, but were subsequently frozen by DOE leadership for additional review. Given that ARPA-E was

proposed to be eliminated in the FY 2018 President's Budget Request, UC and other universities, national labs and small business grantees were concerned that the awards could be cancelled altogether, even though they were funded with prior years' appropriations. Sen. Dianne Feinstein (D-CA), Rep. Ken Calvert (R-CA-42) and numerous other California Congressional members made public and private inquiries on UC's behalf.

Federal Student Loan Rates

Interest rates on new federal student loans will increase on July 1, 2017 for the 2017-18 academic year. Rates are tied to the U.S. Treasury Department's sale of 10-year notes, and are adjusted annually. They are fixed for the life of the loan, and do not affect existing federal student loans. Rates for new federal undergraduate student loans will increase from 3.76 percent to 4.45 percent. Rates for new federal graduate student loans will increase from 5.31 percent to 6.0 percent. Rates for new federal PLUS loans – intended for graduate students or parents assisting with the financing of their child's education – will increase from 6.31 to 7.0 percent.

UCLA ADVOCACY

UCLA's International Institute, Center for Near Eastern Studies, Center for Southeast Asian Studies, National Heritage Language Resource Center, UCLA Latin American Institute, UCLA Asia Pacific Center submitted a [comment letter](#) to the Department of Education in support of Title VI programs including the National Resource Center (NRC), Foreign Language and Area Studies (FLAS) and the Language Resource Center (LRC) programs.

UCLA's FEDERAL ENGAGEMENTS

AJ Scheitler, coordinator of stakeholder relations for the UCLA Center for Health Policy Research at the Fielding School of Public Health, travelled to DC for Capitol Hill meetings on June 27, 2017.