The University of North Carolina

Fiscal Year 2010 Federal Policy Agenda

Approved by the Board of Governors on February 13, 2009

Access to Higher Education
Higher Education Act Implementation and College Costs: Recommend University personnel for negotiated rulemaking committees, ensure that the Department of Education implements the definition of "net price" as Congress intended, engage the Department on simplification of the FAFSA and work with the Department of Education to implement the Masters level HBCU grant program.
Federal Student Aid Reform: Support efforts to reform the federal financial aid system that enable a simple, fair, efficient and comprehensible way for students to receive financial assistance to access higher education.
Tax Incentives for Students, Families and Employees *Enhance* current student-centered tax benefits, including the qualified tuition expenses deduction and the Hope and Lifetime Learning tax credits. *Preserve* Section 117(d) qualified tuition reductions. *Extend* Section 127 employer –provided education assistance benefits. *Restore* Section 117(c) exclusion for qualified higher education expenses. *Extend* the student loan interest deduction.
Tax Consequences for The University *Affirm* current tax treatment of universities. *Prevent* inappropriate intrusions into university governance and finance. *Preserve* current treatment of university endowments. *Monitor, preserve, and/or improve* current treatment of tax-exempt bonds. *Ensure* balance between appropriate transparency and tax compliance burden. *Monitor* Unrelated Business Income Tax (UBIT) proposals that may affect universities.
Tax Incentives for Charitable Individuals *Extend* and expand the IRA charitable rollover. *Monitor* charitable giving proposals, including deductibility, gifting rules and valuation of gifts.
Veteran's Education Benefits: Monitor Department of Veterans Affairs implementation of the Post 9/11 GI Bill benefit payment process from one that pays the benefit directly to the student to one that pays tuition and fees directly to the institution(s) of higher education."
Broadband Access: Support legislation to expand broadband access to rural and underserved areas.
The Roosevelt Scholars Act: Support legislation to create a new scholarship program to fund graduate level study in exchange for a civil service commitment in targeted, mission-critical occupational areas across the federal government.
National College Advising Corps: Support legislation to authorize the National College Advising Corps, which seeks to partner low-income, first-generation, and underrepresented students with recent college graduates, who provide the advising and encouragement that students need to navigate college admissions.

Net Neutrality: Include language in the Telecommunications reauthorization (1996 authorization) legislation that prohibits anticompetitive discriminatory behavior, permits differential access pricing based on differential performance or quality of service and prohibits the imposition of new surcharges, separate from access charges, for transporting data over networks.
Off Campus Student Housing Improvements: Support legislation that will allow charitable contributions to existing housing corporations that provide not-for-profit housing to college students.
ECONOMIC TRANSFORMATION
Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) Reauthorization: Work to reauthorize University Transportation Centers, promote collaborative research and development, fundamental and applied research, technology deployment, safety innovation deployment, local technical assistance, workforce, development, training and education and university transportation research.
Lumbee Recognition Act: Support legislative efforts to Federally recognize the Lumbee Tribe of North Carolina. Such recognition will allow UNC-Pembroke and members of the Lumbee Tribe to benefit from additional funds only available to federally-recognized tribal populations.
Urban Serving Universities: Support legislative efforts to establish a federal urban serving university program to formally engage universities in support of urban environments.
GLOBAL READINESS
Facilities and Administrative (F&A) expenditures for university-based research: Oppose efforts to arbitrarily cap cost reimbursement associated with federally-funded university-based research.
Cost Sharing: Work to minimize the number of federal research grants at NSF and other agencies that require cost-sharing. Cost sharing requirements in research grant solicitations often disadvantage universities and faculty members with small endowments or other research resources and discourage the best research proposals from being funded.
NSF 2 Month Salary Rule: Ensure that the new summer salary rules proposed by the NSF do not have the unintended consequence of reducing the ability of faculty to have salary funded while they work on NSF-funded research.
~~**Stem Cell Legislation:** Support legislation to expand federal funding for stem cell research and to establish additional stem cell lines.~~
Open Access to Research: Support legislation or regulatory action to mandate public access to taxpayer-funded research at the NIH and other federal agencies without diminishing copyright protection currently accorded scholarly work.
DOD Research Contracts: Support efforts to reinforce DOD policy that basic research, unless classified, should not be burdened by clauses that restrict the dissemination and sharing of scientific information.
Export Controls Reform: Support efforts to revise and simplify the federal government ITAR and Export Controls rules to update and limit the technologies that are subject to ITAR restrictions and clearly protect technologies that are a threat to our national security.
Reform and Improve Grants.gov: Urge the federal government agencies and Congress to improve the grant and contract submission process known as "Grants.gov" to facilitate the grants and contracts process with the federal government.
Tax Breaks for Innovation **Extend the R&D Tax Credit:** Permanently extend the R&D credit to encourage commercial R&D investment that enables American companies to bring new and improved products and services to the market.
Patent Legislation: Support the development of a patent system that provides substantive review of patent applications consistent with current knowledge of technological developments and the cautious application of intellectual property law to products so as not to deter innovation in production.

Bayh-Dole Refinements: Support the role of universities in the innovation process and continuation of Bayh-Dole provisions that allow universities to own and license the results of federal research investments.

Copyright Infringement and the Value of P2P File Sharing: Support the development of innovative peer-to-peer systems in support of research, education, and the protection of intellectual property. The university supports the requirements of copyright law and will protect its network resources through measures including policy, education, and network management.

Immigration Reform:
Create a new visa category for graduate students pursuing academic disciplines related to science, technology, engineering, and mathematics (STEM) and who choose to stay in the United States to work in a related field.
Preserve the dual intent provision for H-1B visa applicants.
Preserve access to the H-1B program for foreign medical residents and fellows.
Ensure that negative, unintended consequences are avoided in any changes to the green card system.
Permit H-1B dependent employer provisions to apply to all employers.
Streamline the Department of Labor process to enable greater information sharing regarding the status of PERM applications and to enable online employment posting to satisfy mandatory posting requirements.

The Senator Paul Simon Study Abroad Foundation Act: Support legislation that increases participation in quality study abroad programs, encourages diversity in student participation in study abroad and internationalizes U.S. higher education.

Health Care

Global Public Health Workforce: Support legislation to establish a U.S. Global Health Service to coordinate and centralize U.S. efforts to assist in international areas of need, and provide fellowships and loan repayment in return for service overseas.

Health Professional Shortage Areas: Support legislation to help address workforce shortages in key health professionals including pharmacists, nurses, primary care physicians, dentists, and public health workers (e.g., enhanced loan repayment and scholarship programs).

Tax Incentive for Health Care
Tax-Exempt Status for Hospitals: Work with Congress and the Hospital community to determine common definitions and reforms in such areas as community benefit, charitable care, charges to the uninsured and debt collection.

Medicare and Medicaid Reform
Physician Payments: Support fair and adequate payment rates for physicians, and support efforts to tie reimbursement rates to reasonable measures of quality over the entire health care sector.
Continued Medicaid Funding for Indirect Medical Education ("IME"): Support a moratorium on a proposed CMS cut to Medicaid outpatient services, which would reduce hospitals' Medicaid funding by $2.1 Billion over five years.
Increase GME/IME Caps for Residents: Increase federal funding and raise the statutory cap to enable training of additional resident physicians.
Continued funding for Capital IME: Support legislation that places a moratorium on a CMS regulation that eliminates the IME adjustment to the inpatient prospective payment system for capital costs.
Medicaid Outpatient Services: Support legislative efforts to delay implementation of proposed cuts to Medicaid outpatient services, which would narrow the definition and scope of these services and reduce hospitals' Medicaid funding by $2.1 billion over five years.
Recovery Audit Contractors ("RACs"): Support legislative efforts to reform the RAC program by expediting the appeal process, allowing providers to present underpayments, and by not requiring repayment until all appeals have been finalized.

Medicare and Medicaid Reform, continued

Federal Medical Assistance Percentage ("FMAP"): Support an increase in FMAP to help offset dramatic cuts states may implement due to the weakened economy.

Preserve the Medicare Bad Debt Moratorium and Maintain the Current Funding Level for Bad Debts.

Diagnosis Related Groups (DRG) Refinements: Work to ensure that the severity case mix reimbursement is adequate for teaching hospitals as the Center for Medicare and Medicaid Services moves from a charge-based methodology to a cost-based methodology.

One-Medicine: Support legislative and regulatory efforts to fully integrate animal and human health research and to acknowledge that advances in human and veterinary medicine are dependent on an overlapping collection of technologies and research discoveries.

Environment

Comprehensive Energy Policy: Support legislation that authorizes energy research opportunities, incentives for conservation and creation/extension of tax credits for producing electricity and fuel from renewable sources.

Offshore Drilling Environmental Research: Promote and support federal research that informs policy makers regarding environmental risks and benefits associated with offshore energy production.

Coastal Ocean Monitoring: Support legislative and NOAA efforts to authorize a comprehensive, national coastal ocean monitoring program that includes substantial university involvement in research and implementation.

Agriculture Research and Food Safety: Work to expand the federal research, development and monitoring efforts to ensure our current national and global food supply is protected from natural pests as well as accidental or purposeful contamination and support policies that move our national and global food supply to a more sustainable and locally produced model.

Improving Public Education

No Child Left Behind Act (2002 authorization): Support provisions that enable regional, university-based professional development for teachers particularly those in high need, highly specialized content areas, enable innovative teacher recruitment strategies particularly for math, science and special education teachers, enable distance education using technology, and improve student outcomes while retaining state and local autonomy.

Education Sciences Reform Act Reauthorization (2004 authorization): Support provisions that encourage federal research on how learning and teaching can be improved; evaluating the effectiveness of educational approaches that incorporate research findings; providing statistical benchmarks for progress in education; and encouraging education decisions and policies that are based upon evidence.

Individuals with Disabilities Education Act Reauthorization (2004 authorization): Support provisions that enable improved training for special education teachers and other personnel and improved communication among all stakeholders, including representatives from higher education.

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