



FEDERAL UPDATE

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The Report on Congressional & Administration Activities

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WASHINGTON UPDATE

On Dec. 9 – the last day of the continuing resolution (CR) – President Barack Obama signed into law another CR, keeping the government operational through April 28, 2017. University of California (UC) Federal Governmental Relations (FGR) remains actively engaged in appropriations advocacy efforts and is working with the California congressional delegation and other key policymakers to support the University’s key priorities in advance of the passage of final fiscal year (FY) 2017 appropriations legislation. More information is available below.

On Nov. 8, Donald Trump beat Hillary Clinton in the U.S. presidential election, winning 306 (to her 232) electoral votes. President-elect Trump and Vice President-elect Mike Pence will be sworn into office on Jan. 20, 2017. Thus far, President-elect Trump has announced a number of his intended senior officials, including: Ben Carson for secretary of housing and urban development; Elaine Chao for secretary of transportation; Betsy DeVos for secretary of education; retired Gen. John Kelly for secretary of homeland security; retired Marine Gen. James Mattis for secretary of defense; Steven Munchin for secretary of treasury; Rep. Tom Price (R-GA) for secretary of health and human services; former TX Gov. Rick Perry for secretary of energy; OK Attorney General Scott Pruitt to run the Environmental Protection Agency; Andrew Puzder for secretary of labor; Wilbur Ross for secretary of commerce; Sen. Jeff Sessions (R-AL) for attorney general; Rex Tillerson for secretary of state; Rep. Ryan Zinke (R-MT) for secretary of the interior; and Republican National Committee Chairman Reince Priebus for chief of staff.

The CA congressional delegation also changed following the elections: CA Attorney General Kamala Harris will replace retiring Sen. Barbara Boxer (D-CA); Ro Khanna beat incumbent Rep. Mike Honda (CA-17); Jimmy Panetta will replace retiring Rep. Sam Farr (CA-20); Salud Carbajal will replace retiring Rep. Lois Capps (CA-24); Nanette Diaz Barragán will replace retiring Rep. Janice Hahn (CA-44); and Lou Correa will replace Rep. Loretta Sanchez (CA-46), who ran for the open senate seat against Harris.

Upon Congress’ return, there were several advocacy events in November and December, including UC President Janet Napolitano’s participation in [The Atlantic’s Summit on Infrastructure and Transportation](#); the UC-sponsored congressional briefing entitled “[UC Global Food Initiative: From Research to Action](#)”; graduate deans advocacy on Capitol Hill; and coordinated advocacy efforts around UC priorities, including support for year-round Pell Grants,

the 21st Century Cures Act and the Deferred Action for Childhood Arrivals program. Detailed information is available below.

The 115th Congress is scheduled to begin on Jan. 3, 2017.

FISCAL YEAR 2017 APPROPRIATIONS

On Dec. 9, the Senate passed a CR on a 63-36 vote, which came the day after the House passed the CR on a 326-96 vote, to keep the government running. The CR extends funding for operations for most federal agencies, programs and services until April 28, 2017. It provides the 2017 budget cap of \$1.07 trillion put into place under the Bipartisan Budget Act of 2015. The legislation continues policy and funding provisions included in the first CR that was enacted in September 2016. It also reduces to .19 percent from .496 percent the across-the-board cut that was imposed in the first CR.

Included in the legislation is \$872 million to provide the 2017 funding levels contained in the 21st Century Cures Act, specifically \$20 million for the Food and Drug Administration Innovation account, \$352 million for the National Institutes of Health Innovation account and \$500 million for states to respond to the opioid abuse crisis. (Additional details about the 21st Century Cures Act are included below.)

The CR does not include language to support year-round Pell Grants. However, since the CR ends at the end of April, and the current fiscal year does not end until Sept. 30, 2017, Congress will have to pass another CR, or another budget vehicle, to keep the government operational, thus allowing for an additional opportunity for the potential inclusion of year-round Pell in the final 2017 funding.

Appropriations Advocacy

FGR continues to advocate, in partnership with our campus and lab colleagues, to members of Congress for the passage of final FY 2017 appropriations legislation with the highest possible funding levels for the program priorities of the University. For additional information, please contact Marjorie Duske at Marjorie.Duske@ucdc.edu or 202-974-6306; Carolyn Henrich at Carolyn.Henrich@ucdc.edu or 202-974-6308; or Julie Clements at Julie.Clements@ucdc.edu or 202-974-6309

CONGRESSIONAL LEGISLATIVE ACTIVITY

21st Century Cures Act

On Dec. 13, President Obama signed into law the 21st Century Cures Act, which the Senate passed in a bipartisan vote of 94-5 and the House passed in a bipartisan vote of 392-26. The Cures bill aims “to spur medical innovation through expanded medical research and a streamlined federal medical product approval process.”

The bill directs \$4.8 billion in funding to be spent between FY 2017 and FY 2026 to three National Institutes of Health (NIH) Innovation projects, including the Cancer Moonshot, Brain Research through Advancing Innovative Neurotechnologies (BRAIN) and Precision Medicine Initiatives. Additionally, the Cures bill will provide \$1 billion (\$500 million in FY 2017 and \$500 million in FY 2018) over two years for grants to states to supplement opioid abuse prevention and treatment activities, including, but not limited to: improving states’ prescription drug

monitoring programs, implementing prevention activities, providing training for health care providers and expanding access to opioid treatment programs.

UC was an active advocate for passage of a final Cures package. UC President Napolitano and the 10 chancellors [authored a letter](#) to the California congressional delegation asking that they support passage of a final Cures package. FGR also developed a [fact sheet](#) that was widely shared. Additionally, UC faculty and researchers made several visits to Capitol Hill, highlighting for legislators how UC's research efforts will accelerate medical breakthroughs that benefit patients.

Cures also served as a legislative vehicle for several policies of great interest to UC Health. For example, Cures includes bipartisan mental health reform provisions that promote a strengthened mental health workforce and better mental health access and awareness on college campuses. Also, included in Cures is language that will "except" site-neutral payment policy hospital outpatient departments (HOPDs) that were mid-build, thus had entered into a construction contract, as of Nov. 2, 2015. HOPDs satisfying this standard will be eligible for the higher Outpatient Prospective Payment System payments, versus lower Medicare Physician Fee Schedule payments, into 2017. Lastly, the Cures bill also includes a mechanism that allows for risk-adjustment of a patient's socioeconomic status as part of the Hospital Readmissions Reductions Program. This provision will help level the playing field for public hospitals, including UC's, which serve as the safety net for society's most at-risk patients.

For additional information, please contact Julie Clements at Julie.Clements@ucdc.edu or 202-974-6309.

Year-round Pell Grants

UC advocacy efforts continue in trying to secure funding for year-round Pell Grants before the FY 2017 education appropriations are finalized. Year-round Pell Grants would allow low-income students to enroll in summer classes with the prospect of accelerating their time to degree completion. UC led an effort with the California State University (CSU), California Community Colleges (CCC) and others in the higher education community in efforts to restore this important student benefit. Specifically, UC sent a [joint letter](#) with CSU and CCC to the members of the California congressional delegation.

Additionally, President Napolitano joined with UC Student Association President Ralph Washington, Jr. in [calling on the delegation](#) to support the restoration of year-round Pell and increases to the maximum discretionary award. FGR also worked with UC communications on an [article](#) to highlight the importance of year-round Pell Grants and the University's ongoing advocacy efforts.

As part of the advocacy campaign, FGR developed a [fact sheet](#) that was shared with members of the delegation and used in advocacy efforts. FGR also worked with UC communications on a cross-campus [social media campaign](#), which included the use of visual assets. Examples of how these assets were used is available online [here](#) and [here](#).

With the CR set to end on April 28, 2017, and the current fiscal year ending on Sept. 30, 2017, Congress will have to pass another CR, or another budget vehicle, to keep the government

operational, thus allowing for an additional opportunity for the potential inclusion of year-round Pell in the final 2017 funding.

For additional information, please contact Carolyn Henrich at Carolyn.Henrich@ucdc.edu or 202-974-6308.

The American Innovation and Competitiveness Act

In the waning days of the 2016 congressional session, House and Senate negotiators reached agreement between two bills - [H.R. 1806](#), the America COMPETES Reauthorization Act, and [S. 3084](#), the American Innovation and Competitiveness Act - and a final compromise bill (designated S. 3084) was passed by both chambers. While the final version of S. 3084 is not visionary with aspirational funding targets for federal research programs that previous versions of the America COMPETES Act were, it was improved considerably over early drafts, and ultimately reflected a bipartisan and bicameral compromise. Unlike previous COMPETES bills, S. 3084 covers programs and activities at the National Science Foundation and the National Institute of Standards and Technology, but not the Department of Energy's Office of Science, which Congress addressed in a separate measure that failed to pass this year. Although S. 3084 contains no science agency program budget authorization numbers, it does contain helpful language to improve regulatory burdens on research, affirm the importance of the peer-reviewed research process and encourage commercialization of university research discoveries.

For additional information, please contact Marjorie Duske at Marjorie.Duske@ucdc.edu or (202) 974-6306, or Chris Carter at Chris.Carter@ucdc.edu or (202) 974-6310.

POLICY AND REGULATORY UPDATE

Deferred Action for Childhood Arrivals

Concerns of what might happen to undocumented students if the administration of President-elect Trump repeals the Deferred Action for Childhood Arrivals (DACA) directive has sparked efforts to prepare and educate our communities about possible actions.

DACA provides young people who arrived in the U.S. as children, and know no other country as home, protection against forcible removal from this country due to their lack of immigration status. Many DREAMers, as these students are known, are enrolled at UC, CSU, CCC and institutions across the country. UC took the lead in [sending a joint letter](#) – with CSU and the CCC – to President-elect Trump urging him to continue the DACA program. The letter was also shared with members of the California congressional delegation.

UC President Napolitano also authored an [opinion piece](#) published in the New York Times explaining how DACA works and its benefits to our nation. There may be debates in Congress about immigration reform in the coming months and UC will continue to engage in a constructive way on this important issue. For additional information, please contact Carolyn Henrich at Carolyn.Henrich@ucdc.edu or 202-974-6308.

Final Rule Implementing Hospital Outpatient Departments Site-Neutral Payment Policy

In early November, the Centers for Medicare and Medicaid Services (CMS) released its final rule concerning Medicare Outpatient Prospective Payment System (OPPS) policies for acute

care hospitals, which included modifications to the proposed hospital outpatient departments (HOPDs) site-neutral payment policy.

With the final rule, CMS heeded in part comments offered by the UC Health system, allowing its definition of “extraordinary circumstances,” that could permit an already “excepted” HOPD to relocate and continue to claim “excepted” status, to include HOPDs that must relocate to be in compliance with seismic building code requirements. CMS explains that what circumstances qualify as “extraordinary circumstances” will be evaluated by CMS’s regional manager on a case-by-case basis. Updates to what may constitute “excepted” HOPD relocations could benefit a couple of UC Health academic medical centers.

In its final rule, CMS states that it will not “except” relocations for the purpose of serving underserved communities, thereby resulting in the higher OPDS payments versus the lower Physician Fee Schedule payments. CMS’ final rule does not require that expansions of services provided by “excepted” off-campus HOPDs fall within the same family of services offered prior to the expansion. CMS does clarify the Medicare Physician Fee Schedule will be the payment system applied to HOPDs that fail to meet the criteria for being “excepted.”

“Excepted” HOPD services eligible for payment under the OPDS include all items and services furnished in a dedicated emergency department; items and services that were furnished and billed by an off-campus HOPD prior to November 2, 2015; and items and services furnished in a hospital department within 250 yards of a remote location of the hospital. For additional information, please contact Julie Clements at Julie.Clements@ucdc.edu or 202-974-6309.

ADVOCACY UPDATE

The Atlantic’s Summit on Infrastructure and Transportation

On Dec. 8, UC President Janet Napolitano participated in The Atlantic’s [Summit on Infrastructure and Transportation](#) in Washington, DC. President Napolitano’s segment focused on higher education’s role regarding the future needs of infrastructure and transportation. The conversation, which was moderated by The Atlantic’s Steve Clemons, covered topics ranging from cyber technology to immigration to women in leadership. Highlights from other panels included former PA Gov. Ed Rendell, who talked about America’s failing infrastructure; VA Gov. Terry McAuliffe, who discussed his state’s efforts to improve transportation; and Washington, DC Mayor Muriel Bowser, who focused on the necessary partnerships needed to properly fund and take care of DC’s public transportation needs. President Napolitano’s conversation can be viewed online [here](#).

UC Congressional Briefing on the Global Food Initiative (GFI)

On Nov. 16, FGR hosted a briefing entitled “[UC Global Food Initiative: From Research to Action](#),” the eighth in a series of Capitol Hill briefings for the California congressional delegation, congressional leaders and federal agency officials. The participants were:

- Keith Pezzoli, director of the Urban Studies and Planning Program at UC San Diego, who discussed urban and climate smart agriculture.
- Laura Schmidt, professor in the Philip R. Lee Institute for Health Policy Studies and Department of Anthropology, History and Social Medicine at UC San Francisco, who described her research regarding the impact of sugar on human health.

- David Miller, director of the Research Innovations Fellowship in Agriculture (RIFA) program at UC Davis, who discussed international development and the RIFA program.
- Katie Monsen, lecturer in the Environmental Studies Department at UC Santa Cruz, who addressed agroecology and food systems.

During the presentations and the subsequent discussion, the panelists discussed how UC is helping to create solutions that improve food security, health and sustainability throughout California, the U.S. and the world. The event was moderated by Marjorie Duske, FGR director of science and technology.

Briefing materials, including the speaker [presentations](#) and a Global Food Initiative [fact sheet](#) created by FGR, are available [online](#). FGR also coordinated with UC communications to highlight the event on [Twitter](#). For additional information, please contact Marjorie Duske at Marjorie.Duske@ucdc.edu or 202-974-6306.

Graduate Deans Advocacy on Capitol Hill

On Dec. 7-10, graduate deans from several UC campuses participated in the Council of Graduate Schools (CGS) annual meeting. Prior to the start of the CGS meeting, the deans attended advocacy training workshops and meetings with lawmakers on Capitol Hill. Their message focused on urging legislators to ensure the largest discretionary appropriations for all the federal agencies that offer competitive awards for graduate students, while also increasing investments for graduate students through Department of Education programs. Next year, as the process to reauthorize the Higher Education Act begins again, UC will advocate for improved loan benefits and increased grant support for graduate students, as well as for expanded public loan forgiveness and income-based repayment options. For additional information, please contact Carolyn Henrich at Carolyn.Henrich@ucdc.edu or 202-974-6308.

Federal Update	
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