



University of Colorado

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Office of Government Relations Annual Report 2011

Table of Contents	Page
Office of Government Relations Overview	2
State Relations	
◆ CU Initiated Legislation	4
◆ Key Higher Education Legislation	5
◆ Key Health Care Legislation	13
Federal Relations	
◆ FY2011 and FY2012 Federal Priorities	18
◆ FY2012 Omnibus Funding Package Summary	21
◆ Key Appropriations Legislation	24
◆ Key Health Care Legislation	27
◆ Key Research Legislation	29
◆ Other Key Legislation	31
◆ 2012 Outlook	32
State and Federal Meetings, Events and Tours	33
Office of Government Relations Team	35



OFFICE OF GOVERNMENT RELATIONS
Overview

This annual report covers work by the Office of Government Relations from January 1 – December 31, 2011.

Mission

The mission of the Office of Government Relations is to support the University of Colorado by building effective partnerships between the University and state and federal governments. This is achieved through representation and advocacy of CU's needs and interests with state and federal elected officials in Colorado and Washington, D.C.

Goals

- Promote the University's interests at the state and federal level.
- Enhance the understanding of the role and value of CU.
- Achieve status as one of the top public university governmental relations offices in the United States.

Strategies

- 1) Maintain visibility at both the state and federal level through testimony, tours, outreach events, Hill visits, and other activities to increase contact with state and federal policy makers.
- 2) Foster relationships between the president, chancellors and designated officers of the university with members of the General Assembly, Colorado Congressional Delegation, and Executive branch of both the state and federal government.
- 3) Engage the business community, CU Advocates, and alumni to help advocate for the university's initiatives.
- 4) Request federal funding for special projects at each campus.
- 5) Lobby for increases in funding by federal agencies. The following agencies are the primary sources of research funding for CU:
 - National Science Foundation (NSF)
 - National Institutes of Health (NIH)
 - National Aeronautics and Space Administration (NASA)
 - Department of Defense (DOD)
 - Department of Energy (DOE)
 - Department of Commerce (DOC)
 - National Oceanic and Atmospheric Administration (NOAA)
 - National Institute of Space and Technology (NIST)
- 6) Educate elected officials about the university through contact with faculty, students, and administrators from all three campuses.
- 7) Provide internal communication by:
 - Holding frequent legislative strategy meetings with top university officers;
 - Providing legislative updates at all three campuses and via email to the university community; and
 - Communicating with appropriate university faculty, administrators, and students regarding specific legislation and policy issues.

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OFFICE OF GOVERNMENT RELATIONS
CU Initiated State Legislation

The sixty-ninth session of the Colorado General Assembly convened on January 12, 2011 and ended on May 11, 2011.

H.B. 11-1301 Higher Ed Inst Efficiency (Waller/Schwartz)

This omnibus bill makes several changes to state law concerning state institutions of higher education. These changes are student fees, creating nonprofit entities, indemnification, data security, special events, surplus state property, purchasing requirements, personnel, and capital construction.

APPROVED by Governor June 7, 2011

EFFECTIVE August 10, 2011

S.B. 11-272 Adult Stem Cells Cure Fund Tax Checkoff (Hodge/Summers)

The act extends the period for which state income tax return forms shall include a line allowing individual taxpayers to make a voluntary contribution to the adult stem cells cure fund. The line for the fund shall appear on such forms for income tax years commencing on or after January 1, 2011, but prior to January 1, 2016.

APPROVED by Governor June 2, 2011

EFFECTIVE August 10, 2011

S.B. 11-204 University Role and Mission (Giron/Swerdfeger)

The act allows Colorado State University - Pueblo to offer selected graduate programs. The act clarifies the role and mission of the Colorado Springs campus of the University of Colorado.

APPROVED by Governor June 10, 2011

EFFECTIVE August 10, 2011



OFFICE OF GOVERNMENT RELATIONS
Key State Higher Education Legislation

H.B. 11-1017 **Auraria Higher Education Center-Auraria** **(Duran/Steadman)**
board

The act states that, in the event of the death, resignation, inability or refusal to act of any elected member of the student advisory committee or the faculty advisory committee of the board of directors of the Auraria higher education center, the student governing body or faculty governing body, respectively, of the institution with the vacancy shall appoint a full-time student or faculty member from that institution to fill the vacancy for the remainder of the term.

APPROVED by Governor March 17, 2011
EFFECTIVE March 17, 2011

H.B. 11-1026 **Storm Water Management System** **(Gerou)**
Administrator

The bill authorizes the Department of Public Health and Environment, Water Quality Control Division (WQCD), to designate one or more nonprofit storm water management system administrators to assist in compliance activities for the state's Colorado Discharge Permit System (CDPS), as part of the federally mandated National Pollutant Discharge Elimination System (NPDES).

Storm water management system administrators are required to demonstrate to state water quality regulators that they are sufficiently qualified and capable of enforcing appropriate water quality standards, with a minimum one-year track record of implementing a program prior to application. Information produced by third-party auditors may be acquired by a storm water management system administrator without being considered a voluntary disclosure for enforcement purposes. The bill provides for revocation of storm water management system administrator status if the state finds repeated compliance failures in a nonprofit's program. For each nonprofit storm water management system administrator, an advisory board must be established, to include participating permit holders and other stakeholders, and must meet at least quarterly.

For entities holding a municipal separate storm sewer system (MS4) permit, including state and local agencies, the bill allows an MS4 to review audits in its jurisdiction and to use those audits as part of its own storm water permit compliance plan.

The bill authorizes the department to expend moneys from the Water Quality Improvement Fund to provide grants for storm water management best practices training.

APPROVED by Governor May 9, 2011
EFFECTIVE August 10, 2011

H.B. 11-1036 Blue Alert For Injured Peace Officers (Gardner D./King S.)

The bill creates the blue alert program (program) within the Colorado bureau of investigation (bureau) to facilitate the immediate apprehension of persons who kill or seriously injure peace officers. Upon receipt of a notice from a law enforcement agency that a peace officer has been killed or suffered a life-threatening injury and the suspect or suspects have fled the scene of the offense, the bureau, using procedures established by rule, shall confirm the accuracy of the information, issue an alert to designated broadcasters, and establish a notification period for the alert. The bureau shall send the alert, including the notification period associated with the alert, to each designated broadcaster, which shall issue the alert at designated intervals as specified by rule. The executive director of the department of public safety shall promulgate rules for the implementation of the program.

APPROVED by Governor March 17, 2011

EFFECTIVE March 17, 2011

H.B. 11-1045 CO Innovation Investment Tax Credit (Kafalas/Newell)

Additional Colorado innovation investment tax credits (tax credit) against the state income tax will be made available if the Colorado office of economic development (office) receives additional funding to backfill associated lost income tax revenue and to pay for the office's administration of the tax credits.

APPROVED by Governor May 23, 2011

EFFECTIVE May 23, 2011

H.B. 11-1060 Governor Appointment Terms To UNC (Gerou)
Board

The act sets forth the term lengths for appointments made by the governor to the board of trustees of the University of Northern Colorado for those terms expiring in 2011 and 2013.

APPROVED by Governor March 18, 2011

EFFECTIVE August 10, 2011

H.B. 11-1115 Public Entity Construction Retainage (Priola/Tochtrop)

Currently, a public entity is allowed to withhold payment for up to 10% of the value of completed work on the first half of a construction project to ensure that the work meets specifications. The act changes that amount to 5% of the value of the entire project. In addition, a public entity must make a final settlement within 60 days after the contract is completed.

APPROVED by Governor May 26, 2011

EFFECTIVE August 10, 2011

H.B. 11-1169 Higher Ed Campus Safety Info Sharing (Levy/Heath)

A Colorado state institution of higher education police department ("police department") may share information regarding incidents that may pose risks to the campus community with certain designated institution administrators and a campus behavioral intervention task force; except that, if the incident is a sexual assault or attempted sexual assault, the police department must redact the victim's identity unless the victim agrees in writing otherwise. A police department may provide information necessary for protection to person on campus who is the subject of a threat of physical violence. Information related to sexual assaults, emergency mental health hold, and protective custody for detoxification may only be disseminated as is necessary. A faculty member, staff member, or student of the campus providing information in good faith to a campus behavioral intervention task force is immune from civil liability. The immunity provided in the act does not nullify or rescind any statutory duty of confidentiality by a licensed professional or victim's advocate or any statutory duty to warn and protect.

APPROVED by Governor April 20, 2011

EFFECTIVE April 20, 2011

H.B. 11-1202 Appropriations For Change Order Prior to Work (Labuda/Tochtrop)

The act requires all public works contracts to contain a clause stating that appropriations must be available to a public entity prior to the performance of any work conducted by a contractor pursuant to a change order.

APPROVED by Governor March 21, 2011

EFFECTIVE August 10, 2011

H.B. 11-1211 Restrict Travel State-Chartered Entities (Pace/Tochtrop)

This bill places restrictions on travel-related expenditures made for a board member, officer, or employee (covered person) by public entities. Specifically, a public entity may not pay more than twice the maximum federal daily rate (per diem) for lodging, meals, and incidental travel-related expenses for a covered person, except under certain circumstances. It is also prohibited from paying travel costs on behalf of a spouse or the immediate family member of a covered person. Covered persons are required to reimburse the public entity for any amounts in excess of allowable expenses.

If a public entity pays more than twice the maximum federal per diem or makes travel expenditures directly related to an institution of higher education or state hospital authority, it is required to make records available for review by its governing body or for public inspection. The bill sets procedures for filing complaints with the Secretary of State's (SOS) office and requires cases to be heard by an administrative law judge in the Department of Personnel and Administration (DPA). Decisions on cases may be appealed to the Court of Appeals. Public entities are defined to include institutions of higher education, service authorities, law enforcement authorities, and special purpose authorities.

APPROVED by Governor May 27, 2011
EFFECTIVE July 1, 2011

H.B. 11-1254 Bullying in Schools (Priola/Steadman)

The act creates the school bullying prevention and education grant program (program) in the department of education (department) to allow a public school, a facility school, or a collaborative group of public schools or facility schools to apply for grants to fund programs to reduce the frequency of bullying incidents.

APPROVED by Governor May 13, 2011
EFFECTIVE May 13, 2011

H.B. 11-1283 Extend Bioscience Grant Program (Gerou/Steadman)

The act extends the repeal date of the bioscience discovery evaluation grant program until July 1, 2018.

APPROVED by Governor May 9, 2011
EFFECTIVE August 10, 2011

S.B. 11-047 Bioscience & Clean Tech Reinvestment (Heath/Gerou)

For a period of 10 years beginning with the 2013-14 fiscal year, the act requires the state treasurer to deposit 50% of the bioscience and clean technology income tax withholding growth, in equal parts, to the bioscience discovery evaluation cash fund and the clean technology discovery evaluation cash fund. The cash funds are used to provide grants related to the bioscience and clean technology industries. The act also delays the repeal of the cash funds until July 1, 2024.

APPROVED by Governor May 26, 2011

EFFECTIVE July 1, 2012

S.B. 11-052 Goals for Higher Ed System (Heath/Massey)

This bill extends until September 1, 2012, the deadline by which the Colorado Commission on Higher Education (CCHE) and the institutions of higher education must collaboratively develop a system wide master plan. The bill adds some new goals to be addressed in the master plan, such as increasing the overall number of undergraduate degrees and certificates issued by the institutions, providing support for economic development, and addressing opportunities for students with disabilities.

The CCHE is required to ensure that the master plan and system wide goals are implemented by negotiating specific and individualized goals for each institution in performance contracts. The CCHE, the Department of Higher Education (DHE), and the institutions are required to collect data, including research conducted by national policy organizations, to assist them in creating the master plan, and negotiating the performance contracts.

No later than December 1, 2013, the CCHE must develop a performance-based funding plan that links a portion of state appropriations in a given fiscal year to success demonstrated by the institutions in meeting the goals and expectations specified in the institution's respective performance contract. The CCHE is required to specifically address the way a performance-based funding plan will affect the College Opportunity Fund and Fee-For-Service Contracts, the existing system for appropriating state funding to the institutions. The CCHE must also recommend the statutory changes necessary to implement the performance-based funding plan to the education committees of the General Assembly.

Following FY 2015-16, in any fiscal year that the General Assembly provides General Fund appropriations to the system of higher education (not including appropriations for financial aid) in an amount equal to or greater than \$706 million, the CCHE may implement the performance-based funding plan. The amount available to provide to the institutions for performance shall be equal to 25 percent of the amount of the system wide appropriation that exceeds \$650 million. Finally, this bill includes an appropriation clause providing \$251,769 and 2.0 FTE to the CCHE and reducing appropriations for Need Based Grants by the same amount in FY 2011-12. The source of funds is indirect cost recoveries from the institutions of higher education.

APPROVED by Governor May 27, 2011

EFFECTIVE May 27, 2011

S.B. 11-101 Sunset Fixed Tuition & Fee Rate Program (Spence/Swalm)

Pursuant to the recommendations of the department of regulatory agencies, the act continues the fixed tuition and fee rate program without a future sunset review date.

APPROVED by Governor March 21, 2011

EFFECTIVE March 21, 2011

S.B. 11-109 Public Education Fund Tax Checkoff (Shaffer B./Solano)

For the 5 consecutive income tax years immediately following the year in which the executive director certifies to the revisor of statutes that a line has become available and the public education fund (fund) voluntary contribution is next in the queue, the act requires a voluntary contribution designation line for the fund to appear on state individual income tax return forms.

APPROVED by Governor June 2, 2011

EFFECTIVE June 2, 2011

S.B. 11-111 Educational Success Task Force (King K./Massey)

The act creates the educational success task force (task force). The task force will include legislative members appointed by leadership in the Senate and the House of Representatives and members from the education sector appointed jointly by the state board of education (state board) and the Colorado commission on higher education (commission). The task force members appointed by the state board and the commission will consist of experts in education, especially in intervention strategies and remedial education, parents, teachers, and other representatives of school districts, public schools, and institutions of higher education.

APPROVED by Governor May 23, 2011

EFFECTIVE May 23, 2011

S.B. 11-200 Health Benefit Exchange (Boyd/Stephens)

The act creates the Colorado health benefit exchange (exchange) as a nonprofit, unincorporated public entity. The exchange is governed by a board of directors consisting of 9 members appointed by the governor, the president of the Senate, the speaker of the House of Representatives, and the minority leaders of the Senate and the House of Representatives, and 3 ex officio nonvoting members. The act also establishes the legislative health benefit exchange implementation review committee (committee) to provide oversight of the exchange.

APPROVED by Governor June 1, 2011

EFFECTIVE June 1, 2011

S.B. 11-209**Long Appropriations Bill****(Hodge)**

For the fiscal year beginning July 1, 2011, the act provides for the payment of expenses of the executive, legislative, and judicial departments of the State of Colorado, and of its agencies and institutions. The grand total for the operating budget is set at \$19,826,749,430 of which \$6,761,809,141 from the general fund portion of the appropriation, \$825,592,199 from the general fund exempt portion, \$5,752,176,015 from cash funds portion, \$1,465,241,564 from reappropriated funds portion, and \$5,021,930,511 from federal funds portion.

APPROVED by Governor May 6, 2011

EFFECTIVE May 6, 2011



OFFICE OF GOVERNMENT RELATIONS
Key State Health Care Legislation

H.B. 11-1043 Medical Marijuana (Massey/Steadman)

The bill clarifies a number of provisions in the "Colorado Medical Marijuana Code". The bill clarifies several residency requirements and includes provisions on growing and manufacturing plants and the reporting and licensing requirements. The bill spells out what a medical marijuana center is authorized to sell. A medical marijuana center is permitted to trade medical marijuana with another center in exact equal amounts and can sell that medical marijuana, but the medical marijuana may not be traded again. The bill changes the requirement so that only those persons who have been convicted of felony drug offense in the last 5 years may not be issued a license. The bill grandfathers in those centers that were located at their present sites on or before December 15, 2009. The bill repeals the provisions that made the location of optional premises cultivation operations confidential. The bill creates 2 new classes of medical marijuana licenses.

APPROVED by Governor June 2, 2011
EFFECTIVE July 1, 2011

H.B. 11-1101 Exempt FQHCs State Licensure (Swalm/Morse)

Under current law, community clinics, like some other health facilities, are required to obtain a license from, submit to on-site inspections by, and obtain approval of construction plans from the department of public health and environment. The bill excludes from the definition of a community clinic, any clinic that is a federally qualified health center (FQHC) under the federal "Social Security Act", thereby exempting FQHCs from state licensure and related requirements. Section 3 of the bill clarifies that while an FQHC will no longer be licensed by the department, an FQHC continues as a general provider under the Colorado indigent care program.

APPROVED by Governor April 8, 2011
EFFECTIVE April 8, 2011

H.B. 11-1105 Hospital Worker Assault Protection (Acree/White)

If a person is convicted of third degree assault and the victim is a peace officer, emergency medical technician, or firefighter, the court must impose a mandatory jail term that exceeds the maximum, but is no more than twice the maximum for a class 1 misdemeanor. The act adds emergency medical care providers to the category of victims that trigger the enhanced sentencing. After sentencing and before the defendant discharges his or her sentence, the victim is permitted to request that the defendant participates in restorative justice with the victim. If the defendant is suitable for restorative justice, the entity responsible for supervision of the defendant shall arrange the restorative justice practices requested by the victim.

APPROVED by Governor June 2, 2011
EFFECTIVE August 10, 2011

H.B. 11-1148 Disclosure Health Worker Employment Info (Labuda/Boyd)

The act allows current and former employers to disclose information about a health care worker's involvement in drug diversion, drug tampering, patient abuse, violation of drug or alcohol policies of the employer, or crimes of violence in response to a request from a prospective or current employer of the health care worker. The disclosing employer is granted immunity from civil liability for the good faith disclosure of information. The act also creates an exception to the current prohibitions against blacklisting for the disclosure of information.

APPROVED by Governor March 21, 2011

EFFECTIVE July 1, 2011

H.B. 11-1164 CU Hospital Authority Board Director (Priola/Boyd)

The act changes who serve as the presiding officer of the board of directors of the University of Colorado hospital authority from the chancellor of the University of Colorado health sciences center to a University of Colorado hospital authority director designated by the president of the University of Colorado.

APPROVED by Governor April 20, 2011

EFFECTIVE April 20, 2011

H.B. 11-1186 Provider Reimbursement For Acupuncture (Ryden/Guzman)

Currently, when an insurance policy or plan provides for reimbursement for services performed by certain health care providers licensed to perform the services, a health insurance carrier cannot deny reimbursement when the services are performed. The act adds licensed acupuncturists to the list of health care providers that cannot be denied reimbursement.

APPROVED by Governor April 8, 2011

EFFECTIVE January 1, 2012

H.B. 11-1242 Medicaid Provider Integration Of Service (Ferrandino/Nicholson)

The act requires the department of health care policy and financing (department) to seek input from behavioral health organizations, community mental health centers, primary care providers and others and to review certain issues that relate to the integration of physical and behavioral health care services. The issues reviewed by the department shall include statutes and regulations relating to provider reimbursement, the time and place of service delivery, any barriers to the provision of integrated care, and incentives for health care providers that may increase the number of providers delivering integrated health care.

APPROVED by Governor June 2, 2011

EFFECTIVE July 1, 2011

H.B. 11-1258 Forensic Autopsy Requirements (Baumgardner/Newell)

A coroner would be required to perform a forensic autopsy or have a forensic autopsy performed in the following circumstances: the district attorney requests a forensic autopsy; in accordance with circumstances in the most recent version of the "forensic autopsy performance standards" adopted by the national association of medical examiners; when the death is apparently nonnatural and occurs in a facility or during services regulated by the department of human services; and when the death is the result of an automobile accident and a hospital physician has not documented the extent of the injuries. A forensic autopsy required by the act must be performed by a board-certified forensic pathologist. A forensic pathologist practicing in Colorado who has not been board-certified as of the effective date of the act is grandfathered in to perform a forensic autopsy. A forensic pathologist who has completed a fellowship may perform a forensic autopsy for up to 4 years from the date of completion of the fellowship before completing board certification. A pathology resident or forensic pathology fellow may perform a forensic autopsy under the direct supervision of a board-certified forensic pathologist.

APPROVED by Governor May 4, 2011

EFFECTIVE May 4, 2011

H.B. 11-1281 Health Care Professional Loan Forgiveness (Joshi/Boyd)

Under current law, CollegeInvest administers the nursing teacher loan forgiveness pilot program to assist nursing faculty in paying off student loans. Additionally, the Colorado commission on higher education (commission) administers the nursing faculty fellowship program, which funds fellowships for persons employed in a nursing school teaching position.

APPROVED by Governor May 19, 2011

EFFECTIVE May 19, 2011

S.B. 11-008 Aligning Children's Medicaid Eligibility (Boyd/Gerou)

The act increases the current Medicaid income eligibility threshold for children between 6 and 19 years of age to 133% of the federal poverty line, aligning it with the income eligibility threshold for children from birth to 5 years of age. The act amends the health care expansion fund and the children's basic health plan trust to allow moneys in the fund and the trust to be used for costs associated with children enrolled in the Medicaid program who would have been eligible for enrollment in the children's basic health plan prior to September 1, 2011.

APPROVED by Governor April 8, 2011

EFFECTIVE September 1, 2011

S.B. 11-115**Auditor Authority To Audit State Gov
Entities****(Carroll/Miklosi)**

The act gives the state auditor authority to conduct, or cause to be conducted, post audits of financial transactions and accounts as well as performance post audits of any state special purpose authority and any state entity designated as an enterprise as defined in the state constitution. Some specific authorities and entities of these types already have laws concerning audit review.

APPROVED by Governor April 13, 2011**EFFECTIVE** April 13, 2011**S.B. 11-169****Sunset Continue Physical Therapy Board****(Boyd/Summers)**

The bill implements the following recommendations of the department of regulatory agencies in its sunset review of the regulation of physical therapists: The regulation of physical therapists is continued until 2018. The board of physical therapy (board) is reestablished and the physical therapy advisory committee is repealed. Physical therapists are permitted to use an automated external defibrillator. The program of "All-inclusive Care for the Elderly" is added to the list of physical therapy work settings that are exempt from the corporate practice law. A physical therapist's failure to properly address a physical or mental condition is established as grounds for discipline, and the board is authorized to create confidential agreements with physical therapists to address these conditions. Physical therapists are required to maintain professional liability insurance. The standard for discipline for inappropriate drug use is changed to be triggered by acts, not status. Physical therapists who have had their licenses revoked or who have surrendered their licenses, in lieu of disciplinary action, are required to wait 2 years to reapply. Failure to respond to a complaint is established as grounds for discipline. The provision denying renewal of an existing physical therapist license is repealed. In addition, the scope of a physical therapist's practice is expanded to include wound care.

APPROVED by Governor May 13, 2011**EFFECTIVE** July 1, 2011

S.B. 11-192 Continue Prescrip Drug Monitor Program (Aguilar/Massey)

The act repeals the prescription controlled substance abuse monitoring advisory committee. Currently, the prescription drug monitoring program requires pharmacists to enter identifying information into a database when a controlled substance is dispensed. The act requires that each prescriber disclose to a patient receiving a prescription for a controlled substance that the information will be entered into the database. The act also allows state regulatory boards within the division of registrations and medical residents access to the program. The bill changes the cap on the fee charged to licensed prescribers to maintain the program from \$7.50 per year to \$17.50 until June 30, 2013, \$20.00 until June 30, 2015, and \$25.00 thereafter. Fines paid are deposited in the general fund instead of the prescription drug monitoring fund. The act also adds data entered into the program to the definition of "medical record".

APPROVED by Governor May 27, 2011

EFFECTIVE July 1, 2011



OFFICE OF GOVERNMENT RELATIONS

Federal Relations

The 112th Congress, 1st session convened on January 3rd, 2011. Because the 112th Congress does not end until January 3, 2013, many issues remain outstanding at the time of the publication of this report.

The Office of Government Relations supports the University by building effective partnerships between the University of Colorado (CU) and the federal government. This is achieved through representation and advocacy of CU's needs and interests with federal elected officials in Washington, D.C. Working in coordination with all CU administrators and faculty members, we effectively communicate our priorities to Congress.

Federal Priorities

Among CU's top responsibilities is to advocate for strong federal investments in basic research and higher education programs.

The FY12 appropriations bills reflect the uncertain economic times. The Budget Control Act, the measure that resolved last year's debt ceiling crisis, established a FY12 discretionary spending cap of \$1.043 trillion, \$7 billion below the FY11 spending level.

We were pleased that the FY12 Commerce, Justice, Science Appropriations Bill already signed into law provided FY12 increases to the National Science Foundation (NSF) and NASA science programs. The big winner was NSF at \$7 billion, a 2.5-percent increase. NASA's Science Directorate received \$5 billion, a 3.1-percent increase, and Congress sustained funding for development of the James Webb Space Telescope.

The omnibus spending bill contains mixed FY12 spending news for the National Institutes of Health (NIH), the Pell Grant and other student aid, Departments of Energy (DOE) and Defense (DOD) science programs, as well as the National Endowment for the Humanities (NEH).

Most student aid programs will be cut by approximately 2 percent below their FY11 levels due to across the board cuts applied by the bill. Unfortunately, the Javits Fellowship was consolidated into the GANN program. The maximum Pell grant remains at \$5,550, but Congress included several policy changes to achieve \$1.3 billion in program cuts to cover the program's current shortfall. Changes include a reduction from 18 to 12 semesters of Pell Grant eligibility, reduction of the income level below which a student will automatically receive the maximum Pell grant from \$30,000 to \$23,000 and temporary elimination (from July 1, 2012 to July 1, 2014) of the interest subsidy during the six-month student loan grace period. Although the bill proposes to give the National Institutes of Health (NIH) a modest increase of 1 percent (\$299 million) to \$30.7 billion, the agency is also subject to across the board cuts, reducing the final level to \$30.64 billion.

Department of Energy (DOE) science programs fared reasonably well. The Office of Science will receive a small increase of 1 percent to \$4.9 billion; ARPA-E rises by 53 percent to \$275 million. DOD 6.1 basic research will rise approximately 7 percent to \$2.1 billion and funding for Defense Advanced Research Projects Agency (DARPA) basic research looks to be on par with the FY11 level. The omnibus bill reduces NEH funding to \$146 million, about a 6 percent cut.

CU's FY12 priorities did relatively well, especially when compared to other programs. We have also had some successes related to F&A on Capitol Hill. After several years of effort led by the Association of American Universities (AAU), the 35 percent cap on indirect costs that had been imposed upon DOD basic research was removed. More recently, the longstanding cap on U.S. Department of Agriculture competitive awards was increased from 22 percent to 30 percent of the total amount of the award. We see both of these Congressional actions as positive steps forward in ensuring that universities are appropriately reimbursed for the research they perform on behalf of the federal government.

This year presented us with a number of specific regulatory proposals which we improved or provided substantive feedback to federal agencies. NIH issued the much anticipated final rule on managing conflicts of interests in August. While institutions are still working out the details of implementing the new requirements, AAU was pleased to see that one of our major recommended changes to the rule was adopted: the elimination of the requirement that institutions use a public website to disclose conflicts. AAU is continuing to engage on implementation issues while developing a project to emphasize the positive benefits of university-industry relationships through the University-Industry Demonstration Partnership. AAU and Association of Public and Land-grant Universities (APLU) also provided detailed comments in response to proposals for major regulatory revisions of the Common Rule for human subjects protection and the rules governing the control of Select Agents and Toxins.

While Congress has expressed rhetorical interest in relieving regulatory burden, proposed legislation has raised more concerns than it has addressed. In the case of transparency, for example, the House Oversight and Government Reform Committee unanimously approved the Digital Accountability and Transparency Act (H.R. 2146), which would perpetuate the extensive reporting requirements of the American Recovery and Reinvestment Act (ARRA). Senator Mark Warner (D-VA) has introduced a companion bill in the Senate with the intent of increasing transparency and ultimately reducing reporting requirements. The legislation could instead increase the burdens on research universities. AAU, the Council on Governmental Relations (COGR) and APLU have been working closely with Committee staff to mitigate the negative ramifications of the legislation, and we have begun to see improvements in subsequent drafts.

The House Oversight and Government Reform committee has also approved the Grant Reform and New Transparency (GRANT) Act (H.R. 3433), which bill sponsors say is intended to create greater transparency in the grants review process. We remain concerned that requiring certain types of grant and proposal information to be made public on a government-wide website, as required by the legislation, would compromise the intellectual capital of investigators and their institutions, duplicate existing regulations and jeopardize the confidential aspects of the peer review process. AAU, COGR, and APLU sent a letter offering recommendations about these and other provisions, while also expressing strong doubt about the need for the legislation.

Culminating an effort of more than six years to reform U.S. patent law, President Obama signed into law the America Invents Act on September 16, 2011, which will improve patent quality, reduce litigation costs and provide increased resources for the USPTO. AAU led higher education's engagement in the patent reform process and this community was well served by the effective collaboration of six major associations: AAU, APLU, the American Council on Education, the Association of American Medical Colleges, the Council on Governmental Relations and the Association of University Technology Managers.

Our positions were based on the seminal 2004 [A Patent System for the 21st Century](#), a National Academy of Sciences Research Council report, produced by a committee co-chaired by Yale University President Rick Levin. We recognized that the sometimes sharply differential effects of

some patent reform proposals on different sectors necessitated compromise on key issues in the interest of strengthening the system overall. Accordingly, we sought balanced proposals to preserve essential university interests while improving the overall capacity of the U.S. patent system to promote innovation.

Though the final legislation has its flaws, it achieves important objectives and is a substantial improvement over prior law. The United States Patent and Trademark Office (USPTO) is developing regulations to implement the law, and discussions regarding policy interpretations are underway. AAU and the allied associations are currently engaged in that process.

Other Key Federal Issues

The DOD has agreed to delay the deadline by which colleges and universities must sign a Memorandum of Understanding (MOU) for the Military Tuition Assistance program or lose their eligibility to participate in the program by 90 days. The announcement of the delay to March 30 came in response to concerns about the MOU raised in a letter signed by a bipartisan group of 51 Senators as well as higher education associations and individual institutions. We have been concerned that in trying to ensure better educational outcomes for active-duty service members, DOD included provisions in the MOU that are inconsistent and even incompatible with the institutions well established academic policies and administrative practices. The DOD said in a letter to the Senators that it would use the time to work with Congress and other key stakeholders to address their concerns.

 **OFFICE OF GOVERNMENT RELATIONS**
FY12 Omnibus (H.R. 2055) Funding Package Summary
112th Congress, 1st Session

Congressional leaders reached final agreement on December 19, 2011, for the \$912-billion FY12 Omnibus Appropriations Bill, which covers spending in the nine remaining FY12 appropriations bills. Agencies and programs of interest which are funded in the package include the National Institutes of Health (NIH), student aid and higher education programs, Departments of Energy (DOE) and Defense (DOD) science programs and the National Endowment for the Humanities (NEH).

LABOR-HHS-EDUCATION

The House summary states that the final Labor-HHS-Education section of the Omnibus Bill would provide a total of \$156.3 billion, which is a cut of \$1.1 billion or 0.7 percent, from the FY11 level. This section of the conference agreement includes a 0.189 percent across-the-board cut in discretionary spending with the exception of Pell Grants.

National Institutes of Health (NIH):

The conference agreement states NIH would receive \$30.69 billion in FY12, an increase of \$1.7 million over FY11. However, the actual total for the agency is about \$30.64 billion, an increase of about \$240 million over FY11. The difference is that the FY12 bill does NOT include the usual transfer of \$300 million from NIH to the Global HIV/AIDS program (that funding is included in the State-Foreign Operations portion of the omnibus), but the total is affected by the across the board cut in the bill, which reduces NIH spending by \$60 million.

The agreement includes language to create the National Center for Advancing Translational Sciences (NCATS) and eliminate the National Center for Research Resources (NCRR), transferring the various NCCR programs to other institutes and centers. The conferees also provide NCATS with up to \$10 million for the Cures Acceleration Network. Additionally, the agreement reduces the salary cap on extramural grants from Executive Level I (\$199,700 in 2011) to Executive Level II (\$179,700).

Student Aid and Higher Education Programs:

The conference agreement maintains the maximum discretionary Pell Grant award at \$4,860 (total maximum award, including mandatory funding, remains at \$5,550). The agreement also level funds the Supplemental Educational Opportunity Grant program at \$735 million, Federal Work-Study at \$978.5 million, GEAR UP at \$302.8 million and Graduate Assistance in Areas of National Need (GAANN) at \$30.9 million. Title VI International Education programs were cut by \$1.55 million to \$74.2 million (\$66.7 million for domestic programs; \$7.5 million for overseas programs). TRIO receives \$841.5 million, an increase of \$15 million. (NOTE: these totals do NOT reflect the 0.189 percent across-the-board cut.)

To help address the shortfall in the Pell Grant program, the agreement which begins July 1, 2012, makes the following changes:

- limits Pell Grant eligibility to the equivalent of six years or 12 semesters of full-time enrollment. The current limit is nine years or 18 semesters. The change applies to students already receiving Pell Grants. There is no grandfather clause. For example, if a student has received 11 semesters of Pell as of July 1, 2012, the student will be eligible for only one more semester.);
- lowers the family income level at which a student automatically receives the maximum Pell Grant award from the current \$32,000 down to \$23,000;
- raises the minimum eligibility level from 5 percent to 10 percent of the maximum Pell Grant award. In the past, students who qualified for a minimum Pell Grant award were eligible to receive 5 percent of the maximum award (i.e. 5 percent of \$5,550, or \$277). Recent law changed the formula so that all students who are eligible to receive between 5 percent and 10 percent of the maximum award automatically receive the maximum award of 10 percent (or \$550). The conference agreement eliminates that bump, so only students who are eligible to receive at least 10 percent of the maximum award will receive a Pell Grant;
- amends requirements of eligibility, so that students without a high school degree or GED are only eligible for a Pell Grant if they have completed secondary school in a homesetting. Students enrolled prior to July 1, 2012, remain eligible for aid;
- suspends for two years the federal government's practice of paying the interest on subsidized loans during a six-month grace period after a student stops attending school.

In addition, the conference agreement:

- eliminates the Javits Fellowship program, merging it into the GAANN program;
- changes the index rate for special allowance payments on outstanding loans held by student loan lenders from the Commercial Paper (CP) Rate to the London Interbank Offered Rate (LIBOR) index. Currently, lenders (who still hold loans originated under the Federal Family Education Loan program) earn a market rate based on a statutorily set formula pegged to the CP rate. However, the LIBOR index is the global market index upon which the majority of student loans are financed.

National Endowment for the Humanities (NEH):

NEH is funded at \$146.26 million, which is a cut of \$9 million, or about 6 percent, from the FY11 level. The final FY12 total is essentially a split between the Senate mark of \$155 million and the House mark of \$135 million. The conference agreement urges NEH to provide no less than 40 percent of program funds “to support critical work of state humanities councils,” provides \$3 million for the *We the People* initiative, and encourages NEH to work more closely with Native American communities.

Department of Energy (DOE):

The DOE Office of Science receives \$4.89 billion, a \$50 million, or 1 percent, increase above the FY11 level of \$4.84 billion. ARPA-E receives \$275 million, a \$95 million, or 53 percent, increase over the FY11 level.

Department of Defense (DOD):

Funding for DOD 6.1 basic research is significantly increased to \$2.117 billion. This is \$169.4 million, or 8.7 percent increase above the estimated FY11 level of \$1.947 billion, and \$38.0 million, or 1.8 percent above the Administration's request of about \$2.078 billion.

For the broader Science & Technology (S&T) category, the conference agreement provides \$12.428 billion, an increase of \$488.8 million or 4.1 percent, from the estimated FY11 level of \$11.939 billion. S&T programs include defense-wide and military service funding for 6.1 basic research, 6.2 applied research, and 6.3 advanced technology development.

Within this total, applied research (6.2 programs) receives \$4.748 billion, a \$295.4 million, or 6.6 percent, increase from the estimated FY11 level of \$4.453 billion. Advanced technology development (6.3 programs) receives \$5.563 billion, a \$24.0 million or 0.4 percent increase above the estimated FY11 level of \$5.539 billion.



OFFICE OF GOVERNMENT RELATIONS

Key Appropriations Legislation 112th Congress, 1st Session

H.R. 235 Cut Unsustainable and Top-Heavy Spending (Brady)
Act of 2011

The legislation rescinds 15 percent of the budget authority provided for any discretionary account in appropriations to the legislative branch for FY2011, except for the Capitol Police. It also prohibits the total amount of funds appropriated to the Executive Office of the President for FY2012-FY2013 from exceeding the total amount for FY2011 after applying the rescission. The automatic cost of living adjustments for Members of Congress during FY2012-FY2014 is eliminated. Freezes the total costs for salaries of federal employees (including Department of Defense [DOD] civilian employees, but not members of the Armed Forces) for FY2011-FY2013 at the FY2010 level. Each federal agency head is to reduce the number of full time federal employees (FTEs) by 10 percent by FY2020. Requires the Director of the Office of Management and Budget (OMB) to take specified steps to reduce federal printing and travel costs.

Status: Referred to the Subcommittee on Insurance, Housing and Community Opportunity.

H.R. 2055 Consolidated Appropriations Act (Omnibus), (Culberson)
2012

The Consolidated Appropriations Act, 2012 contains the following appropriations acts (CU lobbying activity listed below each appropriation act):

Department of Defense Appropriations Act, 2012

Energy and Water Development Appropriations Act, 2012

Financial Services and General Government Appropriations Act, 2012

Department of Homeland Security and Operations Act, 2012

Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012

Department of Labor, Health and Human Services, Education, and Related Agencies

Appropriations Act, 2012

Lobbied on Medicare Physician Reimbursement Formula; lobbied on cuts to Graduate Medical Education and Indirect Medical Education funding; lobbied on Department of Education Regulations (Program Integrity Rule: state authorization regulation, federal definition of credit hour, and 'gainful employment' regulation); lobbied on No Child Left Behind Reauthorization; lobbied on NIH Salary Cap; lobbied on Alternative Financing Program (AFP); lobbied for full funding for all Title VII & VIII funding, including Area Health Education Centers (AHEC); lobbied for Assistive Technology programs; lobbied against the 25 percent requirement for "alternative financing programs."

Legislative Branch Appropriations Act, 2012

Military Construction and Veterans' Affairs and Related Agencies Appropriations Act, 2012

Department of State, Foreign Operations, and Related Programs Appropriations Act, 2012

Status: Conference report agreed to in Senate

H.R. 2112**Consolidated and Further Continuing
Appropriations Act (Minibus)****(Kingston)**

The consolidated and Further Continuing Appropriations Act, 2012 contains the following appropriation acts (CU lobbying activity listed below each appropriation act):

Department of Agriculture, Rural Development, Food and Drug Administration and Related Agencies Act, 2012

Department of Commerce, Justice, Science and Related Agencies Appropriations Act, 2012

Lobbied on increased funding for National Space Grants program; lobbied on possible NASA center establishment in Boulder; lobbied on CISCO Telepresence technology; lobbied on the importance of climate science research (N.O.A.A); lobbied on National Center for Media Forensics and potential partnerships with/funding opportunities from the National Institute of Standards and Technology (NIST) and the National Science Foundation (NSF); lobbied on a possible National Solar Observatory in Boulder; lobbied on Tetrahertz Technologies Investment Funding

Department of Transportation, Housing and Urban Development, and Related Agencies Appropriated Act, 2012

Lobbied on I-225 funding for light rail

Status: Became Public Law No: 112-55

S. 365**Budget Control Act of 2011****(Harkin)**

The Budget Control Act of 2011 (BCA) was signed into law by President Obama on August 2, 2011 (P.L. 112-25). In addition to increasing the debt limit, the BCA contained a variety of measures intended to reduce the deficit by at least \$2.1 trillion over the FY2012-FY2021 period, including statutory caps on discretionary spending and the establishment of a Joint Select Committee on Deficit Reduction to identify further budgetary savings of at least \$1.2 trillion over 10 years. The BCA discretionary spending caps are projected to result in \$917 billion in deficit reduction over the FY2012-FY2021 period. Several adjustments to the caps are permitted, including spending on Overseas Contingency Operations and Emergencies. The precise programmatic impact of these reductions in discretionary spending will be determined in the annual appropriations process. Under the Congressional Budget Office's (CBO's) August 2011 baseline, which incorporates the effects of the BCA, the discretionary spending caps result in a decline in spending in nominal dollar terms. Discretionary spending has fallen in nominal terms only three times since FY1962, most recently in FY1996. Discretionary spending under the caps is projected to decline from 9 percent of Gross Domestic Product (GDP) in FY2011 to 6.2 percent of GDP in FY2021. Since FY1962, the first year for which data is available, discretionary spending has only been that low in one other year (FY1999). Beyond the BCA's deficit reduction achieved via the discretionary spending caps, the Joint Committee was created to find an additional \$1.2 trillion in deficit reduction by January 15, 2012. If the Joint Committee cannot agree to deficit reduction legislation or it is not enacted, then an automatic spending reduction process would be triggered beginning in FY2013. The automatic reduction would be divided evenly between defense and non-defense spending. CBO estimates that if no Joint Committee legislation is enacted, the automatic reduction in spending for nonexempt accounts in FY2013 would be 10 percent for defense, 2 percent for Medicare, and 7.8 percent for other mandatory and non-defense discretionary spending, resulting in a further deficit reduction of \$1.1 trillion between FY2013 and FY2021. Any cuts to discretionary spending through the

automatic reduction would be in addition to those resulting from the discretionary spending caps. While the BCA is projected to reduce the deficit, it does not eliminate budget deficits or growth in the federal debt over the 10-year budget window. Using the CBO current law baseline (where a series of tax cuts are assumed to expire and controls on Medicare payments to doctors are allowed to take effect), budget deficits are estimated to total \$3.5 trillion and the federal debt is projected to increase by \$4.3 trillion over the next 10 years. Under what some call a more realistic baseline (where a series of tax cuts are extended and controls on Medicare payments to doctors are not allowed to take effect), deficits over the next 10 years total \$8.5 trillion and the debt would continue to rise faster than GDP. Since the debt cannot perpetually rise faster than GDP, additional spending cuts or revenue increases would eventually be needed. Since deficit reduction under the BCA's discretionary caps is relatively small in FY2012, the short-term effects on the economy should be limited. Were Congress to enact a Joint Committee plan that reduced the deficit significantly in FY2012, this would increase the BCA's contractionary effects on the economy. In the long run, economic theory suggests that large deficits would have negative effects on interest rates, investment spending, trade deficits and GDP.

Status: Became Public Law No: 112-25



OFFICE OF GOVERNMENT RELATIONS

Key Health Care Federal Legislation

112th Congress, 1st Session

H.R. 1080

**Pediatric Research Consortia Establishment
Act**

(Smith)

Amends the Public Health Service Act to authorize the Director of the National Institutes of Health (NIH), acting through the Director of the Eunice Kennedy Shriver National Institute of Child Health and Human Development, to award grants, contracts or cooperative agreements to public or nonprofit private entities to pay all or part of the cost of planning, establishing, and providing basic operating support for up to twenty national pediatric research consortia. Requires the Director of NIH to take unmet research needs into account when making awards under this Act. Declares that research conducted under this Act shall supplement, but not replace, research that is otherwise conducted or supported as part of the comprehensive pediatric research portfolio. Requires consortia to conduct basic, clinical, behavioral, social or translational research, as well as training in, and demonstration of, advanced diagnostic and treatment methods relating to pediatrics. Requires the Director of NIH to: (1) provide for the coordination of information and ensure regular communication between consortia and (2) require periodic reports on the activities of the consortia. Requires each consortium under this Act to be formed from a collaboration of cooperating institutions with a lead institution, meeting requirements that may be prescribed by the Director of NIH. Declares that payments made under this Act may be provided for a period of five years and extended for additional five year periods with enhanced funding opportunities based on an appropriate scientific review of the operations.

Status: Referred to the Subcommittee on Health.

H.R. 2005

**Combating Autism Reauthorization Act of
2011**

(Smith)

Amends the Public Health Service Act to extend and reauthorize through FY2014: (1) the surveillance and research program for autism spectrum disorder and other developmental disabilities; (2) the education, early detection and intervention program for autism spectrum disorder and other developmental disabilities; and (3) the Interagency Autism Coordinating Committee.

Status: Became Public Law No: 112-32

H.R. 3630**Temporary Payroll Tax Cut Continuation
Act of 2011****(Smith)**

Amends the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 to extend through 2012 the 2 percent reduction in employment tax rates for employees and the self-employed. Extends the Benefits, Reemployment and Program Integrity Improvement Act. Amends Title III (Grants to States for Unemployment Compensation Administration) of the Social Security Act (SSA) to require state unemployment compensation laws to require as a condition of eligibility for regular compensation for any week, that an unemployment compensation claimant be able to work, available to work and actively seeking work. Amends Title XVIII (Medicare) of the Social Security Act (SSA) to establish at 1.0 percent for 2012 and 2013 only the Medicare physician payment update to the single conversion factor in the formula for determining relative values for physicians' services. Directs the Secretary of Health and Human Services (HHS) to examine options for bundled or episode based payments to cover physicians' services, currently paid under the Medicare physician fee schedule, for one or more prevalent chronic conditions (such as cancer, diabetes and congestive heart failure) or episodes of care for one or more major procedures (such as medical device implantation). Directs the Comptroller General (GAO) to examine initiatives of private entities offering or administering health insurance coverage, group health plans or other private health benefit plans to base or adjust physician payment rates under such coverage or plans for performance on quality and efficiency as well as demonstration of care delivery improvement activities. Directs the Medicare Payment Advisory Commission (MEDPAC) to examine the feasibility of aligning private payer quality and efficiency programs with those in the Medicare program. Directs specified congressional committees to study value based measures and practice arrangements which may improve health outcomes and efficiency in the Medicare program for the purpose of replacing the Medicare sustainable growth rate in a fiscally responsible manner and establishing a sustainable payment system.

Status: The Speaker appointed conferees: Camp, Upton, Brady (TX), Walden, Price (GA), Reed, Ellmers, and Hayworth.

S.48**Pharmacist Student Loan Repayment
Eligibility Act of 2011****(Inouye)**

Pharmacist Student Loan Repayment Eligibility Act of 2011 - Amends the Public Health Service Act to make pharmacists eligible for educational loan repayment through the National Health Service Corps in exchange for service in a health professional shortage area.

Status: Read twice and referred to the Committee on Health, Education, Labor, and Pensions.



OFFICE OF GOVERNMENT RELATIONS

Key Research Federal Legislation

112th Congress, 1st Session

H.R. 1249 Leahy-Smith America Invents Act (Smith)

Amends federal patent law to define the 'effective filing date' of a claimed invention as the actual filing date of the patent or the application for patent containing a claim to the invention (thus replacing the current 'first to invent' system with a 'first inventor to file' system), except as specified. Requires the effective filing date for a claimed invention in an application for reissue or reissued patent to be determined by deeming the claim to the invention to have been contained in the patent for which reissue was sought. Establishes a one year grace period (a prior art exception) for inventors to file an application after certain disclosures of the claimed invention by the inventor or another who obtained the subject matter from the inventor.

Status: Became Public Law No: 112-29

**H.R. 2146 Digital Accountability and Transparency Act (Issa)
of 2011**

Requires each person, state, local, or tribal government, or any government corporation (recipient) that receives appropriated funds, either directly or through a subgrant or subcontract at any tier, to report at least once quarterly each receipt and use of such funds to the Federal Accountability and Spending Transparency Board established by this Act. Establishes the Federal Accountability and Spending Transparency Board (Board) in the executive branch. Transfers to the Board all functions of the Recovery Accountability and Transparency Board, including its employees.

Status: Placed on the Union Calendar, Calendar No. 174.

Amends the Federal Food, Drug and Cosmetic Act (FD&C Act) to require the manufacturer of a prescription drug marketed in interstate commerce to notify the Secretary of Health and Human Services (HHS) of a discontinuance or interruption in the manufacture of such drug. Requires the notification to be submitted six months prior to the date of a discontinuance or interruption, if possible. Allows the reduction of the notification period if the manufacturer certifies to the Secretary that good cause exists for the reduction. Authorizes the Secretary to reduce the notification period based on the type of discontinuance or interruption at issue or any other factor. Treats any information provided to the Secretary under this Act as a trade secret or confidential information. Establishes civil monetary penalties for violations. Requires the Secretary to publish pertinent information on the website of the Food and Drug Administration (FDA) and distribute to the appropriate health care providers and patient organizations information on discontinuances, interruptions and drug shortages. Requires the Secretary to notify a manufacturer of: (1) any determination by the Secretary that a drug may be vulnerable to a drug shortage and (2) the Secretary's duty to collaborate to improve continuity of supply. Prohibits the Secretary from requiring a manufacturer to: (1) manufacture a drug in the event of a discontinuance or interruption or (2) delay or alter a discontinuance or interruption. Declares that no provision of federal law shall be construed to prohibit a manufacturer from, or penalize a manufacturer for, allocating distribution of its products in order to manage an actual or potential drug shortage. Requires the Comptroller General to examine issues related to drug shortages.

Status: Referred to the Subcommittee on Health.



OFFICE OF GOVERNMENT RELATIONS

Other Key Federal Legislation 112th Congress, 1st Session

H.R. 800

Jobs Recovery by Ensuring a Legal American Workforce Act of 2011

(Carter)

Jobs Recovery by Ensuring a Legal American Workforce Act of 2011 amends the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to make the E-Verify Program (Program) permanent and mandatory. Directs the Government Accountability Office (GAO) to conduct a study of methods to combat Program document fraud. Authorizes the Secretary of Homeland Security (DHS) to take specified actions to enhance the E-Verify employer monitoring and compliance team within U.S. Citizenship and Immigration Services. Directs the Commissioner of Social Security (SSA) to: (1) to notify an individual that wages from two or more employers are being reported under the individual's social security account number (SSN) and (2) promulgate regulations to require that information regarding all multiple use notifications that lead to the identification of an unauthorized user of a SSN be shared with the Secretary. Directs DHS to: (1) report to the state agency that administers unemployment benefits of jobs that have potentially been made available by evidence of an employee being dismissed for Program non-confirmation and (2) display on the Program's Internet home page as "Recovered Jobs" the total number of jobs by month and year reported to the states and a link to the total number of jobs reported to each state by month and year. Amends the Internal Revenue Code to: (1) penalize specified employers for failure to correct information returns and (2) prohibit employers from deducting from gross income wages paid to unauthorized aliens, with an exception for an employer participating in the Program. Directs the Commissioner, the Secretary, and the Secretary of the Treasury to jointly establish a program to share information that may lead to the identification of unauthorized aliens. Directs the Secretary of the Treasury, upon request from the Commissioner or the Secretary, to disclose: (1) taxpayer identity information of employers who paid wages with respect to which a deduction was not allowed because of illegal payments or because of being paid to unauthorized aliens, and (2) taxpayer identity information of individuals to whom such wages were paid.

Status: Referred to the Subcommittee on Immigration Policy and Enforcement.



OFFICE OF GOVERNMENT RELATIONS

2012 Outlook

112th Congress, 1st Session

It is not expected that Congress will accomplish much before the November 2012 presidential elections because the two political parties will be preoccupied with election-year jockeying over policy and spending issues. Both parties will see an advantage in arguing over multiple policies including health care but it is highly unlikely that substantive health care policy will make it to the President's desk prior to the elections. The most likely opportunity for legislative action will be efforts to pass an FY13 budget (October 1, 2012 – September 30, 2013). As it stands, Congress agreed to freeze discretionary spending in FY13 largely at the FY12 level and many insiders project that in an effort to fund federal programs prior to the November election that congressional leaders will settle for a continuing resolution (CR) that extends current funding into the next fiscal year.

In addition to the upcoming federal budget, there will be serious arguments over whether and how to avoid an across-the-board sequester of domestic discretionary spending at the beginning of 2013. Such discussions present a direct and significant threat to how federal Medicaid dollars are administered to the states. Per previous reports, Congress failed in 2012 to identify over a trillion dollars in savings which resulted in an automatic sequestration of funds across multiple domestic discretionary accounts to take place in January 1, 2013. Major decisions on these matters will likely be addressed a post-election lame-duck session.

Among the few items on the must-do list for Congress in the next month is an extension beyond the end of February of the payroll tax holiday, unemployment benefits, and the physician fee fix that prevents a significant cut in Medicare payments to physicians, all of which were extended for the short term late last year. Both sides agree on the need for a full-year extension, but the sticking point remains how to pay for it.

In President Obama's 2012 State of the Union Address, the president addressed the rising cost of tuition and how to ensure that America's youth were able to obtain an education. The President called on States to make higher education a higher priority in their budgets while also calling on colleges and universities to do their part by working to keep costs down. He warned that taxpayer funding would go down for schools who could not keep tuition affordable.

 **OFFICE OF GOVERNMENT RELATIONS**
State and Federal Meetings, Events and Tours

As a service to the University of Colorado, the Office of Government Relations coordinates and staffs many state and federal meetings, events and tours on the Hill in Washington, DC, at the Colorado State Capitol, and on each of the university's four campuses. Highlighted below are a few of the many activities we participated in during the year.

State Relations

The State Relations team met with many university groups to give legislative updates during the state session and during the interim. The activities for these meetings included securing state elected and appointed officials and legislators to speak with the groups; providing tours of the State Capitol; and talking with them about advocacy on behalf of the university and higher education. These groups included, but were not limited to: Emerging Leaders Program, University Perspectives Program, All Staff Council, CU Boulder Staff Council, UCCS Staff Council and PESA, AMC Deans, CU Boulder Deans, and CU Foundation, to mention a few. We also set up many meetings and events with State officials throughout the year. Highlighted below are some of the meetings and events we facilitated:

- In conjunction with Colorado's other research institutions, we facilitated a Higher Education is the Future initiative where we worked to get all 100 legislators to one of our campuses within 6 months. We were successful in getting more than 30 legislators to our CU campuses.
- Legislative Delegation Luncheons with campus leaders at their respective campuses;
- House Democrats and House Republicans, Senate Democrats and Senate Republicans attended Cocktail Receptions hosted by President Bruce Benson and Marcy Benson at their home.
- Governor Hickenlooper met with Toyota Motors North America leaders, and CU Boulder administrators to talk about economic development.
- Robert Hammond, the Governor's Commissioner of the Department of Education met with President Bruce Benson and also with Chancellor Wartgow.
- TJ Deora, the Governor's Energy Office Director met with CU Boulder leaders;
- Lt. Governor Garcia presented at the Latino Research & Policy Center Summit put on by the University of Colorado Denver.
- Ken Lund, Executive Director of the Governor's Office of Economic Development and International Trade toured the CU Boulder campus and met with campus leaders and department heads.
- Lt. Governor Garcia and other members of the Governor's office toured AMC. Governor's staff included Lorez Meinhold, Karla Maraccini, Gary Stafford, Sue Birch, Reggie Bicha, Chris Urbina, Andrew Freedman and Jamie Van Leeuwen.

2011 CU Advocacy Day at the Capitol

CU Advocacy Day at the Capitol was held on January 28, 2011, at the Colorado State Capitol. There were 154 registered attendees for the morning event, with 28 legislators attending the networking breakfast. Governor Hickenlooper addressed the attendees. At the noon-time event, 46 CU VIP's, made up of CU leadership, regents, students, donors, alumni, and business members, met with 26 legislators and Lt. Governor Garcia to advocate for CU and higher education.

Federal Relations

The Federal Relations team arranged, facilitated and staffed with Congressional members and staffers both in Washington, DC and Colorado throughout the year. We also set up and staffed Hill visits for University of Colorado President Bruce Benson, Chancellors DiStefano, Shockley-Zalabak, Wartgow, Vice President for Health Affairs and Executive Vice Chancellor Lilly Marks, and faculty from all four campuses. We also set up and staffed meetings and tours at the four campuses throughout the year.

Highlighted below are a few of the many events our office participated in to help garner our internal relationships as well as those with outside entities:

- Senator Udall and Senator Bennet each recorded videos on behalf of CU Boulder to encourage the decision makers at AURA to move the NSO headquarters to the Boulder campus.
- Congressmen Polis and Perlmutter attended the site visit of the AURA team at the CU Boulder campus.
- Senator Bennet participated in the UCCS Veterans Summit.
- Representative Perlmutter toured the Skaggs School of Pharmacy at AMC.
- Congresswoman DeGette attended and spoke at the Skaggs School of Pharmacy & Pharmaceutical Sciences Building Dedication.
- Senator Bennet hosted the FDA roundtable with FDA Commissioner Hamburg and toured AMC.
- Conducted several tours of the Cancer Center for congressional staff.



OFFICE OF GOVERNMENT RELATIONS

Office of Government Relations Team



Tanya Kelly-Bowry **Vice President**

Tanya Kelly-Bowry was selected by President Benson and confirmed in October, 2008 by the Board of Regents, as vice president of government relations. She was chosen to lead the university's efforts to increase funding at the state and federal levels. Kelly-Bowry has nearly 20 years of advocacy experience, having lobbied on behalf of higher education, human services and health care issues in both Colorado and Washington, D.C. She earned bachelor's degrees in international affairs and political science at CU-Boulder and a master's degree in nonprofit management from Regis University as a Colorado Trust Fellow. Kelly-Bowry also

studied at Harvard University's John F. Kennedy School of Government as a member of the senior executives in state and local government.



Natalie Ellis **Executive Assistant of Federal Relations**

Natalie Ellis is the Executive Assistant of Federal Relations. She supports a broad range of administrative, research, writing, and analytical duties that are designed to support CU's federal relations efforts. She also prepares and files the federal lobbying report, works closely with each congressional office to schedule Hill visits, and assists with constituent requests regarding issues on campus. Additionally, she makes travel arrangements, drafts correspondence, and prepares

department expense system reports. Natalie has a Bachelor of Arts in Communications from University of Nevada, Las Vegas.



Heather Fields **Assistant Director of State Relations**

Heather Fields is the Assistant Director of State Relations. She is responsible for tracking state higher education and health care legislation during the session, as well as preparing state legislative fact sheets. She also organizes state legislator tours and events and works with state legislative offices on constituent issues. Additionally, she assists the Senior Director with scheduling, correspondence and coverage of committee hearings and floor work at the Capitol. Heather worked in the office as a student assistant for three years. She also served as Executive Assistant to our state and federal lobbyists, Special Assistant to the

Executive Director and Policy Analyst of State Relations. She has a Bachelor of Arts in Political Science from the University of Colorado at Boulder. For 2011-12, Heather is a fellow in the CU Emerging Leaders Program.



Connie Johnson
Senior Policy Analyst and Assistant Director

In 2007, Connie Johnson joined the Office of Government Relations as the Senior Policy Analyst and Assistant Director. She is responsible for managing the day-to-day office operations, managing the department's budget and website, providing support to the Vice President and supporting state and federal activities. She monitors the healthcare legislation during the State session, and co-coordinates the Colorado Capital Conference for federal relations. Prior to CU, Connie served for over 18 years in higher education in Washington State. She has a B.S. in Accounting from Central Washington University, a Master of Public Administration from the Daniel J. Evans School of Public Affairs at the University of Washington, and was a fellow in the 2008 CU Emerging Leaders Program.



Lynne Lyons
Assistant Vice President of Research and Federal Relations

Lynne Lyons serves as Assistant Vice President of Research and Federal Relations. She is lead on Federal special projects for CU Denver and the Anschutz Medical Campus. Lynne lobbies on legislation ranging from research funding, academic health and workforce issues, Medicare and Medicaid funding, to patent reform and higher education issues. She serves on the AAMC Government Relations Steering Committee, the APLU Council of Federal Relations, as well as the AAU Council on Federal Relations. Lynne has a Bachelor of Science from the University of Colorado Boulder and a Masters in Public Administration from the University of Colorado Denver.



Todd Saliman
Senior Advisor for Government Relations

Todd re-joined the Office of Government Relations in May 2011. Todd has 20 years of experience at the Colorado State Capitol. He served in the Cabinet for two Governors and is a former member of the Colorado General Assembly. He currently advocates for the University of Colorado at the state capitol. Todd is also working on an effort to develop solutions to solve Colorado's fiscal challenges. Prior to CU, Todd was a member of Governor John Hickenlooper's Cabinet and Senior Staff Team providing guidance on budget, legislative and strategic initiatives. From 2007-2010, Todd was a member Governor Bill Ritter's Cabinet and Senior Staff Team serving as the Director of the Governor's Office of State Planning and Budgeting. As Budget Director, he was responsible for developing the Governor's budget request that was submitted to the Legislature annually and for developing and implementing plans to keep the budget balanced throughout the fiscal year. His office also prepared Economic forecasts for the state on a quarterly basis.

Todd has a proven track record in legislative affairs as he owned and operated his own firm which represented some of the most prominent organizations and governmental entities in Colorado from 2003-2006. Todd served eight years in the Colorado Legislature (1995-2002), four of which he spent serving on the Joint Budget Committee.



Kirsten Schuchman
Senior Director of State Relations

Kirsten Schuchman serves as Senior Director of State Relations. She serves all three institutions in the CU system by taking the lead on most legislation affecting CU, as well as being the lead on system-wide capital construction funding and health care policy issues for the University of Colorado Hospital, University of Colorado Denver School of Nursing, and the CU Colorado Springs Beth El College of Nursing and Health Sciences. She also takes special interest in CU's issues related to research, technology transfer, academic programs and administration.

Kirsten is an alumnus of the 50 for Colorado 2005 program and is active in the Denver metro non-profit community. In her free time she enjoys hiking, camping, traveling to exotic places and spending time with friends and family. Kirsten has a Bachelor of Arts from the University of Virginia and a Master of Arts in Higher Education from the University of Michigan, Ann Arbor.



David Sprenger
Senior Director of Federal Relations

David Sprenger, Senior Director of Federal Relations is based in Washington, DC, and has expanded the presence of the University of Colorado by developing strong and effective relationships with legislative staff, professional organizations, and key advocacy groups within the federal departments and with the Congressional offices. He brings the office an extensive background on public policy and direct advocacy. He also represents the University of Colorado before AAU and is also an honorary member of the DC CU Alumni Buffs Club. Prior to joining the CU, David served as the senior healthcare policy advisor to

former Colorado Congressman Scott McInnis, managing the Congressman's seat on the Ways and Means Committee. He also served as an Assistant Vice President for the firm of B&D Consulting in Washington directing advocacy efforts for healthcare and higher education clientele. David received Bachelor degrees in Political Science and History from Regis University, and is currently pursuing his Masters in Public Policy at George Mason University.