

# The Federal Update for February 10, 2023

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Re: Federal Update

Date: February 10, 2023

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## Legislation and Guidance

### OMB Publishes UGG Updates on Domestic Preference

The Office of Management and Budget (OMB) issued a proposed rule Thursday that will implement the Build America, Buy America Act, which was passed in November 2021 as part of the Infrastructure Investment and Jobs Act and requires grantees to select domestically-produced construction and other materials when purchasing those materials with federal funds.

The proposed rule seeks to add a new section to the Uniform Grants Guidance (UGG) in order to implement the Build America, Buy America Act, as well as update 2 CFR § 200.322, Domestic preferences for procurements, in order to clarify existing regulations in light of the new requirements. The proposed changes align with a [memorandum released by OMB in April last year on implementation of the Buy America preferences](https://www.whitehouse.gov/wp-content/uploads/2022/04/M-22-11.pdf) and include definitions related to the Buy America preference, how it applies to federal awards, how to determine the cost of components for manufactured products, and exemptions, among other items.

In addition, OMB is requesting feedback on the UGG in anticipation of upcoming revisions. The request for information seeks stakeholder input on four specific questions related to UGG implementation:

1. What specific section(s) of 2 CFR would benefit from revision in order to support the goal of reducing administrative burden?
2. What specific section(s) of 2 CFR have been interpreted differently by federal agencies and recipients leading to inconsistent implementation of federal financial assistance?
3. What specific section(s) of 2 CFR would benefit from improved clarity or more precise language?
4. What specific suggestions do you have for otherwise improving the language of 2 CFR (e.g., consistent use of terms, other suggested edits)?

The notice states that OMB plans to issue the updates related to this request for information by December 2023.

Stakeholders can submit comments for the proposed rule and request for information on or before March 13, 2023. [The proposed rule on Buy America preference is available here](https://www.federalregister.gov/documents/2023/02/09/2023-02617/guidance-for-grants-and-agreements); [the request for information is available here](https://www.federalregister.gov/documents/2023/02/09/2023-02158/omb-request-for-information-rfi).

Author: KSC

## News

### Biden Calls for “Best-Educated Workforce” in State of the Union

On Tuesday evening, President Biden delivered the State of the Union address to a joint session of Congress. The President called for affordable education for the middle class and noted that “any nation that out-educates us is going to out-compete us.”

Biden said that the United States became the “best-educated, best-paid nation in the world” when we adopted universal K-12 education but that the rest of the world has caught up. To reestablish the country as the best in the world, he asked for funding for universal preschool for three- and four-year-old students, citing studies that show students from all backgrounds who attend preschool are significantly more likely to obtain a college degree. Along with universal preschool, Biden emphasized the need for increased teacher pay in response to the nationwide teacher shortage.

The President also spoke on the need for career and technical training, and some of his invited guests had ties to career and technical education. Biden petitioned for access to two years of community college for all students and remarked that everyone should have access to a good career, even if they do not attend a traditional college or university.

While Biden did not discuss his student loan debt relief plan that is currently held up in the Supreme Court, he did indicate that his administration was making progress by securing increased Pell Grants and reducing student debt overall. Last year, Congress increased the maximum Pell Grant by $500.

Biden called on Congress again to address mental health for children and young people. In last year’s address, Biden asked Congress for $1 billion to provide more access to mental health care in schools. This year, he did not ask for a specific amount, but stressed that students were dealing with bullying, violence, and trauma in schools. Likewise, the President implored Congress to ban assault weapons and stated that the parents in Uvalde asked him to “do something” to address gun violence in schools.

Additionally, the President encouraged Congress to pass the Equality Act, which would prohibit discrimination based on sex, sexual orientation, and gender identity in education and other areas. He also mentioned infrastructure improvements currently being made to school buildings to replace poisonous lead pipes. Biden noted that 400,000 schools and childcare centers had lead pipes, making drinking water unsafe.

The Republican response to the State of the Union came from the new Governor of Arkansas, Sarah Huckabee Sanders, who served as Press Secretary in the previous administration. Sanders noted that Republicans were working on school choice measures across the country and focusing on “education, not indoctrination.” She also announced the release of her education plan for Arkansas, which she called “the most far-reaching, bold conservative education reform in the country.”

[The full text of the State of the Union can be found here.](https://www.whitehouse.gov/briefing-room/speeches-remarks/2023/02/07/remarks-of-president-joe-biden-state-of-the-union-address-as-prepared-for-delivery/)

Resources:

Lexi Lonas, “Sarah Huckabee Sanders Uses SOTU Response to Tease ‘Far Reaching’ Conservative Education Plan,” *The Hill,* February 7, 2023.

Author: BNT

### Secretary of Labor Leaving Biden Administration

Secretary of Labor Marty Walsh is reportedly planning to leave his post in the Biden administration early this year. Walsh has served as Secretary of Labor under President Biden since 2021, and is planning to depart to run the National Hockey League’s Player Association.

Deputy Secretary Julie Su will likely serve as the Acting Secretary of Labor until President Biden nominates someone to fill the role. Walsh’s departure comes as Chair of the House Committee on Education and Workforce, Virginia Foxx (R-NC), is planning significant oversight of U.S. Department of Labor activities from the past two years.

It is unclear how much longer Walsh will remain in his role, as the announcement and departure date have not yet been made public.

Resources:

Lisa Kashinsky, Eleanor Mueller, and Nick Niedzwiadek, “Marty Walsh to depart from Biden Cabinet for job atop hockey players’ union,” *Politico*, February 7, 2023.

Author: KSC

### House Education Committee Holds First Hearing

The House Committee on Education and the Workforce – recently renamed with the new House majority – held a heated and wide-ranging hearing on Wednesday examining current issues in the education system.

Committee Chair Virginia Foxx (R-NC) opened the hearing by saying that “the state of this nation’s education system is deeply troubling at every level.” Foxx named concerns about learning loss and expressed her hope for the expansion of school choice.

But the biggest fireworks came in discussions about the role of schools in teaching students about gender identity and sexual orientation. In one exchange, Representative Mary Miller (R-IL) asked Colorado Governor Jared Polis, testifying before the Committee as a witness, if he thought it would be appropriate for a teacher to instruct children on the left-wing political ideology” of “gender transitioning behind their parents’ backs.”

Many majority members and several witnesses criticized teachers’ unions, claiming they exclude parents from school-level decision-making about their students. Representative Tim Walberg (R-MI) claimed that “in recent years we have seen a push by teachers’ unions and school districts sadly to exclude parents from the education of their children.” Witness Virginia Gentles of the Education Freedom Center with the Independent Women’s Network argued, too, that “teachers’ unions and education bureaucracies reject transparency and accountability, yet relentlessly demand more funding.” Foxx used this discussion as a springboard to promote planned legislation on parents’ rights in education and adding enforcement for various rights under federal law.

Lawmakers also debated whether schools were using money allocated through the American Rescue Plan (ARP) appropriately, with some claiming that schools do not have a “clear plan” to help students recover from learning loss.

Witnesses also argued for the expansion of Pell Grant eligibility to cover more short-term programs and certificates, citing increasing costs for traditional four-year degrees and shortages of workers in certificated jobs.

Author: JCM

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Posted by the California Department of Education, April 2023

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