
FEDERAL RELATIONS

State of the Union Address

On January 12, 2016, during the final State of the Union of his presidency, President Obama outlined the success of his administration and set the tone for a potential Democratic successor and the 2016 elections. Issues related to economic prosperity, climate change, health care reform, terrorism, and gun control more likely than not will receive attention.

He made it clear that even with all the accomplishments in the last seven years—a resurgent economy, a strong national security, implementation of the Affordable Care Act, clean energy achievements, steps toward making college more affordable—much more needs to be done. The President acknowledged that global changes and technological advances have left some Americans feeling insecure about job security. People are finding it difficult to pull themselves out of poverty, and noted the prospects of working with Speaker Paul Ryan on issues related to poverty. He noted that ISIL and al Qaeda are real threats, and that climate change is real and threatens generations to come.

In looking to the future, the President stated that everyone should have an opportunity to thrive economically and noted the relevance of education and training in meeting this objective. This year, he will be working to cut the cost of education by pushing for his proposal to provide two years of community college at no cost.

The President noted the rise in high school graduation rates as one of his achievements. He also noted the rise in engineering graduates. To emphasize the importance of these fields, the President drew a connection between STEM fields and earning more money. The President also argued for more STEM classes and federal support of STEM, as well as once again advocating for free two year tuition for community colleges. The latter program has been vehemently opposed by many HBCUs. The President finally argued for the shrinking of the debt of many of our nation's students.

Other domestic items he spoke of included, strengthening Social Security and Medicare, reforming the prison system, fixing the broken immigration system and developing new and cleaner energy sources. The President gave great attention to this year's boost in funding for the National Institutes of Health, which will help universities involved in medical research. As the world has seen great accomplishments in nearly ending the menace of HIV/AIDS, the President will be working with Congress to fund programs to eradicate malaria. The President also named Vice President Joe Biden in charge of "Mission Control" in the national effort to cure cancer.

South Carolina Governor Nikki Haley delivered the Republican Response, and she drew sharp contrasts between the leading Republican presidential candidates and other Republicans on matters related to immigration and xenophobia.

The Budget

The White House request, submitted February 9, 2016, will honor a two-year spending agreement that President Obama and Congress embraced this past December. The pact set a spending ceiling that was intended to usher in a temporary truce in the annual budget wars. But

that truce appears to be short-lived: The White House will be asking legislators to boost research activities in many areas through the use of spending mechanisms that sidestep the normal appropriations process. And that request isn't likely to win much support from the Republican majority.

The carrot in the December agreement was an additional \$50 billion in the current (2016) fiscal year for discretionary spending, a \$1.1 trillion pot that covers all federally funded research. But the agreement was front-loaded: It stipulates essentially flat funding for the fiscal year 2017 that starts in October.

Buyer's remorse set in as soon as the ink was dry. Fiscally conservative Republicans would like their leaders to tear up the agreement and return to a 2011 law that would lower the 2017 spending ceiling by \$30 billion as part of a 10-year effort to shrink the federal deficit. The President and many Democrats would like Congress to go in the opposite direction, raising the caps for 2017 and beyond, and finding ways to pay for additional spending on research, infrastructure, education, and many other areas.

The President made such a case for higher spending last year in his 2016 request. But many agencies ended up with far less than what the White House had requested. Still, the extra money from the budget deal paved the way for healthy increases at many research agencies, led by a \$2-billion boost for the National Institutes of Health (NIH).

The President's increases in spending depend heavily on two funding mechanisms outside the discretionary account funded by general revenues. One, called mandatory spending, would use dollars designated from the sale of a specific government asset, like the strategic petroleum reserve or the communications spectrum. The other, called designated emergency spending, is outside the scope of the budget agreement and doesn't require any offsetting reductions in other government programs.

A \$755 million boost in cancer research at NIH and the Food and Drug Administration has gotten the most attention. But the White House has also touted its desire to spend \$400 million more a year over 10 years for research on self-guided cars and clean transportation, a \$120 million effort over 5 years at the National Science Foundation to train more computer science teachers and help more students learn programming, a doubling of spending on competitive grants for agricultural research (to \$700 million), and hundreds of millions of dollars to address the threat posed by the Zika virus and start developing a vaccine. These initiatives would join areas that the administration has previously flagged for rapid growth, including precision medicine, research to combat antimicrobial drug resistance, and the Brain Research through Advancing Innovative Neurotechnologies initiative.

This budget, in many ways, has been deemed null and void. The House Budget Committee has not even scheduled hearings for the President's budget. Republicans are planning to ignore it and craft their own spending measure. The final agreement is likely to be deferred until after the November election, if not until after a new president is inaugurated on 20 January 2017.

The Budget – NIH and Science

Overall, the President's budget includes a \$152 billion request for all federal research and development (R&D) spending, a 4% boost over 2016 levels. Within that total, spending on basic research would rise by 3%, or \$975 million, to \$34.485 billion.

The White House says it would pay for some of the increase through so-called mandatory spending, which is not subject to the usual annual appropriations process that determines so-called discretionary spending. Instead, Congress must approve mandatory spending by dedicating specific revenue streams—such as from the sale of government-owned spectrum, or oil from the Strategic Petroleum Reserve—to specific programs. Lawmakers in Congress are often loath to approve such funding mechanisms, however, because it gives them less control over annual spending.

The National Institutes of Health (NIH), the government's largest research agency, would get \$33.1 billion, about a \$1 billion increase (from both mandatory and discretionary spending). However . . . this isn't particularly good news. NIH is the overall agency that provides funding for Wayne State University's perinatology research branch.

The White House is proposing about \$900 million in new discretionary and mandatory spending at three of the largest basic research agencies: the National Science Foundation (NSF), the Department of Energy's (DOE's) Office of Science, and the laboratories of the Department of Commerce's National Institute of Standards and Technology (NIST). Together, the three agencies would get \$14.6 billion, or about a 7% increase over 2016 levels.

NSF would get a 6.7% increase, or \$500 million, to \$7.964 billion. But only \$100 million of that increase, or 1.3%, would be from discretionary spending.

The budget for NASA's science office would remain flat, at \$5.6 billion.

The budget calls for a 9% cut to basic science spending at the Department of Defense (DOD), to \$2.115 billion. DOD is a major source of basic science funding for mathematics, computer science and engineering research. The Defense Advanced Research Projects Agency would get an increase of roughly \$130 million, to about \$3 billion.

The Budget – NIH

What at first glance looks like modest good news for National Institutes of Health (NIH) in the president's budget—an \$825 million increase—is instead drawing dismay and a lot of head scratching. That's because the administration wants to pay for the increase, as well as \$1 billion of NIH's existing budget, by using so-called mandatory funds that will likely be a hard sell in Congress. The base funding for NIH would see a cut. That's the problem.

The budget proposal would give NIH \$33.1 billion, a 2.6% raise over 2016. The money would include \$680 million for Vice President Biden's cancer moonshot; \$100 million more for the Precision Medicine Initiative's 1-million person cohort study, for a total of \$230 million; and \$45 million in added funds for the Brain Research through Advancing Innovative Neurotechnologies (BRAIN) initiative. But the new money for these presidential priorities would come out of so-

called mandatory funds, which require Congress to establish a dedicated funding stream, often by selling assets such as the communications spectrum. Moreover, the proposal would cut NIH's existing budget by \$1 billion from regular appropriations process and make up for it with mandatory funding.

Even if that money came through, aside from the three favored programs, nearly all of NIH's 27 institutes and centers except the National Cancer Institute would be getting a 0% increase. The number of research grants funded would rise by 600 to 36,440, but new and competing would drop by 807 grants to 9946. As a result, the agency expects the success rate, or the portion of reviewed grants that receive funding, to drop from 19.2% to 17.5%.

According to a meeting that I attended that reviewed NIH's budget, the administration had no choice about cutting NIH's regular appropriations and providing flat funding to most institutes, because spending caps agreed to by Congress and the administration last year left very little breathing room.

Last year, the House of Representatives passed a bill called 21st Century Cures (led by Chairman Fred Upton) that would have given NIH nearly \$9 billion in new funding over 5 years from mandatory funds by selling off some of the nation's petroleum reserve. While it's possible for Congress, especially a Republican led Congress, to fund something like this, it's highly unlikely. Lawmakers are likely to oppose mandatory funding for NIH because it overrides the regular appropriations process and can dry up after a few years.

When compared to other science agencies, such as the National Science Foundation, which retained its base budget from discretionary appropriations, NIH got the short end of the stick. Congress didn't want to cut NIH funding, so instead, they just didn't fund it through a more aggressive fashion.

National Interest and Science Legislation

The U.S. House of Representatives approved legislation this year that would require the National Science Foundation to award grants only for research projects that the agency can certify as being in the national interest. The Republican-written measure (HR 3293), passed on a nearly party-line vote of 236 to 178, would set a series of broad yardsticks by which the "national interest" could be defined, such as improving American economic health or strengthening national defense. This legislation was widely opposed by many groups, including The Science Coalition and APLU. This bill is expected to die in the Senate.

STATE RELATIONS

Governor's Budget Presentation:

Governor Rick Snyder presented his fiscal year 2017 budget to the state legislature on February 10th. Overall, it is a \$54.89 billion budget with \$10.03 billion coming from the state's general fund.

The Higher Education budget totals \$1.26 billion of general fund dollars, an overall increase of 4.3 percent, or \$61.2 million for the coming fiscal year. Under the proposal, Wayne State

University (WSU) would receive a 3.5 percent increase of \$6.6 million. While it is the third highest dollar increase of the 15 public institutions, it is the lowest percentage increase.

Half of the new funding will be run through the performance metrics and the other half to the fiscal year 2011 base. The Governor's proposed tuition restraint for the coming fiscal year is set at 4.8 percent – which is apparently two times the rate of inflation. Both the Speaker of the House and the Chair of the House Appropriations Committee said that they felt that level may be too high. Although the Subcommittee chairs in both the House and the Senate did not make the same public statements.

If this budget were to pass as the Governor recommends, five of the 15 universities would still be funded below the 2011 budget level. WSU would still be \$16 million down from the 2011 level if the Governor's budget passed as proposed.

Some great news to report is that the Governor's Capital Outlay budget includes WSU's STEM Laboratory Innovation Learning Center. Only four universities received a project recommendation in his budget for the coming fiscal year. From all we hear, the Administration and the Legislature are likely to advance a Capital Outlay bill along with the budget this year.

We also learned that the Governor has proposed \$500,000 for sexual assault grants for colleges and universities in the coming year. We believe we would have a great opportunity to receive some of this funding if we apply this year.

At this point it is unclear what the funding level would be for the School of Medicine's Young/Lykacki Psychiatric Fund. As we know, it is not in a specific line-item. We are making inquiries to see what level of funding is included in the Department of Health and Human Services' Budget.

President Wilson's Legislative Testimony

On February 29th, President Wilson testified before a joint meeting of the House and Senate Higher Education Appropriations Subcommittees at Saginaw Valley State University.

The subcommittees asked the universities to focus their testimonies on one of three topics in their presentations. President Wilson's testimony discussed WSU's "efforts fostering collaboration to strengthen regional assets." The President highlighted various examples of initiatives with businesses, government entities and organizations in the region.

To read a copy of the President's testimony, click here:

http://president.wayne.edu/pdfs/testimony_to_the_senate_higher_ed_subcommittee_final_online.pdf

From those to whom we have spoken, the President's testimony was well received.

Legislative Meetings re DMC/Medical School Negotiations

Over the past month, the Division of Government & Community Affairs has been meeting with state lawmakers and various state officials to brief them on the negotiations between

DMC/Tenet and the School of Medicine. We believe the briefings have been going well and many that we have met with have offered assistance in the event any would be needed.

Meeting with Rep. McCready

Earlier this month, we met with the Chair of the House Higher Education Appropriations Subcommittee, Mike McCready (R-Birmingham). The Chairman requested the meeting with us to discuss the potential of making changes to the budget's performance metrics. We discussed several ways in which changes could be made that would make good policy sense and benefit several institutions.

Rep. McCready also asked our opinion on the newly remade Detroit Promise Scholarship that the universities have been working on with the Detroit Chamber and the Administration. We said that while we recognize that the new scholarship would cost us additional funds, that we supported the effort.

MASU Legislative Reception

On February 24th, following the Michigan Association of State Universities (MASU) Board meeting, the organization held a legislative reception at the offices of Dykema. Because of a snow storm, attendance was not what it has been in the past for the reception. However, some key lawmakers and staff were still able to attend.

At this point, we do not have final attendance numbers from MASU and Dykema.

URC Brown Bag Lunch

Earlier this month, the University Research Corridor (URC) institutions held their second Brown Bag lunch in Lansing for state officials. The topic of the luncheon was, "*The Science of Education*."

The speakers (one from each of the three URC institutions) discussed the educational practices in place in our state to learn what methods, techniques and legislative policies will ensure a higher rate of success for future learners.

Wayne State's speaker was Dr. Jennifer Lewis, who is the Director of TeachDetroit. Dr. Lewis showed a short video on the program and discussed the benefits of the program for Detroit and the teachers we are preparing for urban environments.

While it appears that not everyone in attendance signed in, there were approximately 30 people in attendance during the program. We will be having a follow-up meeting soon to discuss the lunch and the possibility of another lunch in the future.

Meeting with Snyder's New Chief Of Staff

Kelley Cawthorne recently held a meet and greet lunch with Governor Rick Snyder's new Chief of Staff, Jarrod Agen. Agen, Snyder's former Communication's Director, recently took over the position when Dennis Muchmore retired. Other than Wayne State, there were three other Kelley Cawthorne clients present at this lunch.

Governor's State Universities Summit

The Governor will be hosting another State Universities Summit on May 24th on the campus of Michigan State University. While we are not aware of a specific agenda yet, this will be like the one held last year on GVSU's campus. President and Board members will be invited to participate. More details will be provided soon.

Meeting with Detroit Chamber re Detroit Scholarship

At the request of the Detroit Chamber, the Division of Government & Community Affairs met with them recently regarding the proposed Detroit Scholarship Fund.

The Chamber, along with Dan Hurley at MASU, began meeting with lawmakers to inform them of the program and the university's role in the initiative. The meetings are taking place because some lawmakers began asking certain universities about the scholarship. Some had concerns because they did not know how the scholarships were being funded.

As the university that could stand to spend the most additional funds on the scholarship, the Chamber wanted to meet with us to discuss the cost estimates we had been giving lawmakers and staff. We are in the process of clearing up the discrepancies between the Chamber's figures and ours. It is quite possible that our cost estimates are different than the Chamber's due to looking at different versions of the agreement.

COMMUNITY RELATIONS

Dr. Martin Luther King, Jr. Tribute

Wayne State University hosted its annual Rev. Dr. Martin Luther King, Jr. Tribute at the Max M. Fisher Music Center on Friday, January 15, 2016. This tribute is one of WSU's signature events and provides the university with an opportunity to honor the legacy of Dr. King. With more than 1,400 attendees from both the public and Wayne State University, this annual event once again brought the community together to reflect on the work of Dr. King and to celebrate our own local leaders.

This year's keynote speaker was Van Jones, president and co-founder of Rebuild the Dream, a platform for bottom-up, people-powered innovations to help fix the U.S. economy. A Yale-educated attorney, Van has written two New York Times Best Sellers: *The Green Collar Economy*, the definitive book on green jobs, and *Rebuild the Dream*, a roadmap for progressives in 2012 and beyond. Van is currently a CNN Contributor. In 2009, he worked as the green jobs advisor to the Obama White House. There, he helped run the inter-agency process that oversaw \$80 billion in green energy recovery spending.

Each year, as part of the tribute, Wayne State University presents the Dr. Arthur L. Johnson Community Leadership Awards. These awards honor both an individual and an organization whose exemplary contributions positively impact our community. The 2016 Individual Award was presented to Mr. Anthony Eid and the 2016 Organizational Award went to The Community Homeless Inter-professional Program (CHIIP).

The program also included performances from The Achievers Ladies Ensemble of Detroit School of Arts Choir, Detroit Academy of Arts and Sciences Show Choir, and Inside Out Detroit poetry reading.

For the service component of the tribute, Wayne State University adopted Davison Elementary School. WSU's Division of Government and Community Affairs worked in partnership with the AmeriCorps Urban Safety Program, Trumbull and Boulevard Towing, Neighborhood Legal Services Michigan, the Detroit Police Department and Wayne State's Dean of Students Office, Campus Police and Department of Facilities Planning and Management. More than 150 dedicated students and community members joined the effort to secure 13 properties, clear 3 blocks of trash and remove a block of graffiti from a vacant commercial property.

Davison School Students also had the opportunity to visit and tour WSU campus and attend a WSU Football game. Next year's Rev. Dr. Martin Luther King, Jr. Tribute is scheduled for Friday, January 13, 2017.

Wayne Cares – Wayne State for Flint

As the challenges the citizens of Flint face with their municipal water system not only continue but worsen, schools, colleges, departments, programs, and student organizations from across the university have collaborated to work alongside the Flint community both on and off campus. As Michigan's only public, urban research university, Wayne State's efforts are varied and reflect the university's broad resources and longstanding commitment to serving the public. To date, more than 2,700 cases (64,800 bottles) of bottled water have been collected by the WSU community and distributed to organizations and individuals in Flint. In addition, research efforts, panel discussions, basic needs drives, and volunteer trips to Flint are underway.

Contributing organizations include the Division of Government and Community Affairs, the Office of Special Events, the Dean of Students Office, Wayne State University Law School, Wayne State University Extension Centers, Maggie Allesee Department of Theatre and Dance, Wayne Law's Homeless Not Helpless student organization, the MU Omicron Pi Chapter of Kappa Psi Pharmaceutical Fraternity at Wayne State University, the Wayne State University Student Veterans Organization, TechTown, the Center for Urban Studies, the Black Student Union, Student African American Brotherhood, Office of Federal Trio, the Office of Multicultural Student Engagement, Students for Justice in Palestine, Black Lives Matter: Detroit, the Muslim Students' Association: Wayne State, WSU Police Department, and the departments of History, Political Science, Public Health, Urban Studies and Planning, and Anthropology.

Wayne Cares is a university outreach initiative that brings together the university community for the purpose of charitable giving and outreach. Its primary goal is to help university units work together and collaborate with each other for the good of the community. The PDF below is a detailed compilation of university-wide *Wayne State for Flint* efforts.



Wayne Cares -
Flint.pdf

Local School Visits with WSU First Lady Jacqueline Wilson

The Division of Government and Community Affairs has continued to work closely with the Office of Admissions to facilitate opportunities for Mrs. Wilson to visit local DPS schools to speak with students about the value of a Wayne State University education and WSU's many offerings, as well as to encourage students to share their goals and dreams and follow through on them. On January 27, she spoke with approximately 150 middle school students from Burton International School. On February 4, Mrs. Wilson spoke with approximately 75 high school students at Cass Tech. As the feedback from students, teachers, and administrators has been very positive, we plan to continue scheduling these visits.

HEALTH AFFAIRS

Psychiatry Residency Training Grant

Unlike most graduate medical education programs that are funded by Medicare, the WSU-DMC Psychiatry Residency Program is funded by a special arrangement between the DMC, WSU, the Detroit Wayne Mental Health Authority, and the Michigan Department of Health and Human Services. As a result of leadership changes at the DMC, this arrangement was at significant risk of dropping off, potentially shutting down the residency program. The consequence of such action would have devastated the mental health safety net in Wayne County and the entire state, especially since this is the largest psychiatry residency program in the Midwest. After months of negotiation, a new contract was approved by all parties, funding the program for both 2015 (retroactively) and 2016. Furthermore, it allows WSU to continue with plans to expand resident rotations into community mental health sites and increase access to much needed mental health and substance abuse care.

Lycaki Young Fund

The Lycaki Young Fund was created in the 1990s to offset the expenses incurred by WSU in taking on additional outpatient support services caused by the closing of the Lafayette Psychiatry Hospital. Because of changes in federal law, the annual appropriation of \$5.6 million was at significant risk of being eliminated. The WSU Division of Government and Community Affairs has been working with members of the legislature, the Governor's office, and the Michigan Department of Health and Human Services, to maintain funding. In fact, starting in FY 2015, federal funding was eliminated and instead was replaced with a state general fund appropriation. Since this is strictly a year to year commitment; the government affairs team has to work annually to keep these funds in the budget and show the value to the State and the local community. For example, there was a legislative recommendation last year to cut the fund by 10 percent. We were able to advocate our position successfully in 2015, and the cut was removed. In 2016, we are proud to report that the \$5.6 million appropriation was in the Governor's budget recommendation. To date, there has been no indication from appropriations legislators that these funds are at risk. We will stay diligent during this budget process to make sure the funds stay whole.

Graduate Medical Education (GME) Reform

In response to the multitude of concerns from state legislators on the state Medicaid GME Program, we worked with the legislature in 2013 to create the MiDocs program. MiDocs is a consortium of Central Michigan University, Michigan State University, the University of Michigan, Wayne State University, and Western Michigan University, and their medical schools, to create a pilot program that will help create new physicians practicing in primary care and other targeted specialties to train and serve post-residency in the most medically underserved communities in the state. Furthermore, the program will be needs based, focused on quality metrics, be financially accountable and transparent, and will produce an annual audited statement that shows the efficacy of the program, based on those guiding principles. After months of discussion, the MiDocs consortium is now prepared to report our findings to the legislature including a plan for a pilot program. The pilot program will include a leadership role for the Michigan Area Health Education Center and will create a new legal entity named MiDocs, which will distribute program funding on behalf of the legislature. To date, the legislature has appropriated \$500,000 for the effort. We will be likely asking for \$500,000 more in planning funds. The expectation is that we would submit a final plan to the legislature for full funding in 2017.

Stress Management - PTSD Pilot Program

In response to the needs in municipal police and fire departments, Wayne State University is helping develop a stress management and Post Traumatic Stress Disorder (PTSD) prevention and treatment program for the city of Sterling Heights. This program, in conjunction with the WSU Departments of Family Medicine and Psychiatry, will work with the city's police and fire departments, as well as their affiliated unions, to make sure personnel have the education and medical care they need to prevent and treat job related stress. The hope is that this pilot program will yield research data to measure its effectiveness and will then become a national model for other municipalities. There is currently no national best practice for municipal fire and police departments. However, there is data showing an increasing prevalence of alcoholism, suicide, and other stress related symptoms of undiagnosed and untreated PTSD. There will be more updates to come on this program in the coming months and years.