FEDERAL RELATIONS

Patent Troll Bill

Wayne State University continues in its efforts to rein in the abusive litigation practices of patent trolls. Universities have no sympathy for those who abuse the patent system to extract unjust and sometimes exorbitant settlements. Unfortunately, the Innovation Act is not narrowly tailored. It is instead so broad that it would have the unintended consequence of debilitating the U.S. patent system, which is critical to the nation's economy. Wayne State University, along with the University of Michigan and Michigan State University, cannot support the Innovation Act as drafted because it would substantially raise the costs and risks associated with patenting, discouraging the private sector from turning research discoveries at U.S. universities into the innovations that improve our nation's economy, health, and quality of life. For universities specifically, a strong patent system helps to ensure that research discoveries can be transferred to the private sector and make their way to consumers as useful new products and processes. If universities are unable to protect discoveries, the private sector will be significantly less likely to invest in and commercialize them.

The provisions with the most potential for damaging university technology transfer include feeshifting and joinder. Most universities, non-profit technology transfer organizations, and their licensees — often small businesses and start-ups— lack extensive resources to enforce their patents. The heightened litigation risks created by the fee-shifting and joinder provisions in the Innovation Act would devalue patents, creating uncertainty that would undermine the incentives of potential licensees and venture capitalists to invest in commercialization of university innovation. The nation's economy and millions of jobs depend on effective transfer of technology from university labs to the marketplace.

Wayne State University will continue to oppose measures that, in an attempt to rein in the exploitative practices of a small minority of patent holders, would weaken the overall patent system and reduce the capacity of universities to partner with those who can commercialize our research discoveries. Along with the major university associations, Wayne State University wants Congress to pass legislation this year that would put an end to the abusive behavior of patent trolls. However, such legislation should promote, not discourage, technology transfer. And it must sustain our fair and strong patent system, which is the envy of the world. The current bill, if properly redrafted or amended, has the means to accomplish this goal. We will continue to work with our university colleagues, associations and Congress to achieve a positive outcome for patent holders and the American public

Elementary, Secondary Education Act (ESEA) Reauthorization Bill to be Considered on the House Floor this Week

The education community continues to analyze H.R. 5, the Student Success Act (ESEA), which the House Education and the Workforce Committee approved and reported to the House prior to the Congressional recess. The House Committee on Rules recently announced that it will meet next week to grant a rule that could limit the amendment process for floor consideration of H.R. 5. The announcement also stated that amendments to H.R. 5 are due to the committee by Monday afternoon. The bill will be brought to the floor for debate on Wednesday and Thursday and a final vote is scheduled for Friday. This is seen as important as Congress historically has

passed or considered the ESEA bill in advance of the Higher Education Act, the authorization of which is three years overdue.

Senate Health, Education, Labor and Pensions (HELP) Committee to Hold Hearing on Burdensome Regulations

Last week, the Task Force on Federal Regulation of Higher Education published a report identifying 10 regulations/regulatory areas that are most burdensome to institutions of higher education due to cost, complexity, lack of relevance, and for having duplicative requirements. On Tuesday, the Senate Health, Education, Labor and Pension (HELP) Committee will hold a hearing on the report and will hear testimony from two members of the Task Force – William Kirwan, Chancellor of the University System of Maryland, and Nicholas Zeppos, Chancellor of Vanderbilt University.

This is the first hearing of the 114th Congress related to HEA reauthorization. The Senate HELP Committee may hold other hearings on HEA this year before it drafts legislation. The House is expected to introduce a bill as early as March.

Senators Question Department of Education's Enforcement of Title IX

Last week, Senators Barbara Boxer (D-CA) and Kirsten Gillibrand (D-NY) sent a letter to Secretary of Education Arne Duncan asking for information on the Department of Education's enforcement of Title IX and the Clery Act. Specifically, the Senators requested information on the number of complaints received over the past five years, the number of investigations conducted in response to those complaints, the average length of time it takes to complete investigations, the penalties the agency has imposed, and what procedures are used to protect students from sexual assault. Both Senators have been leaders on issues related to campus sexual assault and will likely reintroduce the Campus Accountability and Safety Act (CASA) in the 114th Congress. Additionally, Senator Boxer plans to reintroduce the Survivor Outreach and Support Campus Act (SOS Campus Act) this week.

Federal Agencies Continue to Focus on Preventing Campus Sexual Assault

Last week, the Department of Education's Office for Civil Rights (OCR) opened new Title IX investigations at the University of Connecticut and the State University of New York at Brockport. To date, OCR is conducting 102 Title IX sexual violence investigations at 97 colleges and universities.

Additionally, the Department of Justice's National Institute of Justice (NIJ) and the White House's Office on Violence Against Women recently announced that they are seeking applications for grants to research and identify "promising practices" in campus investigation and judicial decision making involving student sexual assault, both for "victim impact and offender accountability." This is in response to a recommendation from the White House Task Force to Protect Students From Sexual Assault to improve understanding of policies and practices regarding investigation and adjudication of sexual assaults on college campuses. Grant applications are due April 6, 2015.

First in the World 2015 Priorities

The Fund for the Improvement of Postsecondary Education (FIPSE) has made available its proposed Priorities, Requirements, Selection Criterion and Definitions for the First in the World (FITW) program grants. The Department summarizes the proposal as follows:

These priorities, requirements, selection criterion, and definitions would enable the Department to focus the FITW program on identified barriers to student success in postsecondary education and advance the program's purpose to build evidence for what works in postsecondary education through development, evaluation, and dissemination of innovative strategies to support students who are at risk of failure in persisting in and completing their postsecondary programs of study.

The proposal is scheduled to be published in the Federal Register Monday, with the deadline for submitting comments 30 days later. The FIPSE office hopes to review comments on the priorities, selection criteria, and definitions and finalize the application by the end of March or early April. Once these priorities have been set, the Department will make the FY 2015 FIPSE funding opportunity announcement as early as May.

STATE RELATIONS

Governor Snyder's Budget Proposal

On February 11, Governor Snyder unveiled his budget proposal for the 2016 fiscal year. The entire spending plan totals nearly \$54 billion. The Governor also proposed an Executive Order and negative budget supplemental to bring the current fiscal year's (2015) deficit of approximately \$330 million into balance.

Total state spending, including the General Fund, the School Aid Fund and other restricted revenues will top \$30 billion. But the largest single share of money in the budget will be federal funding, totaling nearly \$22.7 billion.

For more information on the Governor's budget, please visit: <u>http://www.michigan.gov/budget.</u>

Higher Education

While the Governor proposed cuts to many areas of the budget for 2015 and 2016, Higher Education was spared from any cuts. In fact, in the coming fiscal year, he proposed \$28 million in new funding for university operations. This equates to an overall 2 percent increase for the 2016 fiscal year. As opposed to years past, 100 percent of the proposed new funding went through the performance funding metrics. In the past, a portion has gone into the "base."

Under the Governor's proposal, WSU would only see a 0.6% increase. WSU would receive \$190.52 million in operations funding and \$1.09 million in performance funding for a total of \$191.61 million next year.

The Governor sets tuition restraint at 2.8 percent – a level that must be met in order to receive the performance funding of \$1.09 million. The current year's tuition restraint was set at 3.2 percent.

There is also a slight change in the Pell metric. Instead of counting all students, it counts the percentage of Pell eligible students.

In addition to the changes President Wilson outlines in his testimony (mentioned in article below), there are some small tweaks that could be made to improve upon the metrics. Including graduates in the Critical Skills degrees metric and increasing the scoring for improvement during a three-year period are just two that could be made in the short-term.

We would also like to see at least half of any new funding be put towards the base at least until our 2011 cut is fully restored.

Capital Outlay

The Governor recommended planning authorizations for three university and two community college capital outlay projects for the coming fiscal year. The institutions recommended for planning include: Lake Superior State University, University of Michigan - Dearborn, University of Michigan - Ann Arbor, Delta College, and C.S. Mott Community College.

The total estimated cost of the projects is \$239.2 million, with an estimated state share of \$76.2 million. These five projects ranked the highest in capital outlay scoring evaluations in their respective categories.

Under the state's new scoring for Capital Outlay projects, WSU's proposed STEM Laboratory Classroom Building ranked 7th of the 14 university projects presented.

At this time, we believe the possibility of a Capital Outlay bill passing the legislature to be very slim.

WSU Senate Testimony

The Senate Appropriations Higher Education Subcommittee began their budget testimony on February 19th at Central Michigan University. Those testifying in Mt. Pleasant were CMU, Wayne State and MSU's AgBioResearch & Extension.

The President discussed what makes Wayne State unique among Michigan's 15 public universities; why WSU's mission is critical to Detroit and the entire state; and he provided our opinion on the performance funding metrics and what changes could be made to make them more equitable.

One of the points the President brought up is that in most of the metrics, WSU's performance is compared to the performance of our Carnegie peers. Because of the size differential between the largest and smallest of those in our tier one research category, we are compared to institutions like Cal Berkley, Ohio State, Michigan, and North Carolina. This comparison is not only unfair due to the size differential but the difference in mission.

As a part of our mission, another item the President discussed was incentivizing an institution for accepting and educating "at-risk" students. The President discussed how that would not only be a benefit to the students and their families but an economic benefit to the state as a whole.

In addition to the changes in the metrics, the President called for an independent, third-party assessment of the metrics model to ensure we are driving the correct outcomes for the students.

As WSU is not yet set to testify before the House Subcommittee, copies of the President's testimony were delivered to all subcommittee members and relevant staff. Members of the Governor's administration also received copies.

For a copy of the President's speech, please visit: <u>http://govaffairs.wayne.edu/president_m._roy_wilson_s_testimony_before_the_senate_appropriations_subcommittee_on_higher_education.pdf</u>

In the coming weeks, the Senate and House subcommittees will hear from the remaining universities prior to making budgetary decisions.

Possibilities for Funding

In addition to the Higher Education and Capital Outlay budgets, there are other areas of the state budget that WSU is exploring funding options.

We are working with the School of Medicine (SOM) and College of Nursing to see if an Autism initiative could be funded through the Department of Community Health (DCH) budget. We are also working with the SOM to see that the state's Graduate Medical Education (GME) program is funded adequately.

Additionally, we will work with the SOM to ensure that their psychiatric program keeps its funding through DCH.

We are also going to be exploring new funding streams for our AHEC initiative and for our Police Department through a \$5 million grant the Governor proposed for policing for distressed areas.

Lansing Meetings

On February 10, the Division of Government & Community Affairs held several meetings with new Representatives and a Senator who are new to the Higher Education Appropriations Subcommittees in their respective chambers. The intent of the meetings was to introduce ourselves and the university to these members. We mostly discussed the Higher Education budget and the changes to the metrics we would like to see made. We also talked about what makes WSU the most unique institution in the state.

We met with Reps. Paul Muxlow (R-Brown City), Jeff Irwin (D-Ann Arbor), Mike McCready (R-Birmingham) and Sen. Curtis Hertel (D-East Lansing).

New Member Meetings

Kelley Cawthorne has hosted a number of meetings with new members of the state legislature for some of their clients. To this point, there have been approximately 25 such meetings, mostly with members of the House of Representatives. There are many more meetings scheduled in the future.

Community College Baccalaureate Bill

As expected, Sen. Mike Shirkey (R-Jackson) reintroduced legislation recently that would allow community colleges to offer baccalaureate degrees in several areas. The degrees in Senate Bill 98 are: Nursing, Ski Area Management, Wastewater Treatment Technology, Allied Health, Information Technology and Manufacturing Technology.

It appears that in this version of the legislation, the Senator includes some provisions a community college must follow to offer a degree in Nursing. We are reviewing the legislation and will work with the other public and private institutions on opposing the legislation as written.

Sen. Hood's Cable Show

LaJoyce Brown, who is WSU's Interim Senior Director of Undergraduate Admissions and Orientation, taped Sen. Morris Hood's (D-Detroit) cable show recently in Lansing. The Senator and LaJoyce talked about the admissions process and how a potential student could easily get through the process. At this point, it is unclear as to when the show will air in the Detroit area. We will work with the Senator's office to get a copy of the show.

Detroit Caucus Meeting

We have set our Detroit Caucus meeting for the morning of March 9th on campus. We have invited all of the members of the House and Senate Detroit delegations to the meeting to meet with President Wilson and discuss Wayne State's legislative agenda. Invitations have also been extended to representatives from Mayor Duggan's Office, Wayne County Executive Evan's Office and staff in the district offices of our congressional delegation. In addition to providing information regarding WSU and our legislative agenda, we will also talk about how we can be helpful to them and the city of Detroit.

COMMUNITY RELATIONS

Rev. 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 16, 2015. This year's keynote speakers were Drs. Sampson Davis, Remeck Hunt and George Jenkins, known as "The Three Doctors." They are extraordinary role models for anyone who has been through any kind of life challenge or major hardship. More than 1,800 people attended the Tribute, which included 1,000 middle school and high school students.

The winners of the Dr. Arthur L. Johnson Community Leadership Awards were *Street Medicine Detroit* from the WSU School of Medicine and Robert Blumenfeld from The Children's Center.

Net proceeds from the Tribute support *Adopt-A-Classroom*. *Adopt-A-Classroom* is a nationally recognized organization that invites the community into classrooms to increase opportunity for student success by empowering teachers with community partnerships and funds to purchase resources for their classrooms. Since 2008, more than 35 classrooms in the Detroit area have been sponsored thanks to the support of our event sponsors.

Meetings with Faith Leaders and President Wilson

The Division of Government and Community Affairs continues to arrange breakfast meetings for President Wilson with local area faith leaders. On February 20, we held the third in a series of introductory meetings, to discuss ways for WSU to improve recruiting and retention of students. The following church leaders:

James Holley

- Pastor, Historic Little Rock Baptist Church, Detroit, MI
- Director, Community Affairs for Mayor Mike Duggan, City of Detroit

Nicholas Hood III

• Pastor, Plymouth United Church of Christ, Detroit, MI

Henry McClendon

- Pastor, Berean Chapel, Detroit, MI
- Program Officer, Skillman Foundation (also involved in My Brother's Keeper Detroit initiative