
FEDERAL RELATIONS

Budget

Congress on Friday, February 9, 2018 cleared its biggest fiscal package in nearly a decade, which sets new limits on how much the government can spend in the next two years. Technically, the federal government was shut down for about eight to nine hours overnight after a filibuster from Sen. Rand Paul (R-KY). The deal keeps the government operating on another temporary funding patch until March 23, 2018. But Congress must still pass another bill, known as an omnibus, with detailed spending levels for each government program for the rest of this fiscal year, which ends September 30, 2018. As part of the deal, Congress finally decided exactly how much to spend on the Pentagon and other government agencies. Military spending will rise to \$700 billion for fiscal 2018, roughly 10 percent above current levels. Domestic spending will also get a boost to \$591 billion. Those record increases, however, will only go into effect after Congress has drafted and passed the full-year spending bill.

With those top-line levels in hand, lawmakers in charge of spending on Capitol Hill are now entering a six-week scramble to figure out how to dole out all the extra cash. The first step is divvying up that pot of funding across all corners of the federal government. (The budget deal only decided the size of the pie, not the size of the slices.) They'll be working with some conditions: In the deal, lawmakers were given orders to spend \$3 billion to combat the opioid crisis, \$2 billion on veterans, \$10 billion on infrastructure, \$2 billion on higher education and \$2.9 billion on childcare. The bill Congress just passed raises the government's borrowing capacity through March 2019. That will prevent a fight over the debt limit from occurring before the midterm elections. Also to be addressed: Deferred Admissions for Childhood Arrivals (DACA). The Senate began that debate today.

The recently-released first full-fledged budget proposal will spotlight President Donald Trump's and Education Secretary Betsy DeVos's priorities for 2018 and 2019. On the higher education front, we already know the White House will suggest broadening eligibility for Pell grants, tweaking requirements for trade licensing and growing apprenticeships in its \$1.5 trillion infrastructure plan in an effort to boost workforce training. Administration officials indicate they will propose drastic reductions to nondefense programs in today's blueprint, meaning education programs are likely to see proposed cuts yet again.

Education

President Donald Trump's budget request for fiscal 2019 calls for eliminating and consolidating benefits for student loan borrowers. The initial budget request had also proposed cutting \$1.6 billion from the Pell grant program's surplus funding, but the administration withdrew that recommendation citing the increased spending caps in the congressional budget deal last week.

The administration is proposing, as it did last year, to eliminate subsidized student loans and loan forgiveness for borrowers working in public service jobs. Those two changes would reduce mandatory spending on the student loan program (meaning cuts), respectively, by \$28.6 billion and \$45.9 billion over the next decade. The Trump budget also again proposes to consolidate the government's various income-based repayment programs. Scaling back those benefits would lead to \$128.4 billion in savings for taxpayers over the next decade.

House Republicans have proposed nearly identical changes to the student loan programs as part of their overhaul of the Higher Education Act, which was approved by committee last year and awaits a floor vote. The Trump budget had called for the cancellation of \$1.6 billion from the Pell grant program's surplus funding. As of last June, the CBO estimated that the Pell surplus was nearly \$8.6 billion. The surplus is the result of mandatory and discretionary funding for Pell exceeding the projected actual costs of running the program.

The Trump budget also proposes:

- Eliminating account maintenance fee payments to guaranty agencies, producing savings of \$656 million over the next decade. Congress last week continued to authorize those fees as part of the government funding measure and budget deal Trump signed into law last week.
- Moving Iraq-Afghanistan Service Grants into the Pell grant program, producing savings of \$6 million over the next decade.
- Capping Post-9/11 GI Bill flight training programs at public universities, producing savings of \$505 million over the next decade.
- Allowing the Department of Veterans Affairs to "standardize and improve veteran vocational rehabilitation and education benefit programs," which it says would reduce mandatory spending by \$206 million over the next decade.

Experts say universities - like hospitals and arts and cultural groups - are less vulnerable to the GOP's new tax law change because they rely more on rich donors than many other nonprofits. But all groups that rely on charitable giving have reasons to be concerned about less money coming their way. That's because as part of their bid to overhaul the tax code, Republicans nearly doubled the size of the standard deduction, which means fewer people will bother itemizing deductions - including a century-old break for charitable contributions. The number of taxpayers taking the charitable deduction is projected to fall by more than 28 million, according to new figures by the official Joint Committee on Taxation. The decline will be especially steep among middle-class taxpayers, with claims by those earning between \$50,000 and \$200,000 expected to plummet by 61 percent.

Higher Education Act Reauthorization

The House Committee on Education and the Workforce on Tuesday, December 12, 2017 voted 23 to 17 along party lines to approve its bill to reauthorize the Higher Education Act (HEA), less than two weeks after the measure was introduced. It now goes to the full House for consideration. The Promoting Real Opportunity, Success, and Prosperity through Education Reform (PROSPER) Act ([H.R. 4508](#)) updates the primary federal law governing colleges and universities, last renewed in 2008. The most significant proposals have the potential to upend the system of federal financial aid by cutting programs, restructuring policies, and imposing new regulations that are harmful to students and families. There has also been some frustration with the fast pace of this bill, that's over 400 pages, from being analyzed in time.

Programs slated for elimination or reduction under the bill include:

- The in-school interest subsidy for undergraduate students;
- The Supplemental Educational Opportunity Grant program;
- Loan forgiveness and other benefits currently available in the student loan programs, including the Public Service Loan Forgiveness Program;
- Title III, Part A - Strengthening Institutions Program (primarily affecting HBCUs); and
- The Teacher Quality Partnership Grants.

In addition, graduate students would lose Federal Work-Study eligibility and have their federal graduate loans limited, forcing them to borrow at higher costs and with fewer protections in the private market. Among the 60 amendments offered during Tuesday's markup were 40 proposed by Democrats, including one to make Pell Grant funding mandatory, increase the maximum grant by \$500, and index the value of the grant to inflation. Other amendments sought to expand eligibility for federal student aid to students covered by the Deferred Action for Childhood Arrival policy; attach the DREAM Act to the legislation; repeal the federal student unit record ban; restore Obama-era regulations on for-profit colleges; and make recipients of the new single federal student loan included in the bill eligible for Public Service Loan Forgiveness.

All failed along party lines.

HEA reauthorization efforts also are underway in the Senate. However, no legislation has been introduced. Chairwoman Foxx intends for this legislation to come to the floor of the House in 2018; this seems very unlikely during an election year. But who knows.

Association of Public and Land-Grant Universities 2020 Conference in Detroit

Wayne State University, working with the University of Michigan, Michigan State University and Oakland University, successfully beat out 13 other bids to hold the 2020 Congressional and Governmental Affairs annual conference in Detroit, Michigan. This is a big win for all of our universities, but in particular, Wayne State University, as the conference will be held in Detroit, Michigan.

STATE RELATIONS

Governor's Budget Proposal

On February 7, the Governor proposed his budget for the coming fiscal year to the legislature. His budget proposal for higher education provides an overall increase of 2 percent, or \$29.8 million. Of that total, \$3.19 million (1.6 percent) is the increase proposed for Wayne State University. Lake Superior State University receives the lowest percentage increase at 1.5 percent, and GVSU the largest at 2.8 percent.

As for tuition restraint, we must limit any increase to 3.8 percent or \$490 per student, whichever is greater. As has been past practice, this cap is double the rate of the Detroit CPI.

There are many in Republican leadership that publicly said that they would still like to provide some sort of tax relief, which would probably affect new spending in the Governor's proposed budget. The Governor, while not proposing any new tax cuts, did say that he might be willing to work with the legislature on that going forward.

Budget Update to WSU Community

Following the Governor's budget presentation to the legislature, the Division of Government and Community Affairs sent out communication through "Advocacy@Wayne" to inform students, faculty, alumni and parents of the Governor's budget proposal. We will soon be sending out a "call to action" to have them reach out to their lawmakers and state officials and advocate on behalf of Wayne State University. The action alerts will likely be sent while the subcommittees are deliberating the budget.

University Testimony

The Senate Higher Education Appropriations Subcommittee scheduled three hearings in February and March to hear from the 15 public universities. While not technically joint hearings, the House Subcommittee has also been invited to attend the hearings.

The hearings take place on February 22, March 1, and March 15. President Wilson testified on February 22, along with Ferris State and Central Michigan. Michigan State University will be the sole university to testify on March 15. The other 11 will present at the March 1 hearing.

Each university has 10 minutes to present and another 5 minutes for Q & A. There is also a list of questions the subcommittees have asked each university to answer prior to the first hearing.

President Wilson's testimony and a copy of WSU's responses to the Chair's questions were sent to each of you via email. You can also view a video of the President's testimony on the Michigan Senate website: <https://misenate.viebit.com/player.php?hash=PuNeo2nKQZTe>.

Legislation In Response To Nassar Scandal

- **Mandatory Reporting**

A package of bills were introduced in the House on February 8 that would mandate mandatory crime reporting for coaches and athletic trainers; prohibit people in positions of authority from preventing others from reporting a crime; and create enhanced reporting of sexual assault in K-12 schools.

House Bills 5537-5539 were referred to the House Law and Justice Committee that Rep. Klint Kesto (R-Commerce Twp.), sponsor of one of the bills, chairs.

We have informed the Athletic Director and General Counsel's office of these bills and will monitor them as they might move through the process.

- **Legislation re Changes in University Governing Boards**

At this point, there have been two constitutional amendments introduced in the House that would make changes to how the Boards of the three research universities become members

and how long they may serve. These constitutional amendments would need approval of 2/3 of the House and Senate before going to voters in the next general election.

HJR DD (Rep. Lower, R-Cedar Lake) would let the Governor appoint the boards to the three research universities (and the State Board of Education). HJR EE (Rep. Miller, R-Sturgis) would place term limits on governing board members of two four-year terms. There were three other “companion” bills that were introduced along with these amendments that would only take effect if the constitutional amendments were passed.

These bills received a hearing at a February 15 House Ethics and Elections Committee. The committee heard from the various sponsors of the legislation above and they took questions from the committee. It appeared that the Democrats on the committee were in opposition to the legislation, which if carried over to the full House, would make it difficult to get the 2/3 vote needed to be placed on the ballot.

- **Reporting Legal Costs**
Rep. Jim Runestad (R-White Lake) introduced legislation that will require all costs incurred by a University on any civil or criminal case, filed or anticipated, against the university or any of its officials, agents or employees be reported to the state. Those fees would include legal settlements, attorney fees, witness or other fees and court costs.

House Bill 5488, which has bipartisan sponsorship, was referred to the House Appropriations Committee.

- **Higher Education Ombudsman**
House Bill 5554 would create a “Higher Education Ombudsman” in Michigan. Under Rep. Reilly’s (R-Oakland) bill the Ombudsman is given very broad investigatory powers over universities in the state. The Ombudsman would be appointed and serve at the pleasure of the legislative council.

It should be noted that this bill, which was referred to the House Education Reform Committee, has bipartisan sponsorship. Also of note is that we have heard that there are some Democrats in the House that are looking to introduce legislation that would also create an Ombudsman; it is not known at this time if the powers given to the Ombudsman would be the same as in this bill.

Campus Free Speech Resolution

The House Oversight Committee recently moved HJR P, sponsored by Rep. Jim Runestad (R-White Lake), to the floor of the House of Representative. The legislation, which is a constitutional amendment, would assert state control over institutional free speech policy on state campuses. During the first hearing on the legislation, Dan Hurley of MASU testified in opposition to the amendment. The state’s community colleges have voiced their opposition as well.

The Democrats on the committee were opposed to the amendment. If this Democratic opposition carries over to the floor, it would make it difficult to get the 2/3 vote needed for passage.

Senate Bill 727

Legislation that has made its way through the Senate would modify the criteria used to grant an interim teaching certificate by deleting the requirement that an individual pass the basic skills examination (SAT, for example). A Texas company just starting operations in Michigan assists individuals who would like to move from their current job (or are displaced from their job) into teaching in their subject area. This is, the company claims, to help fill the gaps in teaching in the state. This legislation, they say, would make it easier for those people to fill those teaching positions.

A group of Education Deans and Associate Deans from a number of the universities would like a level playing field for our students who are just leaving our institutions and entering teaching. The bill above only applies to those coming from another job/industry and not first time teachers.

We have been working with the Department of Education (DOE) and members of the Senate to get a separate bill drafted that would level the playing field. The DOE is supportive, as are a couple of the GOP Senators. The chair of the Committee, however, who is also sponsor of SB 727, has not yet told us he supports this concept.

Our group of Deans and Associate Deans wanted the two bills to move together but the Chair wanted to move SB 727 quickly. The bill passed the Senate by a vote of 24-13 and now sits in the House Education Reform Committee, where it has received one hearing.

The Governor's "Marshall Plan"

During his State of the State Address, Governor Snyder talked briefly about his "Marshall Plan for Talent." While the bulk of the detail will be released at a later time, members of his cabinet discussed some details following the address.

The "Marshall Plan" is a proposal to prepare kids for the jobs of the future. As reported by a couple of news outlets recently, the plan will likely include new computer science scholarships, school and university grants, K-12 teacher training and child care for technology workers, according to details shared as part of Detroit's failed bid to land Amazon's second North American headquarters.

The Governor said today that program would cost roughly \$100 million. The money would come from one-time funds and would be put into a three- to five-year work program, he said.

"We're talking about transforming our education system," Director of the Department of Talent and Economic Development Roger Curtis said after the State of the State. "You're going to see lines blurred between credentials, certificates, associate's degrees, bachelor's degrees."

Curtis also said that the changes will also mean more mobility between colleges and universities.

"There's always going to be a place for all these institutions," he said. "How they interact and collaborate together is going to be far different tomorrow than how they do today."

He went on to say that universities should already recognize the need for more flexibility.

"They're on the cutting edge of a lot of this technology," he said. "They have to have an understanding of what the workforce demand is. ... We're moving to a competency-based system, not a time-based system."

But most importantly, he noted that if universities do not want to make the changes on their own, the state can always drive some of those changes with funding.

The State Superintendent of Public Instruction said that the K-12 system also has to be part of that partnership. At a minimum, more students need the opportunity to earn college credit in high school, he said. He went on to say that they would love to see every student get one to two years of college free as part of their high school.

We believe that the plan would also provide credit for some extra-curricular activities. This was evident in the Governor's speech when he introduced Jeremiah Nelson, a Central Lake two-year-old for whom members of two high school robotics teams had designed a car to let him get around despite his spina bifida.

"Kids who are spending that much time learning and problem solving ... how do we give them a certificate of college credit or some kind of national recognized certificate so that kind of work is meaningful as they move forward?" the Governor said in his speech.

As we learn more of the details of the plan, we will provide them to the necessary individuals on campus.

GOVERNMENT HEALTH AFFAIRS

Opioid Awareness Day

Government Health Affairs is working with the Dean of Students and the Opioid Task Force to establish an Opioid Awareness Day at WSU. It will likely take place early in September. The event will include opportunities for students and staff to gain knowledge on the epidemic. There will be a showing of a new film on the topic along with a panel discussion. Most of the day's festivities will likely be planned by and run by our students

Michigan Department of Corrections (MDOC)

WSU has officially signed a one-year contract with the Michigan Department of Corrections to provide health administration services including a Chief Medical Officer, Chief Psychiatrist, and Assistant Chief Medical Officer. MDOC and WSU will be making a public announcement on this partnership soon. We hope that this relationship will last for many years to come.

WSUPG has officially signed the sub-contract agreement, which allows us to ensure proper

liability coverage and payment to personnel. The implementation of the contract has been well received thus far.

Opioid Youth Summit

The Opioid Task Force is working with the U.S. Attorney's office to plan a youth summit on the Opioid Crisis. The event will take place in Academic Year 2018 and include high school students from SE Michigan high schools. The day's events will be facilitated by our health science students.

Psychiatry Residency Training Grant

The FY18 agreement has been approved and is awaiting final signatures from all parties. This ensures that the \$1.9 million grant and associated psychiatry residents are fully funded through October 1, 2018.

Graduate Medical Education (GME) Reform – MiDoc's

The government affairs team has been working with our colleagues from Michigan State University, Western Michigan University, and Central Michigan University, to advocate for MiDoc's to leaders in the executive and legislative branches. It is our intention to have MiDoc's funded in the 2019 budget cycle. We are formally asking the legislature for a \$5 million general fund appropriation.

Lycaki-Young Fund

We are pleased to report that the Governor has included full funding of \$5.6 million for Lycaki Young in his FY19 budget recommendation. This is the first time the Governor has included full funding in four years. It is a significant accomplishment and will hopefully be followed by a similar recommendation by the legislature.

Poison Control Center

WSU partnered with the DMC to run the State's poison control center for SE Michigan. Unfortunately, the DMC has failed to pay WSU for its services and has refused to execute a new contract. This has deeply concerned the state of Michigan. We are looking into alternative arrangements with the State to resolve this issue. During a recent meeting, the DMC agreed to transfer the services to WSU. The State will provide us with nearly \$2 million of funding per year to take on these services.

COMMUNITY RELATIONS

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 12, 2018. 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

1,800 attendees, our largest crowd, 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 former U.S. Attorney General Loretta Lynch.

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 2018 Individual Award was presented to Mr. Michael Acheson, and the Organizational Award went to City Year Detroit.

The program also included performances from The Achievers Ladies Ensemble of Detroit School of Arts Choir and InsideOut Literary Arts Project's Citywide Poets. The African dance company, "To Sangana," performed during the poem.

For the service component of the tribute, Wayne State University adopted Carver STEM School. WSU's Division of Government and Community Affairs worked in partnership with the AmeriCorps Urban Safety Program, Neighborhood Legal Services Michigan, Wayne State's Dean of Students Office, and Campus Police. More than 150 dedicated students and community members joined the effort to secure 13 properties, clear three blocks of trash and removed a block of graffiti from a vacant commercial property.

OUTREACH AND ADVOCACY

"Advocacy@ Wayne"

In late 2017, the Division launched "Advocacy@Wayne", our official advocacy program. On February 13, we sent out our first email to our entire listserv, which summarized the Governor's proposed higher education budget for FY 2019. It explained that, while we are appreciative of his proposed 1.6 percent increase for WSU, that increase would still leave our appropriation below the FY 2011 funding level by \$11.8 million. The correspondence explains that this is because of the flawed performance funding metric currently used by the State. Once the House and Senate Higher Education Appropriations subcommittees begin their discussions, we will send out a "call to action" to our students, alumni, donors, faculty and staff to advocate on behalf of the University's position.

Warrior Day 2018

After a successful Warrior Day in 2017, the Division of Government and Community Affairs is once again sending a group of students, faculty, staff, administrators and university leadership to Lansing on March 20, 2018, to meet in groups with the Representative and/or Senator from their home districts. Participants will discuss pressing legislative issues affecting higher education and Wayne State. They will also have the opportunity to hear presentations and updates from elected officials and other government administrators throughout the course of the day.

Participants will be bused from campus to Lansing in the morning and return to campus in the afternoon. Breakfast and lunch will be provided. Lunch in the capitol will be an opportunity for participants to chat with legislators and staff in an informal setting. We will again feature a unique poster from each school and college in the capitol for officials to learn more about the great work being done here at Wayne State.

Spirit of Community Awards

Planning continues for the 2018 Spirit of Community Awards. The three finalists in each award category have been selected by the evaluation committee. Planning has now turned to the logistics and promotion of the event. As part of this promotion, we will profile all of the 2017 winners in Today@Wayne with their own piece in the weeks leading up to the event on March 29.

2018 Finalists:

Student

- Mahmoud Hijazi, College of Liberal Arts and Sciences
- Michael Lisieski, School of Medicine
- Tannia Rodriguez-Valenzuela, College of Engineering

Faculty

- Barbara Jones, College of Liberal Arts and Sciences
- Tolulope Sonuyi, School of Medicine
- John Wolf, College of Fine, Performing and Communication Arts

Staff

- Julie Hasse, Department of Marketing and Communications
- Joan Verla, College of Fine, Performing and Communication Arts
- Camille Walker-Banks, Goldman Sachs 10,000 Small Businesses

Project

- Brilliant Detroit Health Pipeline
- Community Health Pipeline
- Diabetes Education and Wellness Clinic (D.E.W.)