



Texas A&M University Office of Government Relations

Update - January 2017

State

On Monday January 9, 2017, one day before of the start of the 85th Legislative Session, Texas Comptroller Glenn Hegar announced that \$104.87B in state funds would be available to craft the next two-year budget. This amount reflects a 2.7% decrease from the 84th Session, which means the budget for the 85th Session is going to be **tight**. \$5B in state revenue that had been available for the overall budget is now dedicated to highway funding. Hegar was quoted in the Texas Tribune that his office is “projecting overall revenue growth. Such growth, however, is more than offset by the demands of the state highway fund and other dedicated funds.” We will have a much better understanding of Texas A&M’s appropriations standing when the Legislative Budget Board (LBB) releases its recommendations in the coming days.

The state budget will consume a great amount of legislative time.

The Senate Higher Education Committee submitted its interim report on November 9, 2016 to Lt. Governor Dan Patrick. The report contains recommendations to the 85th

Legislature that address: Performance-Based Funding; Tuition and Student Debt; Set-Asides, Exemptions and Waivers.

Those budget-related priorities affecting higher education, as noted in the aforementioned report, are likely to emerge in filed bills throughout the session. However, it is too early to identify what and how specific legislation will impact higher education given that: only about 20% of filed bills make it to the Governor's office and the content of filed bills can be changed significantly throughout the session.

Members of the Legislature (and staff) routinely ask our office to provide analysis of legislation. In response to these requests from the Legislature, the Texas A&M State Relations team has been tracking higher education-related bills filed since November and will continue to do so the entire session. We also appreciate the assistance of our team of Texas A&M internal bill analysts, appointed by their respective unit administrators, who provide critical analyses of potential impacts of proposed legislation on Texas A&M.

As you likely already know the 85th Legislative Session began Tuesday, January 10, 2017 with the swearing in of new members and the Texas House unanimously electing Rep. Joe Straus (R-TX) as Speaker and the Texas Senate electing Sen. Kel Seliger (R-TX) as President Pro Tempore. Both Chambers adjourned after the first day of the session without any further activities.

It is expected to be quite a busy session and we will continue to report out updates as appropriate. In the interim, should you have any questions or would like to meet during the session to discuss any proposed legislation or other state matters relating to higher education, please contact us.

Federal

As you likely already know, 114th US Congress passed a continuing resolution (CR) before the winter break to fund the government through April 28, 2017.

Other bills passed were the 21st Century Cures Act, a medical innovation package that AAU strongly supports and the FY17 National Defense Authorization Act. Also passed was the American Innovation and Competitiveness Act (AICA), an authorization bill for NSF, the National Institute of Standards and Technology, and the Office of Science and Technology

Policy. Among other provisions, the AICA reaffirms the importance of NSF's merit-based review process and creates an interagency working group to reduce the administrative burden on academic researchers.

The 115th US Congress was sworn in January 3, 2017. Rep. Paul Ryan (R-WI) was voted to continue as House Speaker, and Vice President-Elect Mike Pence (R), will begin his term as Senate President on January 20, 2017.

We expect to see an ambitious and conservative agenda with new efforts to reduce domestic spending and bolster defense spending, including R&D. There will likely be added spending and policy pressures on science, particularly climate science, and continued attention to higher education tax benefits, particularly the tax treatment of university endowments. We also expect however, continued efforts to reduce the federal administrative burden on research and higher education.

You may also be aware that confirmation hearings for President-Elect Trump (R) cabinet nominations are underway. Sen. Jeff Sessions' (R-AR) hearing as the nominee for US Attorney General began on January 10, 2017 and Ms. Betsy DeVos' hearing as the nominee for the US Secretary of Education began January 11, 2017. These are the only two cabinet nominations with scheduled confirmation hearings to date. While candidates have been nominated for most of the cabinet positions, candidates for the Secretary of Agriculture, Director of the Office of Science and NASA Administrator have yet to be nominated.

For any questions or to discuss state or federal matters relating to higher education, please contact us at GR@tamu.edu or at 979.458.0282.



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