



COMMITTEE *on* APPROPRIATIONS

CHAIRWOMAN BARBARA A. MIKULSKI

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CHAIRWOMAN MIKULSKI SAYS FEDERAL INNOVATORS ARE BLAZING A PATH OF JOB CREATION, SCIENCE ADVANCEMENTS AND ECONOMIC GROWTH

Cites Need to Eliminate 6 years of Sequestration as Part of Plan to Strengthen Federal Advancements in Technology, Science and Health

WASHINGTON—U.S. Senator Barbara A. Mikulski (D-Md.), Chairwoman of the Senate Appropriations Committee, today chaired the Committee's first-ever crosscutting look at innovation.

"It's not an understatement to argue that federal investment in research is an investment in America's future. This realization has led me, and many of my colleagues, to consider some difficult question," stated Chairwoman Mikulski.

"I agree reducing the budget deficit is important, but are we being so austere that we are limiting our future growth? And as one of the greatest countries in the world, are we so preoccupied with making budget cuts that we're heading towards an innovation deficit as well?"

The hearing focused on the role of federal investments in sparking innovation and discovery that save lives, improve our national security, create American jobs and grow our economy. Oral testimony was provided by: White House Office of Science and Technology Policy Director, Dr. John Holdren; Department of Energy Secretary, Dr. Ernest Moniz; National Institutes of Health Director, Dr. Francis Collins; National Science Foundation Director, Dr. France Córdova; and DoD's Defense Advanced Research and Projects Agency Director, Dr. Arati Prabakhar.

Senator Mikulski's statement, as prepared for delivery, follows:

"I am very happy to be here today with such a great panel of genius witnesses. We are holding more than 60 hearings over a six week period, but today is the first full Committee hearing we are holding this year.

"I'm grateful for the time and effort my colleagues on the Committee have invested in our work so far this year. Although we are talking about innovation today, our larger goal remains continuing to build off our success from earlier this year where we passed an Omnibus bill, ended the shutdown, and produced a bi-partisan plan.

"We are doing the same thing this year. We will finish our bills by October 1 and show that the Appropriations Committee gets its work done on behalf of the American people.

"Our aim today is to look at how federal investments in research spur discoveries and innovation that can save lives, improve our national security, create American jobs and grow the economy.

“Discovery is the genius of our country. Discovery is engrained in our DNA, and it is one of the many things that make our nation great. When President Jefferson commissioned Lewis and Clark to find a water route connecting to the Pacific Ocean, the mission was called Discovery.

“Innovation and invention are born from discovery and require us to invest in our human capital, educate our people and fund our researchers.

“We must encourage entrepreneurship in order to foster an environment where new ideas, processes and technologies become new job creating industries.

“It is crucial that we then protect our intellectual property so American industries can thrive in and grow our nation’s economy. Sometimes imitation is not the highest form of flattery, especially if we want our scientists to keep winning Nobel prizes and our industries to win in the global marketplace.

“Recently we have seen amazing innovations come from research clusters around the country like Silicon Valley and Research Triangle Park. However, many incredibly impactful discoveries have come from the wonderful scientists working in our iconic federal labs such as NIH, FDA and NASA in my own state of Maryland.

“It’s not an understatement to argue that federal investment in research is an investment in America’s future. This realization has led me, and many of my colleagues, to consider some difficult questions.

“I agree reducing the budget deficit is important, but are we being so austere that we are limiting our future growth? And as one of the greatest countries in the world, are we so preoccupied with making budget cuts that we’re heading towards an innovation deficit as well?

“How much have we committed to our innovation budget this year? Is it robust enough to reflect its importance to our growing economy? Do the budget requests demonstrate an upward trend or is it dwindling? Are we keeping pace with other countries or are they beginning to out-invest and out-innovate us? And do the answers to these questions just warrant concern or should there be cause for alarm?

“I am eager to hear from our expert witnesses on how we can ensure a pipeline for discovery, because America must continue to lead the world in innovation.

“Today we will also hear about many of the promising fields, like life science – a leading U.S. export – and energy, which are critical to America’s competitiveness. There is not one subcommittee that doesn’t play a part in creating the pipeline for discovery and innovation.

“From basic research in the physical sciences to applied research that solves real life problems to the human physical infrastructure that make science and innovation possible, every subcommittee has written a chapter in the book of our nation’s greatest discoveries.

“Now let’s discuss some of the facts of federal research funding. Research and development is conducted by more than two dozen Federal Departments and Agencies. The total request for research and development for Fiscal Year 2015 is \$135 billion. That includes: \$32 billion for basic research – research to discover; \$33 billion for applied research – research to solve problems; \$68 billion for development – to create products, processes; and \$2.6 billion for facilities and equipment – the infrastructure needed for research and innovation.

“All told, research and development will account for an historic low 4 percent of the federal budget. I find this breathtaking and shocking – and definitely not in a good way.

“Unfortunately, this is symptomatic of a troubling trend in American research investment. The United States’ share of worldwide R&D spending dropped from 37 percent in 2001 to 30 percent in 2011. Meanwhile, Asia has continued to expand its R&D investments: jumping from 25 percent of the global total in 2001 to 34 percent in 2011.

“Over the last 10 years, American R&D expenditures as a share of the GDP have increased by less than 4 percent, while South Korea and China have increased theirs nearly 60 percent and 80 percent, respectively. We cannot afford to let other countries out-invest or out-innovate the U.S.

“As the Committee does this first ever crosscutting look at innovation, we are mindful that reducing the budget deficit is important, but it is not the only deficit that needs our attention.

“While we have been focused on cutting spending and squeezing investments, America’s innovation deficit has grown. Budget cuts can’t come at the expense of growth-inducing investments that drive scientific, medical and defense innovation.

“Much has been said about American exceptionalism for a reason. Our exceptionalism comes not just from our nation’s origin or rich history, but from our strong enduring commitment to science, technology, discovery and innovation.

“We must continue our robust public investments in these fields which produce new ideas on how to save lives, ensure our national security, create jobs and be a catalyst for change.

“In particular, I have been struck by the strong bipartisan interest in NIH, which has played a leading role in keeping America competitive by staying on the cutting edge of innovation.

“With that in mind, it’s important to remember that if our only focus is on the budget deficit, we risk increasing the innovation deficit. And I believe that we all want America to lead the way in innovation.

“Today’s witnesses are a panel of innovation all-stars that can help us out-innovate anyone.

“I look forward to hearing their insights on the role federal investments play in American innovation and America’s future.”

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