



ASSOCIATION OF
AMERICAN UNIVERSITIES

October 20, 2016

The Honorable Shaun Donovan
Director
Office of Management and Budget
Executive Office of the President
725 17th Street, NW
Washington, DC 20503

Dear Mr. Donovan:

On behalf of our associations' more than 200 research universities, we respectfully request that the OMB's FY2018 budget materials and guidance for the next administration highlight the importance of providing robust investment in higher education and scientific research. Doing so will help ensure our nation continues to be the global innovation leader.

We greatly appreciate President Obama's commitment to higher education and scientific research over the last eight years. With the administration's support, research universities have continued to expand opportunities for students and achieve new breakthroughs and discoveries that lead to innovations and new technologies. Despite President Obama's support, limitations on domestic discretionary spending are placing increasing pressure on investments in higher education and scientific research. This has been due in part to a dysfunctional budget process. As our economic competitors like China and South Korea continue to recognize the value of higher education and research and grow their investments in these areas, the U.S. risks falling behind.

The American Academy of Arts and Sciences states in its 2014 report, *Restoring the Foundation: The Vital Role of Research in Preserving the American Dream*, "There is a deficit between what America is investing and what it should be investing to remain competitive, not only in research but in innovation and job creation." Other countries are outpacing the United States in annual percentage growth of research and development funding. According to the Organization for Economic Cooperation and Development, China's investment in research and development has tripled in the last two decades and is expected to surpass the United States' by 2019. To prevent an innovation deficit and maintain our competitive edge, the U.S. must continue to increase our investments in research and expand access to quality, affordable higher education. As you prepare documents for the next administration's transition team, we urge you to underscore the importance of providing significant federal investment in higher education and scientific research.

With respect to higher education, to teach and prepare the next-generation workforce and provide ladders of individual economic opportunity, we must continue to open the doors to college for as many Americans as possible through expanded investments in Pell Grants and other federal student financial aid programs. A college education has never been more important and more valuable to individuals and society at large.

We urge your continued support for restoring year-round Pell Grants, which would increase the likelihood of on-time graduation by enabling coursework over the summer. This enhances flexibility for students who work or support or care for family members, and encourages uninterrupted academic progress, which improves the prospect of degree completion with less debt. Federal student aid programs, including campus-based aid programs, help provide Americans access to higher education and facilitate pathways of success and completion for students who are needed to fill high-skilled positions in U.S. businesses, classrooms, hospitals, and laboratories.

Additionally, we ask that OMB's transition materials emphasize the importance of funding for the Department of Education's Title VI international education programs, which are the primary federal support of foreign language and cultural education at U.S. universities and help increase critical global capacities of all students. We also ask that you recommend strong funding levels for the Graduate Assistance in Areas of National Need program, which is important to our nation's competitiveness as it helps prepare graduate students studying in areas of national need.

To help maintain the U.S. role as the global innovation leader through new technologies, medical advancements, improved business practices, the creation of new companies and good jobs, we urge you to recommend robust investments in FY2018 for federal science and research agencies, including:

- National Institutes of Health,
- National Science Foundation,
- Department of Energy's Office of Science and ARPA-E,
- Department of Defense's Science and Technology programs and DARPA,
- National Aeronautics and Space Administration,
- National Endowment for the Humanities,
- Department of Agriculture – particularly AFRI and the other agriculture research and extension programs,
- Department of Commerce's National Oceanic and Atmospheric Administration and National Institute of Standards and Technology,
- United States Agency for International Development – particularly Feed the Future Innovation Labs, Higher Education Solutions Network, and university partnerships program, and
- Department of Education's Institute of Education Sciences.

Each of these federal agencies supports research, researchers, and students vital to our nation's innovation capacity. We urge you to adopt *Restoring the Foundation's* recommended annual funding increases of at least 4 percent real growth at these agencies. Over 500 business,


university, and other organizations endorsed this recommendation as part of the statement *Innovation: An American Imperative*.

We hope you will encourage the next administration to place a high priority on higher education and research in FY2018. Thank you for your consideration of our views on the FY2018 budget.

Sincerely,



Peter McPherson
President, APLU



Mary Sue Coleman
President, AAU

cc: John Holdren, Director, White House Office of Science and Technology Policy
William D. Adams, Chairman, National Endowment for the Humanities
Charles Bolden, Administrator, National Aeronautics and Space Administration
Francis Collins, Director, National Institutes of Health
France Cordova, Director, National Science Foundation
John B. King, Jr., Secretary, Department of Education
Ashton B. Carter, Secretary, Department of Defense
Willie May, Director, National Institutes of Standards and Technology
Ernest Moniz, Secretary, Department of Energy
Kathryn Sullivan, Administrator, National Oceanic and Atmospheric Administration
Tom Vilsack, Secretary, Department of Agriculture