



ASSOCIATION OF
PUBLIC &
LAND-GRANT
UNIVERSITIES



Association
of American
Universities
Inquiry · Innovation · Impact

October 5, 2017

The Honorable Mick Mulvaney
Director, White House Office of Management & Budget
725 17th Street NW
Washington, DC 20503

Dear Director Mulvaney:

On behalf of our associations' more than 200 research university members, we urge you to strengthen the federal-university partnership by making federal investments in higher education and scientific research a high priority in the administration's FY2019 budget.

Research universities share the administration's commitment to strengthening our nation's economy and expanding opportunities for all Americans. Our commitment is inherent to the historic partnership the federal government forged with American universities to perform innovative research to advance our economy, improve public health, strengthen national security, and simultaneously train the next generation of scientists, engineers, and leaders for our nation.

Essential to this partnership is federal investment in peer-reviewed and competitively awarded grants to support the people, tools, and infrastructure necessary to conduct the highest quality of research for the American people. Also important are federal investments in student financial aid and other higher education programs that advance our nation's interests by ensuring access to higher education and supporting other critical areas of academic research.

Despite bipartisan support, federal investments in higher education and research have been stagnant due to discretionary spending limits imposed by the Budget Control Act and a dysfunctional budget process. The United States risks falling behind as economic competitors like China recognize the value of higher education and research and grow their investments in these areas.

The American Academy of Arts and Sciences stated 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." To prevent an innovation deficit and maintain our global competitive edge, the U.S. must make robust, sustainable and predictable increases in our science and research investments and also expand access to quality, affordable higher education.

As you craft the administration's FY2019 budget, we urge you to expand investments in Pell Grants, Federal Work-Study, Supplemental Educational Opportunity Grants, and other critical access, affordability, and success programs to help make higher education a reality for those with the greatest financial need. Additionally, federal student loan programs are irreplaceable in

providing low- and middle-income undergraduate and graduate students with reasonable loan terms that cannot be found in the private market. Together, these programs – funded by the discretionary and mandatory portions of the federal budget – provide the financial pathways for students to successfully earn their degrees and fill high-skilled positions at American manufacturers, businesses, classrooms, hospitals, and laboratories.

We also ask that the administration’s budget include strong funding levels for the Graduate Assistance in Areas of National Need (GAANN) program as it boosts our nation’s competitiveness by helping particularly talented students earn advanced degrees in areas of significant national need such as the STEM fields. Further, we ask that the FY2019 budget include funding for the Department of Education’s Title VI and Fulbright-Hays international education programs, which are the primary federal support of foreign language and cultural education at U.S. universities. These programs help increase critical global capacities of all students and are essential to maintaining a pipeline of people who can contribute to national security and are equipped for global collaboration and competition.

In addition to maintaining the U.S.’s global competitive edge, federal investments in higher education provide a strong return on investment for both students and society. Since 2008, 99 percent of jobs have gone to Americans with at least some college education. College graduates will earn \$1.3 million more over their lifetime than those whose formal education ends after high school. The return is also significant for our society since college graduates’ overall reliance on government programs is approximately 39 percent less than those who do not go beyond high school. Additionally, college graduates contribute more than two times as much in taxes over their lifetime than those with just a high school diploma.

To grow our national economy and ensure the U.S. remains the global innovation leader, we urge that the administration’s FY2019 budget align with the call to action, [*Innovation: An American Imperative*](#) – endorsed by over 500 companies, chambers of commerce, universities, and other organizations – to provide annual real funding growth of at least 4 percent for basic research at key federal research agencies, including:

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

Each of these agencies support research conducted by faculty and students at our member institutions on behalf of the federal government. This federal-university partnership, in which universities perform the majority of basic research necessary to ensure American economic strength and national security, has served our country very well for more than seven decades. An integral component of the federal-university partnership is continued support for the facilities and administrative (F&A) costs of conducting research. The administration's FY2018 budget proposal to cut F&A reimbursements on NIH grants would devastate the partnership and the ability of universities to perform biomedical research the federal government wants. We urge you to exclude any proposal to cut support for F&A reimbursements from the FY2019 budget.

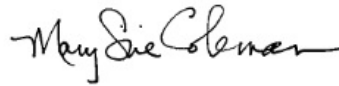
In closing, we urge the administration to work toward a long-term budget deficit reduction agreement that allows for sufficient investments in high priority areas such as higher education and research. This would strengthen the federal-university partnership and help ensure a steady supply of new discoveries and knowledge to propel our economy forward and provide opportunities for all Americans.

Thank you for your consideration of our views.

Sincerely



Peter McPherson
President
Association of Public and Land-grant
Universities



Mary Sue Coleman
President
Association of American Universities