

AMERICAN COUNCIL ON EDUCATION



OFFICE OF THE PRESIDENT

November 9, 2007

The Honorable Jim Nussle
Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Mr. Nussle:

On behalf of the undersigned higher education associations, we urge you to support a balanced portfolio of higher education and university-based research programs as you develop the President's Fiscal Year 2009 budget request.

Our collective membership, representing thousands of colleges and universities, shares the President's goal of maintaining and strengthening the nation's highly skilled workforce and promoting its innovative capacity and economic competitiveness. We applaud the President's American Competitiveness Initiative as well as appreciate his efforts this year to increase the maximum Pell Grant award. The Fiscal Year 2009 budget presents a unique opportunity in the President's last year in office to shape fiscal policy and strategic investments that will have long-lasting benefits for our nation's well being and economic vitality.

Since the end of World War II, the public investment by the federal government in university-based scientific research and our system of higher education has paid enormous dividends for our nation. Economists estimate that fully half of the growth of the U.S. economy in the last 50 years was due to the federal investment in scientific research and technological innovation. In order to continue this growth, we encourage you to consider making increased federal investments in the following agencies and programs:

- **Department of Education Student Financial Aid.** We encourage you to build upon the increase in the Pell Grant maximum award provided in the *College Cost Reduction and Access Act* (HR 2669). We share the President's view that increases in discretionary funding for the Pell Grant should be a priority during the budget and appropriations process. Additionally, increased investments in other need-based financial aid programs, including the

Supplemental Educational Opportunity Grant, Federal Work-Study, Perkins Loans, the Leveraging Educational Assistance Partnership Program, TRIO and GEAR UP, is an important step in safeguarding the economic future of all Americans.

- **Multi-Agency Competitiveness and National Security Agenda.** We continue to support the President's American Competitiveness Agenda and his 10-year goal of doubling the federal investment in research in the physical sciences and engineering at the Department of Energy Office of Science and the National Science Foundation. In addition, we support further investments in research opportunities for undergraduate and graduate students in order to help strengthen the numbers and diversity of students interested in and prepared for the pursuit of advanced scientific studies. As a complimentary investment, we support increases for basic research at NASA, where the need for funding increases was cited in the National Academies' 2005 report, *Rising above the Gathering Storm*. Additionally, a key element to ensuring our national and economic security is support for basic defense research. We agree that "[R]eal increases (above inflation) in the high-leverage basic research of the Department of Defense should be a significant priority" as was stated by the Office of Management and the Office of Science and Technology Policy in an August 14 memorandum on Fiscal Year 2009 research and development priorities.
- **Biomedical and Health Research.** The investments that have been made in NIH's budget represent a domestic policy victory that will benefit our nation for generations to come. We have an opportunity to continue to accelerate disease prevention and cures through NIH-funded research. Deaths from heart attack and stroke have been cut by hundreds of thousands per year. HIV/AIDS—a death sentence ten years ago—has become an onerous but survivable burden for those fortunate enough to receive triple-drug therapies.

Yet, despite these promising returns from our national investment in biomedical research, NIH funding has languished since Fiscal Year 2003, and Administration requests and final appropriations have not kept pace with biomedical research inflation. The research capacity that exists has been eroded by nearly 13 percent since 2003. With 77 million baby boomers beginning to face the challenges and diseases of aging and more than 40 million people worldwide infected with HIV, we must continue to invest in today's biomedical research enterprise. At a minimum, and to sustain our new capacity to research and fight disease and we request an increase for NIH that at least matches biomedical research inflation.

These federal investments in student financial aid, university-based research and international education will continue to help to educate our nation's citizens and strengthen our nation's competitiveness and economy. It is more important than ever that

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we work together to strengthen America's workforce and global scientific and technological leadership because the rest of the world is catching up.

We are hopeful that the Fiscal Year 2008 appropriations process will be completed, avoiding a long-term continuing resolution that could force real cuts in education and research. In the meantime, we look forward to working with you to strengthen the federal-higher education partnership in Fiscal Year 2009.

Thank you for considering our views.

Sincerely,

A handwritten signature in cursive script, appearing to read "David Ward".

David Ward
President

DW/bj

On behalf of:

American Association of Community Colleges
American Association of State Colleges and Universities
American Council on Education
Association of American Universities
National Association of Independent Colleges and Universities
National Association of State Universities and Land-Grant Colleges