June 13, 2019

The Honorable Nancy Pelosi Speaker of the House of Representatives U.S. House of Representatives Washington, DC 20515

The Honorable Mitch McConnell Majority Leader United States Senate Washington, DC 20510 The Honorable Kevin McCarthy Minority Leader U.S. House of Representatives Washington, DC 20515

The Honorable Charles Schumer Minority Leader United States Senate Washington, DC 20510

Dear Speaker Pelosi and Leaders McCarthy, McConnell, and Schumer:

The <u>Task Force on American Innovation</u> (TFAI) – a coalition of businesses, trade groups, scientific and engineering societies, and university organizations – encourages you to pass a bipartisan, bicameral budget agreement that will raise the FY20 and FY21 defense and non-defense discretionary spending caps. This will enable sustained, robust federal funding for scientific and engineering research and development (R&D), which is critical to ensuring America's national security, economic prosperity and global leadership in science, technology and innovation.

On May 14, 2019, TFAI released a report titled, "Benchmarks 2019: Second Place America? Increasing Challenges to US Scientific Leadership." The report compares the United States to other nations in five key areas: R&D investment, knowledge production, education, workforce and high-tech sectors of the economy. It documents that the U.S. share of global R&D is diminishing, while the share of China and other nations is surging ahead as they rapidly increase their own R&D investments. Our competitors' increased R&D investments challenge America's leadership in cutting-edge research and state-of-the-art technology, and threaten the economic growth and national security that they foster. Importantly, the growing R&D efforts around the world also affect the American workforce, as they attract the best and brightest students, scholars and researchers away from our shores.

TFAI urges you to act swiftly to reach a bipartisan, bicameral compromise to increase the discretionary spending caps. This fundamental step will reduce uncertainty, support America's innovation leadership and advance America's innovation ecosystem.

Sincerely,

Kathleen N. Kingscott

Co-Chair

Task Force on American Innovation

Kethlen N. Kijscott

David Isaacs Co-Chair

Task Force on American Innovation

cc:

U.S. Senate Committee on Appropriations

U.S. Senate Committee on the Budget

U.S. House of Representatives Committee on Appropriations

U.S. House of Representatives Committee on the Budget