September 28, 2021

Dear Members of the 117th Congress:

America’s leading research universities have been on the front lines of fighting the COVID-19 pandemic while also powering the vaccines that are helping to pull our nation out of this crisis. On their behalf, I write to express support for vital elements of the Build Back Better Act and identify important modifications to the bill as the legislative process moves forward. As we grapple with public health crises and seek to secure America’s global scientific leadership for a new generation, now is the time to make robust and meaningful investments in the future health, security, and prosperity of our country.

Elements of the Build Back Better Act approved by the House Budget Committee will help to build a healthy, prosperous, and secure future for all Americans. These include the increased federal investments in student aid, higher education, and scientific research programs. However, we believe some provisions can be improved. Below, we outline provisions we support and offer recommendations for improving the legislation to benefit students and America’s research and innovation enterprise.

STUDENT AID: The bill makes significant new investments to expand higher education opportunities for more Americans. We appreciate the proposed $500 increase to the maximum Pell Grant award for each year through award year 2029-2030. We strongly urge additional funding to meet President Biden’s proposed increase of $1,875 as a down payment toward doubling the maximum Pell Grant. As the cornerstone federal student aid program, the Pell Grant has lost purchasing power in recent decades; restoring it will make a college education more affordable and accessible for millions of low- and moderate-income students. We also urge your support for the proposed new retention and completion grants program totaling $9 billion. We agree with the program’s goals to aid efforts to improve retention, transfer, and completion rates among students of color, low-income students, students with disabilities, first-generation students, and other underserved students. To ensure students in all states have the opportunity to benefit, we urge that this program be modified to de-link state eligibility from the proposed federal-state partnership program to provide free community college.

SCIENTIFIC RESEARCH INFRASTRUCTURE: The bill contains provisions to bolster investments in the university-based scientific research that has made America the world’s innovation leader. We strongly support the proposed $11 billion for the National Science Foundation for research grants, scholarships, fellowships, scientific infrastructure, and other R&D activities, including a new use-inspired research and technology focused directorate. NSF funding has lagged in recent decades relative to scientific opportunity and international competition. As the only federal agency with a mission to support all fields of fundamental science and engineering, we strongly urge you to include additional investments for NSF as the bill advances in the process.

We also support the proposed $12.8 billion for the Department of Energy’s Office of Science, for laboratory construction, facilities, infrastructure, and research activities. This proposed investment will advance our nation’s energy-related research capacity and help to ensure
continued U.S. leadership in other fields, including the biological and environmental sciences, high-performance and quantum computing, and the development of novel materials.

The legislation also includes $3 billion to fund the establishment of the Advanced Research Projects Agency for Health (ARPA-H). We support this provision and look forward to working with Congress to shape the activities of this important new agency that would focus on high-risk, high-reward opportunities to drive biomedical research and technology breakthrough solutions for patients.

We also support the proposed funding of $500 million over five years for the Agriculture and Food Research Initiative and $380 million for the Agriculture Advanced Research and Development Authority. AFRI supports research to ensure food safety and security, address water shortages, mitigate the impacts of climate variability, and stimulate growth in rural economies. Congress has authorized but not yet funded AGARDA, which is designed to develop and deploy new technologies to address challenges related to plant disease and growing, harvesting, handling, processing, storing, packing, and distributing agricultural products.

The proposed $2 billion to support research and development infrastructure for HBCUs, TCUs, HSIs, and other MSIs is an important investment, and our nation’s research and innovation capacity depends in part on strengthening the human and physical infrastructure of these vital institutions. We encourage new investments in these institutions that will pay dividends by increasing participation and diversity in our nation’s research and innovation enterprise and bolstering U.S. competitiveness.

Additionally, we support proposed investments in other federal agencies’ competitive research and development programs, including NASA, NIST, NOAA, EPA, and BARDA, which would, among other important measures, support regional innovation centers and strengthen research in critical areas such as: artificial intelligence, biotechnology, advanced manufacturing, and climate science and resiliency.

**TAX PROVISIONS:** The legislation includes important tax provisions affecting students and the ability of universities to serve students and achieve their educational missions of teaching, research, and public service. We support the provisions to end the taxation of Pell Grants and repeal the prohibition excluding students convicted of a state or felony drug offense from claiming the American Opportunity Tax Credit. We also support the provision to modify the excise tax on investment income for some private nonprofit universities to align with the institutional student aid they provide. This change will permit more funding to go to students instead of the U.S. Treasury. Additionally, we support the provisions to restore advanced refunding bonds and to create qualified infrastructure bonds similar to the direct pay Build America Bonds of 2009. We urge that eligibility for qualified infrastructure bonds be expanded to private nonprofit colleges and universities. Permitting all institutions to access qualified infrastructure bonds would provide greater opportunities to improve their teaching and research facilities.

We greatly appreciate the higher education and research-related provisions included in the Build Back Better Act. These are important to supporting our nation’s recovery from the continuing pandemic and strengthening our global competitiveness. As we emerge from the pandemic, reinvigorating the long-standing and successful government-university partnership is vital to our nation’s strength and resilience and our capacity to address challenges to our economy, climate, and security for decades to come. Thank you for considering our views.

Sincerely,

Barbara R. Snyder
President, Association of American Universities