November 22, 2013

The Honorable John Garamendi
U.S. House of Representatives
2438 Rayburn House Office Building
Washington, DC 20515

Dear Congressman Garamendi:

As Congress works to reach agreement on a budget for fiscal year 2014, I urge you to contact your colleagues in the House and Senate Budget Committee and ask that they repeal sequestration and protect education, research and health care – three areas which compromise the core mission of the University of California, Davis.

Unless Congress acts, the Budget Control Act of 2011 and sequestration will result in cuts of approximately $2.2 trillion over a decade. In fiscal year 2013, this has meant 4.7 percent fewer grants from the National Institutes for Health (NIH) and 9 percent fewer grants from the National Science Foundation (NSF). The American Association for the Advancement of Science estimated that if the spending levels proposed in the fiscal year 2014 House Budget Resolution are implemented, reductions nationwide will be as high as 33 percent for NIH, 34 percent for Department of Energy programs and 12 percent for NSF from fiscal year 2012 levels. Cuts of this magnitude would threaten our ability to pursue the next great technological breakthrough and to educate and train the next generation of scientists and innovators.

Sequestration and the unpredictability of budgets threaten our nation’s educational, research and economic competitiveness at a time when many countries, including China, Singapore and Korea, are making their own significant investments in these areas. Promoting growth to balance this widening innovation deficit is vital to the long-term health of the United States economy. UC Davis accounts for 77,000 jobs in Northern California and generates $7 billion in economic activity each year. Higher education remains one of the best investments that the federal government can make.

Budget instability is also causing young researchers to question whether to pursue research careers because fellowships are threatened, and it is taking longer for them to obtain their first independent research grants. Currently, the average age at which a researcher first receives a grant from NSF is 37. The average age for NIH is 42, which is nearly a decade after many academics begin their careers.

Senate Budget Chair Patty Murray and House Budget Chair Paul Ryan have stated that they intend to focus the budget negotiations on replacing sequestration (in whole or in part) for the next year or two with alternative deficit-reduction measures. I encourage you to support their efforts. Any agreement to ease the sequestration cuts should reflect the following principles:
• Any relief should be evenly split between defense and non-defense programs. This is necessary to maintain the parity established in the Budget Control Act.

• The savings needed to replace sequestration should come from both spending cuts and revenues. This is a balanced approach to deficit reduction that would have the greatest chance of garnering support across party lines.

• Any entitlement reform to Medicare or Medicaid should include careful consideration of its potential impact on university medical centers. We do not support converting Medicaid into a block grant program and would encourage careful consideration before structurally altering Medicare. It is critical that a budget agreement doesn’t further reduce federal support for our hospitals.

I’d appreciate hearing your thoughts about the budget negotiations and a potential replacement for sequestration. I stand ready to help you build support for an agreement. Please do not hesitate to contact me to discuss this or any other matter at (530) 752-9795. I look forward to working with you on these critical issues.

Sincerely,

Linda P.B. Katehi
Chancellor

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