OPENING STATEMENT Ranking Member Eddie Bernice Johnson (D-TX)

Committee on Science, Space, and Technology "National Laboratories: World-Leading Innovation in Science" March 14, 2018

Thank you, Mr. Chairman for holding this hearing. I'd also like to thank each of our witnesses from the Department of Energy national laboratories for testifying today. Our national laboratories are part of the foundation of the U.S. research enterprise. The work of the scientists and engineers at our labs is truly extraordinary and has been the catalyst for so many scientific and technological breakthroughs. You can look at nearly every growing industry in the United States and see the fingerprints of federally funded R&D, and more than likely see the work of researchers at our national laboratories.

Scientific infrastructure and research activities play a vital role in our nation's economic strength as well as its security, and we need to support them. This year's DOE budget proposal submitted by the Administration is a slight improvement over last year's, thanks in large part to a budget deal we struck here in Congress. While I am glad to see the Administration is not proposing an overall cut to the Office of Science, I think we can all agree that these vital activities warrant funding increases, not just a continuation of stagnating or declining budgets year-in and year-out. A key remaining challenge for DOE's Office of Science is that the dysfunctional Congressional budget process has prevented new projects and facility upgrades from moving forward. I hope to work with my colleagues in the House and Senate to ensure we find a way to fund these important projects as soon as possible.

Beyond the Office of Science, the rest of DOE did not even achieve stagnation in the budget proposal, and the national laboratories are in line to suffer as a result. This Administration is proposing a <u>66%</u> cut to the Office of Energy Efficiency and Renewable Energy, a <u>32%</u> cut to the Office of Electricity, a <u>25%</u> cut to fossil energy R&D, and a <u>26%</u> cut to the Office of Nuclear Energy. These draconian cuts are simply not acceptable.

By all credible accounts, American industry will not fund the activities that are proposed for elimination, no matter how much the Administration would like to think so. The Department could have heard that from industry directly, but for the second year in a row, we heard from Department officials that they did not formally engage with the private sector in deciding what activities they would cut. However, that did not stop the Administration from rationalizing these cuts by stating that the private sector is better suited to carry out the activities being cut.

I hope we can get back to reality during this hearing. I would like to hear from our witnesses, who regularly engage with the private sector, about how they foresee private R&D changing if cuts like those proposed are enacted. In almost every case, research funded by the Department is too high-risk to attract private sector investment. If the technology matures and the private sector sees an opportunity to profit, I assure you they will happily find the capital to ensure the technology finds its way to the market. Our challenge has been that we have trouble moving technologies far enough along the innovation pipeline for this to occur. The problem we are

facing is not that our federal R&D budgets are too high or that we are doing too much – quite the opposite. I have not met a single person with actual industry experience who would advocate for smaller federal R&D budgets.

Now to be clear - I am not saying that every program the Department currently implements is perfect. We should continue to identify smart reforms and debate our priorities. We must be thoughtful investors of taxpayer dollars. But I am confident that investing robustly in our national laboratories in early *and* appropriately reviewed later-stage R&D is the right decision.

With that, I yield back.