November 25, 2013

The Honorable Diane Black United States House of Representatives 1531 Longworth House Office Building Washington, DC 20515

The Honorable Tom Price United States House of Representatives 100 Cannon House Office Building Washington, DC 20515

Dear Representative Black and Representative Price:

As the leaders of Georgia's and Tennessee's largest research universities and academic health centers, we urge you to work with your colleagues in Congress toward a budget and spending deal this year that is sizeable enough to offer meaningful relief from the across-the-board cuts of sequestration in Fiscal Years 2014 and 2015, if not beyond.

You are each to be commended for the leadership you provide our country in the House of Representatives. We note the recognition of this leadership in your assignments to the budget conference committee currently engaged in negotiations to seek a responsible federal budget framework going forward. We are discouraged, however, to read reports suggesting this exercise may fail to produce a deal or produce one of a size that does little to reverse the damage that sequestration is having on research universities and, by extension, America's future economic competitiveness. As you seek a deal, we also urge you to be discerning in the choice of cost offsets by crafting a package that does not single-out or disproportionately impact certain types of stakeholders. Academic health centers, for example, already have absorbed billions of dollars in Medicare reimbursement cuts in recent legislative packages and, troublingly, could be hit again in a Medicare policy extenders or "Doc Fix" bill this Congress.

The combination of health care cuts and sequestration is deeply affecting our institutions' core missions: undergraduate, graduate and professional education; the provision of high quality patient care; and cutting-edge basic and applied research. For our institutions, the failure of Congress and the Administration to replace the sequester with a sustainable spending and deficit reduction plan has meant fewer graduate and professional students admitted, reductions in faculty and staff, and tremendous pressures on the research enterprise that will be felt long into the future as young would-be scientists and researchers seek career development opportunities elsewhere. These problems will exacerbate should sequestration continue into future years and critical research accounts continue to flat-line.

Both political parties agree on the need to spur economic growth, not least because of the fact that addressing the nation's fiscal challenges will be all the harder, if not impossible, under a scenario of weak GDP growth. Research universities are economic growth engines and should therefore be the recipients of renewed focus and investment by policymakers. An economic impact analysis published earlier this year found that Vanderbilt operations, along with student and visitor spending, generated an economic impact of \$8.6 billion in economic activity, 58,000 jobs, and in excess of \$3.4 billion in labor income. Similarly, Emory University is fueling the economic growth of metro Atlanta with its annual contribution of \$5.1 billion to the area economy, and nearly 49,000 jobs.

We are proud of the partnership that our institutions have with the federal government. That partnership has enabled us to conduct cutting-edge research, provide high-quality patient care, and teach the next generation of productive and engaged citizens. We will do our best to continue fulfilling this tripartite mission into the foreseeable future. However, we genuinely fear that, without the continued and reliable investment by the federal government, our ability to achieve the same high standards will be diminished. Please help us continue to do what we do best in our communities for your constituents.

Should you have any questions, please contact Cameron Taylor, Director of Federal Affairs for Emory University (202-441-0058) or Christina West, Assistant Vice Chancellor of Federal Relations for Vanderbilt University (202-216-4370).

Sinderely,

James W. Wagner

President

c:

Emory University

Nicholas S. Zeppos

Chancellor

Vanderbilt University

Members of the Georgia and Tennessee Congressional delegations