



March 9, 2018

The Honorable Rodney Frelinghuysen
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C., 20515

The Honorable Nita Lowey
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, D.C., 20515

The Honorable Tom Cole
Chairman
Subcommittee on Labor, HHS, & Education
U.S. House of Representatives
Washington, D.C., 20515

The Honorable Rosa DeLauro
Ranking Member
Subcommittee on Labor, HHS, & Education
U.S. House of Representatives
Washington, D.C., 20515

Dear Chairmen Frelinghuysen and Cole and Ranking Members Lowey and Delauro:

Biocom represents the California life science ecosystem, which includes biopharmaceutical, medical device, genomics and diagnostics companies of all sizes, as well as research universities and institutes, clinical research organizations, investors and service providers. With more than 1,000 members dedicated to developing life-enhancing and life-saving treatments and cures for patients in need, Biocom leads advocacy efforts to positively influence the region's life science community in the development and delivery of innovative products.

In our mission of providing feedback and communication between legislators and industry, we write in support of additional funding for the National Institutes of Health (NIH). **Specifically, we urge the Committee to appropriate \$38.4 billion for the agency in Fiscal Year (FY) 2019.**

Basic research at the NIH is the foundation for innovation and is crucial to the development of breakthrough therapies and technologies. Over the past 40 years, NIH-funded research has contributed to the discovery of over 150 new FDA-approved drugs, vaccines, or new indications for current drugs, and has been the driving force behind advances that were once unimaginable, such as sequencing the human genome.

NIH also provides a critical foundation of knowledge and technologies that drive private biomedical investment and innovation across the country, and especially in California. In FY 2017, California received \$3.7 billion from NIH, which has funded over 7,500 grants. Among those, Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants have allowed small businesses and start-up companies to bring innovative ideas to commercialization. Overall, the NIH generates over \$60 billion in economic activity every year, with every dollar in NIH funding generating over \$2 dollars in local economic growth.

In FY 2016 and 2017, Congress passed bipartisan agreements to increase funding for the agency by \$2 billion each time, bringing NIH's current budget to \$34 billion. Biocom welcomed these increases and supports an additional \$2 billion increase in the FY 2018 appropriation omnibus to be considered in Congress ahead of the March 23 spending deadline. These increases are essential because NIH funding has not kept pace with inflation over the past decade, which has resulted in NIH losing nearly 25 percent of its purchasing power. Decreased investments in innovation could drive away early-stage investors, discourage talented individuals from pursuing careers in science, and affect jobs throughout the country.

Congress must continue to invest in medical innovation and increase NIH funding to at least \$38.4 billion in FY2019 to ensure the development of breakthrough treatments and cures. We are on the cusp of exciting new advances in cancer, infectious diseases including HIV/AIDS, heart disease, diabetes, Alzheimer's, and many other diseases. We appreciate the opportunity to provide feedback on behalf of our members and thank you for your time and diligence in examining our request. We look forward to continuing working with you on this very important matter.

Sincerely,

A handwritten signature in black ink that reads "Joe D. Panetta". The signature is written in a cursive style with a large, sweeping initial "J".

Joe Panetta
President and CEO
Biocom