



# U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON **SCIENCE, SPACE, & TECHNOLOGY**

## Opening Statement

**Chairwoman Haley Stevens (D-MI)**

Subcommittee on Research and Technology Hearing:

*Building Regional Innovation Economies*

December 14, 2022

Good morning and welcome to the final Research and Technology subcommittee hearing of the 117<sup>th</sup> Congress. Today, we take a closer look at the Economic Development Administration and their role to promote regional innovation through community-led economic development. I want to thank our distinguished witnesses for joining us – I know you all have powerful testimony to share. I would like to especially express my gratitude to Assistant Secretary Alejandra Castillo.

Since I was elected to Congress, I devote my Mondays to visiting a manufacturer or business in my district – what I call “Manufacturing Mondays” – to showcase southeast Michigan’s innovation economy. I have seen firsthand the power of targeted federal investments to uplift the industries and talent already in our regions. These investments create coalitions by bringing a wide variety of community stakeholders to the table with a shared vision. It opens new doors that otherwise would not have been possible to open. I have seen the return on investment.

All of the Members participating in this hearing know great innovators in their Districts and in pockets across the country. So, the question before us today is how to build innovation ecosystems in different communities with different strengths. Because I believe we can widen this pie. We can carve out equitable pathways for economic growth by supporting modernization to become part of a supply chain for industries of the future.

This is not just an issue of geography. Women and entrepreneurs of color face a more difficult road to commercial success. In recent years, Black and Hispanic founders in the U.S. raised just 2.4% of the total U.S. venture capital funding despite making up over 30% of the population. When we leave behind entire segments of our population, we leave behind countless great ideas, and the benefits that come with them.

An investment to increase geographic diversity and participation, is also an investment to bolster domestic supply chains and grow our manufacturing capacity. Despite our standing, America has lost a quarter of its manufacturing capacity over the past 25 years. This has cost us good jobs and left critical supply chains unacceptably vulnerable. The COVID-19 pandemic was a wake-up call for sure, but hardly our first.

In response to the Great Recession, this very committee authorized the regional innovation programs at EDA in 2010. Through these programs, EDA has slowly been building up support for entrepreneurs and local investment networks around the country.

In midst of the COVID-19 pandemic and associated economic impacts, EDA took on a much larger task. Congress directed EDA, in the *American Rescue Plan*, to help enable economic recovery and rebuild American communities. The Build Back Better Regional Challenge will contribute to a stronger EDA going forward – one with an expanded suite of proven tools to nurture and support innovation economies across the country.

We will hear a variety of EDA success stories today from our witnesses. I recognize the hometown advantage and am eager to hear from our witness, Maureen Donohue Krauss, President and CEO of the Detroit Regional Partnership and her experience securing a \$52.2 million grant through EDA's Build Back Better Regional Challenge. Led by one of the most diverse regions in the United States, this example offers the opportunity to create a national model for equitable economic growth. This award is a testament to the power of integrating all of the pieces of an innovation ecosystem together.

This Congress has taken incredible steps to bolster American manufacturing to lead the world in innovation and advanced technology. I am so proud of the multitude of bipartisan provisions this committee advanced in the *CHIPS and Science Act*. While this legislation is now law, I recognize that Congress still has work to do to fully fund the appropriations the bill authorized. America's ability to compete globally hinges on us fully funding the *CHIPS and Science Act*.

Lastly, it is my hope that this discussion continues beyond just today's hearing. As we look to the future of our work in Congress, I believe there is an appetite from both sides of the aisle to advance a vision for America to lead the world on this front. I want to again thank the witnesses and my colleagues for their contributions today.