



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

Opening Statement

Chairwoman Haley Stevens (D-MI)
of the Subcommittee on Research and Technology

Research and Technology Subcommittee Hearing:
Building Regional Innovation Economies

June 9, 2021

Good morning and welcome to today's hearing on building regional innovation economies. Thank you to our distinguished witnesses for joining us.

In recent decades, economic growth has become increasingly concentrated in a relatively small number of cities and regions. Between 1980 and 2016, the top 10 metro areas saw their earnings grow 57 percent more than elsewhere in the country. According to a recent report from the Brookings Institution, more than a third of American jobs in high-growth innovation industries such as technology, computer manufacturing, biotech, telecommunications, are located in just 16 counties.

We should celebrate the successes of innovation hubs such as Silicon Valley and Boston and continue to support their role in advancing U.S. competitiveness. However, for the United States to remain globally competitive we must address issues that are hindering geographic diversity in economic growth and we must have intentionality in addressing some of the root causes of the increasing social and economic disparities in our country.

The Federal government has long been a partner in building regional innovation economies through many agencies with different missions. Today we will be focusing particularly on the role of the Economic Development Administration at the Department of Commerce.

I was pleased to see President Biden shares my support for the EDA's core mission. In the *American Jobs Plan*, the President calls for supercharging Federal support for regional innovation by investing \$20 billion in EDA grants to develop 10 regional innovation hubs. Such a plan, if developed and implemented carefully, could spark economic activity, build community wealth, and help close the gap in access to the innovation economy for communities of color and rural communities.

We have an opportunity to be intentional about how we continue to grow and achieve shared purpose in the country in an age of rapid transformation.

EDA has demonstrated historic success by allowing regions to self-select what their innovation ecosystem looks like. Now we have the opportunity to build on this work, allowing the growth and clusters of industry-specific innovation to build economic development in regions that may have otherwise been left behind.

That's what we've done in Michigan. Not only did we put the world on wheels at the beginning of the 20th century with automobiles, but an entire innovation ecosystem sprung up around these new machines. In 1912, the nation's first highway materials testing lab was opened in Ann Arbor, Michigan. In 1918, a police officer from Detroit invented and installed our nation's first four-way red, yellow, green electric traffic light at the corner of Woodward and Michigan avenues in Detroit. In 1960, Michigan became the first state to complete a border-to-border interstate.

Now, our auto companies are leading the world in electric vehicle technology, autonomous and connected vehicle technology, connected infrastructure, and other innovations that are the very backbone of our Midwestern regional economy.

Building regional innovation economies is no simple task, requiring many committed partners, and many different pieces to fall into place. Federal investments are needed now more than ever to help build new and vibrant innovation economies in regions across the country.

We must learn from past successes, failures, and unintended consequences if we are to get this right. The Science, Space, and Technology Committee led the authorization for the regional innovation programs at EDA in 2010, and we will continue to evaluate these new proposals for the agency.

I want to again thank the witnesses for being here today and I look forward to the discussion.