

Opening Statement
Ranking Member Donna Edwards
Fostering the U.S. Competitive Edge: Examining the Effect of Federal Policies on Competition, Innovation, and Job Growth
March 27, 2012

Mr. Chairman, thank you for calling this hearing on competition, innovation, and job growth. This hearing is an important follow-up to the hearing we held back in November on small business creation. I'm glad that we are taking an in-depth look at these issues as we seek to identify the best Federal policies for fostering innovation and job growth and preserving our competitive edge in the global economy. And thank you to the witnesses for being here.

Without a doubt, regulatory, tax, immigration, and economic policies have an impact on innovation and competitiveness. And there are important steps that we can – and should – take in Congress to address these issues, including policies that I've long advocated such as increasing and making permanent the R & D tax credit and providing incentives for businesses to co-locate their research and development and manufacturing activities here in the United States.

In addition, I'm strongly supportive of efforts by policymakers and business leaders in my home state of Maryland to enact a measure to make more companies eligible for the state's biotech investment tax credit and streamline the application process, aiding countless small- and medium-sized businesses. Locally, in Montgomery County, which I represent along with Prince George's County, the biotech investment tax credit—the first such program at the local level anywhere in the country and modeled after the State's program—has helped facilitate nearly \$6 million in local investment for a number of local biotech companies. These are very promising programs that ought to be replicated elsewhere.

However, for our purposes today, I think it is most worthwhile for us to focus on those areas and programs within our Committee's jurisdiction that have an impact on innovation and competitiveness. We have legislative authority over many programs throughout the Federal government that are seeking to partner with the private sector, State and local governments, academia, and others to promote innovation- and technology-based economic development. For example, in the *America COMPETES Reauthorization Act of 2010*, we authorized the Office of Innovation and Entrepreneurship and the regional innovation strategies program at the Economic Development Administration. These programs are up for reauthorization next year. I think it would be a valuable use of our time to check in on the progress of these programs and hear from our witnesses how they might be improved, enhanced, or expanded.

The truth is that there is much that can be done in the area of regional innovation beyond the critical aspect of creating linkages between and amongst the various stakeholders in a region. There are interesting ideas involving shared facilities, collaborative research and development, and commercialization that we ought to be exploring in an effort to enhance regional innovation and economic development.

That is why I am particularly pleased that Mr. Bendis is joining us today as a witness. I am very interested in the BioHealth Innovation initiative, and am very supportive of efforts to formalize and accelerate the development of a biotechnology cluster in the central Maryland region. We have extraordinary and unparalleled biotechnology assets in central Maryland that can be, and ought to be, leveraged to make the region a true global force in biotechnology.

In addition to EDA's efforts with respect to regional innovation and economic development, there are some very relevant White House-led policies underway that deserve some examination and review. These include the President's public-private Start Up America initiative and his recent efforts to enhance and improve technology transfer from our Federal labs. We have jurisdiction over these programs and policies, and should make the effort to evaluate their effectiveness and determine if there are steps that we could be taking legislatively to strengthen or improve them.

I think it would also be worthwhile for us to take a serious look at what's going on with our international competitors. Other countries, including Germany, Singapore, and China, are pouring significant amounts of money into programs to spur innovation and are trying out some interesting new models. We should seek to better understand these new models, the lessons learned and the best practices, and explore the possibility of piloting some of them in the United States.

I look forward to hearing from our witnesses today, and hope that we will have an opportunity to touch on some of these important issues. I yield back the balance of my time.