



EARMARKS

Research and Development Funding in the President's 2007 Budget

The Administration strongly supports awarding research funds based on merit review through a competitive process. Such a system generally ensures that the best research is supported. Research earmarks—the assignment of money during the legislative process for use only by a specific organization or project—are counter to a merit-based competitive selection process. Earmarks signal to potential investigators that there is an acceptable alternative to creating quality research proposals for merit-based consideration, including the use of political influence or appeals to parochial interests. Such an alternative is seldom the most effective use of taxpayer funds.

Unfortunately, the practice of earmarking to colleges, universities and other entities for specific research projects has expanded dramatically in recent years. The American Association for the Advancement of Science (AAAS) recently estimated that R&D earmarks total \$2.4 billion in FY 2006, an increase of \$275 million, or 13 percent, over the Association's FY 2005 estimate. This figure has increased by 63 percent since FY 2003.

Some argue that earmarks help spread the research money to states or institutions that would receive less research funding through other means. *The Chronicle of Higher Education* has reported that this is not the main role earmarks play. Often only a minor portion of academic earmark funding goes to the states with the smallest shares of Federal research funds.

Some proponents of earmarking assert that earmarks provide a means of funding unique projects that would not be recognized by the conventional peer-review process. To address this concern, a number of research agencies have procedures and programs to reward “out-of-the-box” thinking. For example, within the Department of Defense (DoD), the Defense Advanced Research Projects Agency seeks out high-risk, high-payoff scientific proposals, and program managers at the National Science Foundation (NSF) set aside a share of funding for higher-risk projects in which they see exciting potential.

The rapidly growing level of legislatively directed research funds undermines America's research productivity. The Administration commends Congress for taking measures to protect the National Science Foundation and National Institutes of Health from this practice. However, in FY 2006, DoD basic and applied research earmarks total about \$1 billion; \$135 million of the DoE Office of Science is earmarked; and \$137 million in earmarks seriously dilute the core research proposed at the National Institute of Standards and Technology. To maximize the effectiveness of federally-funded research, the President calls upon Congress and the academic community to withhold securing research and facilities funding through earmarks, particularly in the *American Competitiveness Initiative* agencies.