

RESEARCH AND DEVELOPMENT EFFICIENCY ACT

MAY 19, 2015.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. SMITH of Texas, from the Committee on Science, Space, and Technology, submitted the following

R E P O R T

[To accompany H.R. 1119]

[Including cost estimate of the Congressional Budget Office]

The Committee on Science, Space, and Technology, to whom was referred the bill (H.R. 1119) to improve the efficiency of Federal research and development, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Research and Development Efficiency Act”.

SEC. 2. REGULATORY EFFICIENCY.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) high and increasing administrative burdens and costs in Federal research administration, particularly in the higher education sector where most federally sponsored research is performed, are eroding funds available to carry out basic scientific research;

(2) progress has been made over the last decade in streamlining the pre-award grant application process through Grants.gov, the Federal Government's website portal;

(3) post-award administrative costs have grown as Federal research agencies have continued to impose agency-unique compliance and reporting requirements on researchers and research institutions;

(4) facilities and administration costs at research universities can exceed 50 percent of the total value of Federal research grants, and it is estimated that nearly 30 percent of the funds invested annually in federally funded research is consumed by paperwork and other administrative processes required by Federal agencies; and

(5) it is a matter of critical importance to American competitiveness that administrative costs of federally funded research be streamlined so that a higher proportion of taxpayer dollars flow into direct research activities.

(b) IN GENERAL.—The Director of the Office of Science and Technology Policy shall establish a working group under the authority of the National Science and Technology Council, to include the Office of Management and Budget. The working group shall be responsible for reviewing Federal regulations affecting research and research universities and making recommendations on how to—

(1) harmonize, streamline, and eliminate duplicative Federal regulations and reporting requirements;

(2) minimize the regulatory burden on United States institutions of higher education performing federally funded research while maintaining accountability for Federal tax dollars; and

(3) identify and update specific regulations to refocus on performance-based goals rather than on process while still meeting the desired outcome.

(c) STAKEHOLDER INPUT.—In carrying out the responsibilities under subsection (b), the working group shall take into account input and recommendations from non-Federal stakeholders, including federally funded and nonfederally funded researchers, institutions of higher education, scientific disciplinary societies and associations, nonprofit research institutions, industry, including small businesses, federally funded research and development centers, and others with a stake in ensuring effectiveness, efficiency, and accountability in the performance of scientific research.

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, and annually thereafter for 3 years, the Director shall report to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate on what steps have been taken to carry out the recommendations of the working group established under subsection (b).

COMMITTEE STATEMENT AND VIEWS

PURPOSE AND SUMMARY

The purpose of H.R. 1119, the Research and Development Efficiency Act, sponsored by Representative Barbara Comstock (R-VA-10), Chairwoman of the Research and Technology Subcommittee of the House Science, Space, and Technology Committee, is to improve the efficiency of Federal research and development.

The bill requires the Director of the Office of Science and Technology Policy to establish a working group under the National Science and Technology Council to review federal regulations that affect research and research universities. The working group is tasked with making recommendations on how to harmonize, streamline, and eliminate duplicative Federal regulations and reporting requirements, and make recommendations on how to minimize the regulatory burden on research institutions.

BACKGROUND AND NEED FOR LEGISLATION

In 2012, the National Research Council produced a report, in response to a bipartisan bicameral request, highlighting ten rec-

ommendations for the future of U.S. research universities. One of the recommendations from that report was to “reduce or eliminate regulations that increase administrative costs, impede research productivity, and deflect creative energy without substantially improving the research environment.”¹

The Federal Demonstration Partnership 2012 Faculty Workload Survey, released in April 2014, found that principal investigators (PIs) of federally sponsored research projects spend, on average, 42 percent of their time on associated administrative tasks. A similar study conducted seven years prior in 2005 also yielded the identical 42% response. According to the 2012 survey, the most common administrative tasks were those “related to federal project finances, personnel, and effort reporting.”²

On May 1, 2014, the National Science Board Task Force on Administrative Burdens publically released a report highlighting a growing complaint that there has been an increasing administrative workload placed on federally funded researchers at U.S. institutions, which they say is interfering with the conduct of science. The Task Force offered several recommendations in its report, including to eliminate or modify ineffective regulations, and to harmonize and streamline requirements.

LEGISLATIVE HISTORY

In the 113th Congress, Rep. Larry Bucshon, then-Chairman of the Research and Technology Subcommittee of the House Science, Space, and Technology Committee, introduced H.R. 5056, the Research and Development Efficiency Act, on July 10, 2014. It passed by voice vote on the House floor on July 14, 2014, and was referred to the Senate on July 15, 2014.

COMMITTEE VIEWS

For several years, the research community has expressed concern that time spent on administrative and reporting requirements for federal research seriously cuts into lab time and therefore negatively affects the science conducted under those grants. A June 2014 hearing by the Oversight Subcommittee and Research and Technology Subcommittee highlighted these concerns through testimony from witnesses representing the National Science Board, the Federal Demonstration Partnership and the National Science Foundation’s Office of Inspector General among others. H.R. 1119 is a step toward addressing these concerns as it directs the Administration to take steps to cut through administrative red tape to ensure our nation’s research investments are efficient and effective.

However, the effort to reduce bureaucracy should not be interpreted to mean that it occurs at the expense of transparency and accountability. Sufficient administrative and reporting requirements are necessary so Congress can effectively exercise its oversight responsibilities relative to federally funded grants, and federal offices, and so that the Offices of the Inspectors General have the tools necessary to perform grant audits.

¹<http://www.nsf.gov/pubs/2014/nsb1418/nsb1418.pdf>.

²http://sites.nationalacademies.org/cs/groups/pgasite/documents/webpage/pgas_087667.pdf.

SECTION-BY-SECTION

Section 1. Short title

Research and Development Efficiency Act.

Section 2. Regulatory efficiency

This section includes a sense of Congress highlighting the problems with higher administrative costs for performing research.

This section requires the Director of OSTP to establish a working group under the National Science and Technology Council to review federal regulations affecting research and research universities. The working group, which will include the Office of Management and Budget, is tasked with making recommendations on how to harmonize, streamline, and eliminate duplicative Federal regulations and reporting requirements, as well as recommendations on how to minimize the regulatory burden on institutions of higher education performing federally funded research. The working group will also identify and update specific regulations to refocus on performance-based goals rather than on process, while still meeting the desired outcome. The working group is instructed to take into account input and recommendations from non-Federal stakeholders.

The Director of OSTP must report to Congress within a year of enactment, and annually thereafter for three years, on what steps have been taken to carry out the recommendations of the working group.

EXPLANATION OF AMENDMENTS

An amendment offered by Representative Daniel Lipinski (D-IL-03), Ranking Member of the Research and Technology Subcommittee of the House Science, Space, and Technology Committee, was adopted by voice vote and is incorporated in the base text of H.R. 1119. The amendment requires the OSTP working group to make recommendations to identify and update regulations to refocus on performance-based goals and not bureaucratic processes. This amendment is in keeping with the spirit of the legislation to minimize the regulatory burden on U.S. institutions of higher education so that researchers may spend more time on scientific work.

COMMITTEE CONSIDERATION

On March 4, 2015, the Committee met in open session and ordered reported favorably the bill, H.R. 1119, as amended, by voice vote, a quorum being present.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104-1 requires a description of the application of this bill to the legislative branch where the bill relates to the terms and conditions of employment or access to public services and accommodations. This bill improves the efficiency of Federal research and development. As such this bill does not relate to employment or access to public services and accommodations.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF
THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committees oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, H.R. 1119 requires the Director of OSTP to establish a working group under the National Science and Technology Council to review federal regulations affecting research and research universities.

DUPLICATION OF FEDERAL PROGRAMS

No provision of H.R. 1119 establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that enacting H.R. 1119 does not direct the completion of any specific rule makings within the meaning of 5 U.S.C. 551.

FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandate Reform Act, P.L. 104-4) requires a statement as to whether the provisions of the reported include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

EARMARK IDENTIFICATION

H.R. 1119 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 1119. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the

Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST
ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 1119 from the Director of Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 12, 2015.

Hon. LAMAR SMITH,
*Chairman, Committee on Science, Space, and Technology,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1119, the Research and Development Efficiency Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Marin Burnett.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

H.R. 1119—Research and Development Efficiency Act

H.R. 1119 would require the Director of the Office of Science and Technology Policy (OSTP) to establish a working group that would be tasked with making recommendations on how to streamline federal regulations and reporting requirements for persons and institutions seeking to perform federally funded research. The working group would have to seek input and recommendations from non-federal stakeholders. Within one year of enactment, OSTP also would be required to report to the Congress on what steps have been taken to carry out the recommendations of the working group.

CBO estimates that implementing H.R. 1119 would have no significant cost because the activities specified in the bill are generally consistent with activities already carried out by OSTP and other agencies that would probably participate in the proposed working group.

Enacting H.R. 1119 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 1119 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Marin Burnett. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.