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**Testimony of Ross A. Frommer, Vice President of
Government & Community Affairs and Associate Dean at
Columbia University Medical Center, at the New York State
Legislature Joint Hearing on the FY 2015/2016 budget.**

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Good afternoon. My name is Ross A. Frommer, Vice President of Government & Community Affairs and Associate Dean at Columbia University Medical Center and I strongly urge the committee to include \$50 million for the Empire State Development (ESD) Faculty Development Program (FDP) in the FY 2015/16 budget.

My colleague, Jo Wiederhorn, just provided you with a wealth of information about how successful this program has been in the past and why it is so important to reinvigorate it and increase funding for it going forward. With the FDP, we saw a greater than 6.6 to 1 documented return on state investment. Without it we are losing our top scientists, and all the grant money and economic activity they generate, to other states like California, Massachusetts, North Carolina, and, heaven forbid, Texas.

What I would like to do in my time with you here today is tell you the story of Rudy Leibel, because no one better than Rudy demonstrates the wisdom of funding this program.

Doctor Rudolph Leibel is the Christopher J. Murphy Memorial Professor of Diabetes Research, Professor of Pediatrics and Medicine, and Co-Director of the Naomi Berrie Diabetes Center at Columbia University Medical Center in Northern Manhattan, proudly located in Chairman Farrell's district. He is an internationally recognized leading expert in diabetes and obesity and has devoted his career to finding ways to prevent and treat this debilitating disease.

Dr. Leibel joined the Columbia faculty in 1997 and from the beginning was successful in not only moving science forward but also bringing in grant, philanthropic, and private sector support. In 2002, a very well known, well respected out of state

medical school with significant resources made an effort to recruit Dr. Leibel away from Columbia and away from New York.

This other institution made Dr. Leibel a very attractive offer, but ultimately, we were able to convince him to stay. The primary reason we were able to do so was that we received an FDP grant from what was then the New York State Foundation for Science, Technology, and Academic Research (NYSTAR), now part of ESD.

The NYSTAR grant was for roughly \$150,000 per year for five years, for a total state investment of \$750,000. According to ESD, Dr. Leibel has generated \$80 million dollars since 2002 in federal grants and private sector investment. Please note, these are not my figures; this information comes directly from the State.

Today Dr. Leibel is directly responsible for over one hundred good paying jobs and this does not include general campus support jobs like maintenance, security, and animal care which his lab indirectly supports. These are jobs that not only offer a good salary, but provide health insurance, retirement benefits, and educational support for employees and their families as well, i.e. the kind of jobs that allows families not only to support themselves, but to move up the economic ladder and build strong communities.

So in 2002, New York State invested three quarters of a million dollars in Dr. Leibel. He used that money to hire additional staff and purchase equipment. A little over twelve years later, the return on that investment is over 107 to 1 and counting. My back of the envelope calculations show that just the New York State income tax revenue alone from Dr. Leibel and his employees is north of a quarter million dollars every year.

One of the other requirements for the original FDP grant was a proven track record in technology transfer. Dr. Leibel has exceeded in this area as well. Since receiving the FDP grant he has filed thirteen invention disclosures and received thirteen patents. Dr. Leibel is the Principle Investigator in a strategic research collaboration between Columbia and AstraZeneca in the area of metabolically related diseases to develop novel therapeutics for type II diabetes and obesity. He also has relationships with Regeneron, Eli Lilly, and Glaxo Smith Kline.

I remind you that the original grant was a retention grant designed to prevent Dr. Leibel from leaving. By definition, if not for the FDP grant, all of his work, and the jobs and economic activity that come along with it, would be occurring elsewhere and not in New York.

I submit that we want more scientists like Rudy Leibel coming to, not leaving New York, and the FDP has a proven track record of making this happen. Dr. Leibel may be the poster child for how successful this program has been, but there are countless other examples of NYSTAR FDP grant recipients who have had and continue to have very successful research careers in New York –upstate/downstate, SUNY/private. In fact, of the fifty-two awardees, over 80% are still doing research, still moving science forward, still bringing in grant money, and still creating jobs in New York.

You have heard about the highly productive scientists who have left to go to Texas and elsewhere but research institutions across the state can also tell you stories of big fish that got away – top scientists with significant funding who came very close to accepting a faculty position in New York, but for whatever reason the deal could not be sealed. With a little help from the State, many of these recruits could have chosen to come to New York and would be doing research, bringing in grants, and creating jobs here instead of in other states.

Each time we lose a scientist, each time we fail to recruit someone, it is like leaving money and jobs on the table. The federal budget which President Obama released last week calls for a \$1 billion dollar increase for the budget of the National Institutes of Health (NIH), the federal agency which funds biomedical research. I also handle federal issues for Columbia and I can tell you that while there are deep ideological divisions in Washington these days, there is strong bipartisan, bicameral support for biomedical research and for NIH funding.

No doubt this is an extremely exciting time in biomedical research, a time that will lead to better strategies for the prevention, treatment, and cure of a variety of different diseases, as well as spur great economic development and job growth. The question is how well will we as a State be prepared to take advantage of these opportunities?

Before coming to Columbia, I had the great honor of serving on the staff of former Senator Daniel Patrick Moynihan. Each year, Senator Moynihan produced a report that showed something that no doubt you are all aware of – New York is a net donor state to the federal government. We pay far more in taxes than we receive in benefits from Washington.

One of the biggest exceptions to this rule though is research funding. New York represents 6.2% of the US population yet we receive close to 9% of the NIH extramural research funding. But how are we going to maintain this stature? How are we going to keep research dollars coming to our medical schools? We used to rank second in NIH funding, but Massachusetts overtook us. Other states, North Carolina, Pennsylvania, Texas, are nipping at our heels. What are we going to do to keep the talent, the research, and the jobs here?

This legislature has done a lot of good work in this area, as has Governor Cuomo and previous Governors, but for the most part, state efforts have focused on technology transfer and private sector development – things like how to get through the so called “valley of death.” This is all important but it is not going to happen without ideas and talent. That is why the FDP is so important. The program attracts and keeps scientific talent in New York. That talent moves science forward and leads to ideas that can become the next great discovery, the next great blockbuster drug, all the while, generating grant revenue and creating jobs. You can’t get good output unless you have good input.

So for all the reasons mentioned above, and for the reasons mentioned in Ms. Wiederhorn’s testimony, I strongly urge you to include significant funding for the FDP. This program has a proven track record of success. Let’s continue to make New York a place where scientists want to be. Don’t let our talent get away. Let’s work to ensure that the next Rudy Leibel or better yet, Rudy Leibels choose to do their research right here in New York.