November 29, 2017

Dear Representatives Ryan and Pelosi and Senators McConnell and Schumer,

On behalf of the Materials Research Society (MRS) – an organization of over 14,000 scientists and technologists that support sustained and robust federal investment in scientific research - we write to bring to your attention an issue that will have serious wide-ranging consequences for our membership.

As dedicated advocates of student advancement in materials science and associated disciplines, we are concerned about certain provisions within the recently passed legislation in the House of Representatives, H.R. 1, the Tax Cuts and Jobs Act, which will hamstring graduate students in their efforts to contribute to America’s continued leadership in both basic and applied research.

Specifically, the bill contains a provision that would repeal Section 117(d)(5) of the current tax code, a provision that would apply a tax to waivers of tuition that graduate students receive in return for the work they provide as classroom teachers and laboratory researchers. For example, a state college graduate student could be taxed as though they make $70,000 (if you include a yearly tuition cost of $52,000) even though they might only receive $18,000 per year. At tax time, this provision will take away money these students must spend to meet basic needs like food, clothing, and shelter.

Graduate students work long hours for these low to moderate salaries, and asking them to absorb these costs will have a number of deleterious effects. First, the next generation of scientists, researchers and small business owners will be saddled with mountains of debt before they begin their careers. Second, this restrictive measure could prevent students from even applying to graduate programs at a time when there is a tremendous domestic need for those with STEM-related learning to enter the
workforce. Finally, such provisions essentially cut off our access to talent from all but the smallest income brackets of our economy. The combination of expansive debt, shrinking applicant pool, and restricted access could easily hand our global competitors the edge they need to take the lead in the near future.

As H.R. 1 makes its way through the legislative process, we urge you to remove this provision to allow the next generation of leaders to elevate our economy and global standing. These students form the backbone of our scientific, business, and political infrastructure. They go on to jobs in the government, military, and private sector where their expertise drives American innovation and leadership.

If you have any questions or comments about our stance on this issue, please feel free to contact Damon Dozier, the MRS Director of Government Affairs, who can be reached at (202) 721.0077 or dozier@mrs.org.

Sincerely,

Susan Trolier-McKinstry, PhD
President, Materials Research Society