BUSINESS FOR FEDERAL RESEARCH FUNDING

June 18, 2026

The Honorable Susan Collins
U.S. Senate
Chair, Committee on Appropriations
Washington D.C., 20510

The Honorable Patty Murray
U.S. Senate
Vice Chair, Committee on Appropriations
Washington D.C., 20510

The Honorable Tom Cole
U.S. House of Representatives
Chair, Committee on Appropriations
Washington D.C. 20515

The Honorable Rosa DeLauro
U.S. House of Representatives
Ranking Member, Committee on Appropriations
Washington D.C. 20515

RE: Protecting America's Global Edge in Innovation & Science

Dear Chairwoman Collins, Chairman Cole, Vice Chair Murray, and Ranking Member DeLauro:

On behalf of the Business for Federal Research Funding Coalition ("the Coalition"), representing 86 local, regional, and state chambers of commerce and business organizations, we write to strongly urge you to maintain critical funding support for federal research and development (R&D) programs across all agencies for the 2027 Fiscal Year. Our communities, including employers and job creators in 37 states, are first-hand proof that federal research funding not only supports local employment, but also offers numerous benefits for businesses, employees, consumers, and supply chains across the country.

As leaders of the country's business community, we understand that economic uncertainty, persistently high inflation, and recent global turmoil, make this a particularly difficult budget season. We also support the Administration and Congress's prerogative to realign federal spending in support of shifting policy priorities, or when programs do not represent efficient progress. However, the uncertainty confronting policymakers at all levels makes it even more important to support fiscally responsible and prudent investments in effective programs that improve lives, create jobs, grow our economy, and foster our global competitiveness – *programs that include federal research spending*.

Experiences in our own communities and nationwide data have repeatedly shown that R&D has numerous direct, indirect, and ancillary positive effects on our economy:

- A study by the Federal Reserve Bank of Dallas found that the federal government has experienced a collective rate of return for its research investments of between 140 and 210 percent since World War II.[1]

[1] The Returns to Government R&D: Evidence from U.S. Appropriations Shocks, *Federal Reserve Bank of Dallas*, 2024.

- NIH funding in FY 2025 alone supported 390,863 jobs and $94.15 billion in new economic activity – a 250% return on investment – according to a 2026 report by United for Medical Research.[2]
- According to a recent analysis by the Congressional Budget Office (CBO), each additional dollar of federal research spending would increase the present value of GDP by an average of $12.50 over the next 30 years.[3]
- Early federal investment in basic research is especially impactful. Gene editing technology (CRISPR-Cas9 technology), for example, not only leads to new medical therapies that improve and save lives – including those suffering from the debilitating pain of sickle cell disease – but revolutionizes crop science to improve yields and harden against changing weather and climate conditions.[4] Emerging research suggests that gene editing can decrease the R&D costs of some parts of crop improvement by up to 85%.[5] Federal support for global position system (GPS) technology helped foster an industry that has more than a $1 billion impact on the economy every day, according to a 2019 study by the Department of Commerce.[6]
- Businesses in every congressional district help build and maintain laboratories and equipment, even in cities and towns that do not directly host a major research institution. Thermo Fisher's Lenexa, Kansas site, for example, employs over 600 local team members to manufacture more than 2,580 unique products supporting the biotech, pharma, clinical/healthcare, and food manufacturing industries, across the country.[7] Philadelphia's construction industry employs more than 35,000 skilled tradespeople to build and maintain advanced medical facilities, healthcare centers, and research laboratories to meet strict federal requirements.[8]
- Recipients of federal funding – junior and senior scientists alike – earn patents and launch startups and businesses that create jobs and foster economic growth and global competitiveness. Studies have shown that up to a third of U.S. patents rely on foundational insights gleaned from federally funded research – support that will be even more important as China increasingly matches U.S. investments in basic research and patents in critical fields such as information and communications technology.[9]

This is why we are concerned by the Administration's proposed cuts to internal and external research funding at the National Science Foundation (NSF), the National Institutes of Health (NIH), the National Aeronautics and Space Administration (NASA), the National Oceanic and Atmospheric Administration (NOAA), and the Department of Energy (DOE), among others. These programs help train the next generation of scientists and identify new insights in emerging and growing fields such as artificial intelligence (AI), quantum information science (QIS), and fusion science, promote our global competitiveness with China and Russia in manufacturing, and

---

[2] Annual Economic Report, *United For Medical Research*, 2026.
[3] Preliminary Analysis of How Federal Investment in Nondefense Research and Development Affects the Economy and the Federal Budget, *Congressional Budget Office*, 2026.
[4] CRISPR: A Biotech Breakthrough, *U.S. National Science Foundation*.
[5] The economics and policy of genome editing in crop improvement, *The Plant Genome*, 2022.
[6] DOC Study on Economic Benefits of GPS, Office of Space Commerce, 2019.
[7] Lenexa, Kansas Our Site, *Thermo Fisher Scientific*.
[8] General Building Contractors Association, March 19, 2025 Letter.
[9] Government-funded research increasingly fuels innovation, *Science*, 2019. U.S. R&D and Innovation in a Global Context: The 2025 Data Update, *American Association for the Advancement of Science*, 2025.

space and deep sea exploration, and enable farmers to incorporate weather patterns in next season's crop planning, strengthen yields, and enhance the domestic food supply.[10] Cuts of the magnitude proposed threaten to permanently disrupt longstanding regional partnerships and domestic research capacity, including the collaboration between government, industry, and academic institutions that drives our innovation economy.

Instead, we strongly encourage Congress to continue sustained investments in R&D funding from FY26 at the Departments of Health & Human Services (HHS), Defense (DOD), Energy (DOE), Agriculture (USDA), Commerce, NASA, and NSF. We also urge you to make strategic increases to R&D funding where possible, including at NIH, DOE, NASA, and NSF. As you know, level funding still amounts to a small cut to research funding given inflationary pressures – the Consumer Price Index for All Urban Consumers (CPI-U) rose 3.8% over the past 12 months.[11] But federal spending also encourages the private sector to help share the risk of engaging in R&D. An analysis by CBO concludes that each additional dollar of federal research funding increases private sector R&D spending by 25 cents.[12] Incentivizing this growth and shared risk is especially important at a time when economic realities may deter the private sector from engaging in research without clear pathways to commercialization and our competitors are increasing their own R&D investments.[13]

Congress's support for NIH and NSF in particular, is critical for maintaining and growing talent pipelines, including staving off efforts by our foreign competitors to recruit, train, and fund early career researchers, and provides the stability needed for academic institutions to maintain robust graduate programs to train the next generation.[14] A report released in April by the Coalition found that 21 countries and the European Union (EU) have begun programs to recruit U.S.-based scientists in response to the current research funding uncertainty.[15] While the programs vary, many include competitive salaries, bonuses and relocation assistance, equipment and lab assistant support, expedited visa and residency permits, and some even give preference to those interested in permanently relocating abroad. The success of these programs at recruiting researchers at all career stages dovetails with a significant reduction in graduate school programs, including paused enrollment cycles, rescinded admissions, and decreasing class sizes.[16]

We thank you again for your sustained R&D investments included in the Fiscal Year 2026 funding legislation adopted in January. Your strategic increases from FY 2025 to FY 2026 funding levels for basic research (4%), as well as overall funding levels for NIH (0.9%), the National Institute of Standards and Technology (26.5%), DOE's Office of Science (1.9%), and

---

[10] NOAA Science, Observations and Services Support U.S. Farming and Forestry, *National Environmental Satellite, Data, and Information Service*, July 25, 2024.
[11] Consumer Price Index Summary, *U.S. Bureau of Labor Statistics*, May 12, 2026.
[12] Preliminary Analysis of How Federal Investment in Nondefense Research and Development Affects the Economy and the Federal Budget
[13] U.S. R&D and Innovation in a Global Context: The 2025 Data Update, *AAAS*.
[14] Canada's 2025 budget, for example, includes $1.2 billion (CA$1.7) in funding to lure early and senior career researchers to relocate to its universities. Similar initiatives have been launched by China and across Europe. Canada's new budget aims to lure U.S. researchers to relocate, *Science*, 2025.
[15] Threats to Global Competitiveness: Federal Research Funding Uncertainty, April 2026.
[16] US PhD admissions shrink as fears over Trump's cuts take hold, *Nature*, 2025.

the Federal Aviation Administration's Research, Engineering, and Development programs (30%), among others, help to maintain our status as a global leader in innovation and science.[17] We are also appreciative of the Congress's recent reauthorization of the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Program. As you know, America's Seed Fund provides critical early support for startups and emerging small businesses and promotes valuable partnerships between academic institutions and private industry. It is also a smart investment – the Department of Defense's participation in SBIR/STTR programs from 1995-2018 alone had a 22:1 return on its investment and supported more than 1.5 million full-time jobs.[18]

But Congress's vital constitutional role in supporting these and other important programs does not stop with overall funding levels; regular review and oversight of federal agency spending is also necessary to realize the economic benefits detailed above. We are concerned about widely reported delays to the release of approved agency funding for FY26 and the decline in new awards at NIH, NSF, and NOAA.[19] These delays, including declines in new awards of 44% at NIH and 57% at NSF, and the broader uncertain funding environment have already led to a decrease in research activity at institutions across the country.[20] MIT, for example, announced a 10% decline in the university's campus-sponsored research activity over the past year, including both federal and non-federally supported research.[21] In order to advance American scientific achievements like the NASA Artemis II mission and continue competing globally, investing in more – not *fewer* – worthy new projects is necessary.[22] This is why we encourage you to include legislative language addressing these issues and expressing support for the timely release of funding and consideration of grant applications in FY27 appropriations legislation. We also encourage you to include legislative language limiting agency use of multi-year awards, which curtail the number of supported projects in any given year by front-loading financial support, and freezing facilities and administrative (F&A) cost rates at FY 2024 levels for NSF, DOD, NASA, and DOE, and FY 2017 levels for NIH, as you did in the final FY 2026 funding legislation. As you know, F&A supports the maintenance of machinery and laboratories necessary for research as well as expert grant administrators who enhance transparency and accountability of the federal grant process. Finally, in order to limit future delays and protect talent pipelines, we encourage Congress to express support for the appointment of a full slate of nominees to the NSF Board, as well as speedy confirmation of a full-time Director to the agency.

The Coalition is committed to fostering a productive dialogue with policymakers at all levels of government to ensure that our local, regional, and state economies innovate and remain competitive on the world stage – a competitiveness that is fueled by federal research funding. We

---

[17] FY 2026 R&D Appropriations: Final R&D Report, *American Association for the Advancement of Science*, February 3, 2026.
[18] National Economic Impacts From the DOD SBIR/STTR Program: 1995-2018, 2019, *Defense Office of Prepublication and Security Review*.
[19] Trump administration holds up NOAA grant funding, *The Hill*, 2026. Pace of N.I.H. Funding Slows Further in Trump's Second Year, *The New York Times*, April 22, 2026.
[20] Tracking Science Spending, 2026.
[21] A message from President Kornbluth about funding and the talent pipeline, *Massachusetts Institute of Technology*, 2026.
[22] What comes after Artemis II? Here's what to know about Artemis III and NASA's lunar future, *Houston Public Media*, April 14, 2026.

urge you and your colleagues and the Administration to prioritize funding of research and development throughout the FY27 funding cycle. We look forward to partnering with you on this important work.

Sincerely,

Business for Federal Research Funding Coalition

CC: Members of the U.S. Senate Committee on Appropriations
Members of the U.S. House Committee on Appropriations

COALITION MEMBERS

Allegheny Conference on Community Development
Ames Regional Economic Alliance
Ann Arbor / Ypsilanti Regional Chamber
Arlington Chamber
Bend Chamber of Commerce (OR)
Boulder Chamber
Buffalo Niagara Partnership
Business Council of Westchester
Cambridge Chamber of Commerce (MA)
Canton Regional Chamber of Commerce
Cape Cod Chamber of Commerce
Capital Region Chamber (NY)
Chamber for a Greater Chapel Hill-Carrboro
Chamber of Business & Industry of Centre County
Chamber of Commerce of Greater Philadelphia
ChamberRVA
Champaign County Chamber of Commerce
Charles River Regional Chamber
Charleston Metro Chamber of Commerce
Charlotte Regional Business Alliance
Chicagoland Chamber of Commerce
Cobb Chamber
Columbus Chamber of Commerce
Commerce Lexington, Inc.
Dallas Regional Chamber
Dayton Development Coalition (OH)
Detroit Regional Chamber of Commerce
Duluth Area Chamber of Commerce
Greater New Haven Chamber of Commerce
Greater Oklahoma City
Greater Omaha Chamber
Greater Phoenix Chamber
Greater Providence Chamber of Commerce
Greater Rochester Chamber (NY)
Greater Spokane, INC.
Greater Springfield Chamber of Commerce
Greater Topeka Partnership
Greater Winston-Salem Inc.
Harrisburg Regional Chamber of Commerce
Howard County Chamber
Huntsville Madison County Chamber of Commerce
Indy Chamber
Lake Champlain Chamber
Lansing Regional Chamber of Commerce
Los Angeles Area Chamber of Commerce (CA)
Maryland Chamber of Commerce
Metro Atlanta Chamber of Commerce
Metro Hartford Alliance
Montgomery County Chamber of Commerce (MD)
New England Council
Northern Kentucky Chamber of Commerce
Northern Virginia Chamber
One Acadiana
One Louisville
One SouthCoast Chamber
Orlando Economic Partnership

Eugene Area Chamber of Commerce
Georgia Chamber of Commerce
Glendale Chamber
Greater Akron Chamber
Greater Bethesda Chamber of Commerce
Greater Boston Chamber of Commerce
Greater Cleveland Partnership
Greater Des Moines Partnership
Greater Durham Chamber of Commerce
Greater Houston Partnership
Greater Iowa City, Inc.
Greater Kansas City Chamber of Commerce
Greater Madison Chamber of Commerce
Greater Miami Chamber
Overland Park Chamber of Commerce
Portland Metro Chamber (OR)
Quad Cities Chamber
Raleigh Chamber of Commerce
Rochester Area Chamber of Commerce (MN)
San Diego Regional Chamber of Commerce
San Francisco Chamber of Commerce
Seattle Metropolitan Chamber of Commerce
Silicon Valley Leadership Group
Tampa Bay Chamber of Commerce
Toledo Regional Chamber of Commerce
West Virginia Chamber
Wilmington Chamber of Commerce
Worcester Regional Chamber of Commerce