

July 7, 2026

Director Russell Vought
The Office of Management and Budget
725 17th St NW
Washington, DC 20503

Re: Proposed rule to revise the Guidance for Federal Financial Assistance [[OMB-2026-0034](#)]

Dear Director Vought,

On behalf of the Bayh-Dole Coalition, I am writing to express my concern regarding the Office of Management and Budget's proposed rule to revise the Guidance for Federal Financial Assistance. The [Bayh-Dole Coalition](#) is a group of innovation-oriented organizations and individuals dedicated to promoting and protecting the Bayh-Dole Act, which provides the authorities and incentives needed to turn federally funded inventions into useful products driving our economy and improving lives here and abroad. The resulting partnerships between our public and private sectors have made the United States the world leader in innovation.

We now face renewed challenges to that leadership from rivals like China, who seek to copy our model to eclipse our lead in fundamental research -- which is where breakthroughs in science tend to occur. Thus, we need to do everything we can to support and strengthen our innovation system by funding leading-edge science without erecting more bureaucratic hurdles.

Unfortunately, the proposed rule would allow the bureaucracy to cancel federal funding on vague terms like "a termination is in the interest of the Federal agency," or the agency "determines it is no longer in the Federal Government's interests." Such language opens the door to the politicization of federally funded research and development, with priorities

shifting with the political winds. That would be a disaster both for science and the American economy.

Federal grants for fundamental research help scientists make early-stage discoveries. And the [Bayh-Dole Act of 1980](#) allows research institutions to patent and license those discoveries to private-sector partners, which transform those initial breakthrough ideas into real products, technologies, and therapies that save and improve Americans' lives. Since 1980, federally funded research has led to [transformative inventions](#) in fields ranging from medical diagnostics to computing and electronics.

Indeed, the Coalition just gave our 2026 [American Innovator Award](#) to researchers behind breakthroughs in Alzheimer's disease, prostate cancer, robotic materials, and smartphone cameras -- all of which came out of federally funded research. Discoveries like these are [usually commercialized](#) by American start-up companies which take considerable risk to turn federally funded inventions into useful products. They do so because they have confidence in the integrity of our federal R&D system. The proposed rule threatens that confidence.

Funding cuts and delays have already disrupted [hundreds](#) of clinical trials at the National Institutes of Health and affected [tens of thousands](#) of patients. Experts have warned that these cuts "[deeply damaged](#)" the U.S. research system -- and that continued uncertainty could prevent research institutions from pursuing foundational research.

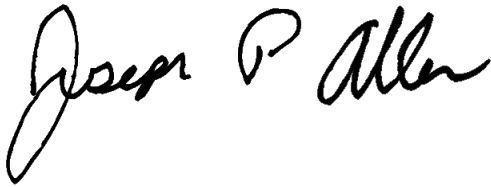
Ultimately, that reduced research [undermines](#) America's global competitiveness -- at a time when China is [investing heavily](#) in its own research and development capabilities -- and limits the development of new products and therapies for American patients and consumers. One study found that approximately [half of all new drugs](#) Americans have enjoyed since 2000 were connected to research that would have lost funding under recently-proposed NIH cuts.

Federal research grants have catalyzed American innovation, excellence, and global leadership for decades. Politicizing grants jeopardizes that success.

We urge the Administration to renew its commitment to protecting American growth and innovation at this critical time in our history.

Thank you for the consideration of our comments.

Sincerely,

A handwritten signature in black ink, reading "Joseph P. Allen". The signature is fluid and cursive, with the first name "Joseph" and last name "Allen" clearly legible, and "P." as a small initial in the middle.

Joseph P. Allen
Executive Director
Bayh-Dole Coalition