

CHUCK GRASSLEY, IOWA, CHAIRMAN

MIKE CRAPO, IDAHO  
PAT ROBERTS, KANSAS  
MICHAEL B. ENZI, WYOMING  
JOHN CORNYN, TEXAS  
JOHN THUNE, SOUTH DAKOTA  
RICHARD BURR, NORTH CAROLINA  
JOHNNY ISAKSON, GEORGIA  
ROB PORTMAN, OHIO  
PATRICK J. TOOMEY, PENNSYLVANIA  
TIM SCOTT, SOUTH CAROLINA  
BILL CASSIDY, LOUISIANA  
JAMES LANKFORD, OKLAHOMA  
STEVE DAINES, MONTANA  
TODD YOUNG, INDIANA

RON WYDEN, OREGON  
DEBBIE STABENOW, MICHIGAN  
MARIA CANTWELL, WASHINGTON  
ROBERT MENENDEZ, NEW JERSEY  
THOMAS R. CARPER, DELAWARE  
BENJAMIN L. CARDIN, MARYLAND  
SHERROD BROWN, OHIO  
MICHAEL F. BENNET, COLORADO  
ROBERT P. CASEY, Jr., PENNSYLVANIA  
MARK R. WARNER, VIRGINIA  
SHELDON WHITEHOUSE, RHODE ISLAND  
MAGGIE HASSAN, NEW HAMPSHIRE  
CATHERINE CORTEZ MASTO, NEVADA

# United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

KOLAN DAVIS, STAFF DIRECTOR AND CHIEF COUNSEL  
JOSHUA SHEINKMAN, DEMOCRATIC STAFF DIRECTOR

August 6, 2019

## VIA ELECTRONIC TRANSMISSION

The Honorable Gene L. Dodaro  
Comptroller General of the United States  
U.S. Government Accountability Office  
441 G. Street, NW  
Washington, DC 20548

Dear Mr. Dodaro:

Private and public universities and colleges are a primary recipient of federal awards for research, and a majority of these institutions are tax-exempt entities as defined by the Internal Revenue Code because of their educational and scientific purposes. Taxpayer money supports billions of dollars in federal research grants every year. However, a number of recent reports, articles and congressional hearings have raised concerns about whether the U.S. public is realizing the full benefit of taxpayer-funded research given the implications of foreign-researcher engagement in federally-funded research.

For example, in an August 20, 2018, letter to National Institutes of Health (NIH) grantee institutions, Dr. Francis Collins, the Director of NIH, called attention to a series of threats posed by foreign entities to the integrity of U.S. biomedical research.<sup>1</sup> In that letter, he warned that foreign actors have “mounted systematic programs to influence NIH researchers and peer reviewers,” may have worked to divert intellectual property produced by NIH-supported research to other countries, and may have contributed resources to NIH-funded researchers in ways which could impact the integrity of the research.

In response, I have written oversight letters to the National Institutes of Health, Health and Human Services Inspector General, the National Science Foundation, and the Department of Defense to better understand the steps they have taken to detect and deter foreign threats to

---

<sup>1</sup> Letter from Francis S. Collins, Director, National Institutes of Health, to NIH Grantee Institutions (August 20, 2018) Available at:

[https://www.insidehighered.com/sites/default/server\\_files/media/NIH%20Foreign%20Influence%20Letter%20to%20Grantees%2008-20-18.pdf](https://www.insidehighered.com/sites/default/server_files/media/NIH%20Foreign%20Influence%20Letter%20to%20Grantees%2008-20-18.pdf); Similar concerns were expressed in subsequent testimony before the Senate Committee on Health, Education, Labor and Pensions. See: *Prioritizing Cures: Science and Stewardship at the National Institutes of Health, Hearing before the Senate Committee on Health, Education, Labor and Pensions*, 115<sup>th</sup> Cong. (2018); Transcript available at: <http://www.cq.com/doc/congressionaltranscripts-5378816?2>; NIH, *Advisory Committee to the Director (ACD) Working Group for Foreign Influences on Research Integrity: December 2018 Report*.

taxpayer-funded research. In addition, on June 5, 2019, I held a Senate Finance Committee oversight hearing on foreign threats to taxpayer-funded research and at that hearing the Department of Homeland Security provided testimony that certain countries seek to exploit U.S. research institutions to obtain access to sensitive research and to facilitate its transfer abroad.<sup>2</sup>

In response, some agencies, including NIH, have begun taking action to address these concerns. For example, NIH sent a letter to research institutions emphasizing that applications and progress reports must disclose all sources of research support, financial interests, and relevant affiliations.<sup>3</sup> In addition, according to NSF, it has taken steps to require rotators to be citizens or in the process of applying for citizenship.<sup>4</sup>

Conflict-of-interest policies and requirements agencies have in place for their own researchers as well as nonfederal researchers that receive federal support are a critical tool in identifying and mitigating potential foreign threats to federally-funded research. For example, Department of Health and Human Services regulations require institutions to have an up-to-date, written and enforced administrative process to identify and manage financial conflicts of interest with respect to all research projects for which NIH funding is sought or received. In signing a grant application, such as the application for federal assistance (form SF-424), an institution's authorized representative certifies researchers' compliance with requirements on disclosure of financial interests. According to news reports, in 2019 NIH identified some researchers that NIH believed had failed to disclose financial ties to foreign organizations, which in turn led to their dismissal.<sup>5</sup>

Given that many research institutions are tax-exempt entities, and to better understand how federal agencies implement and oversee conflict-of-interest policies and requirements related to federally-funded research, I request that GAO examine the following questions:

- What are key similarities and differences between federal agency and nonfederal institutional conflict-of-interest policies and federal agency monitoring and enforcement practices for federally-funded research?
- To what extent are federal agencies and nonfederal institutes that receive federal research support consistently implementing conflict-of-interest policies and requirements, to include the disclosure of all foreign affiliations?

---

<sup>2</sup>Louis A. Rodi III, Acting Assistant Director, Homeland Security Investigations, U.S. Immigration and Customs Enforcement, Department of Homeland Security, testimony before the Senate Committee on Finance, June 5, 2019.

<sup>3</sup> Letter from Francis S. Collins, Director, National Institutes of Health, to NIH Grantee Institutions (August 20, 2018)

<sup>4</sup> National Science Foundation to Senator Grassley (April 26, 2019). *See also*, Jeffrey Mervis, *NSF Hopes Jason Can Lead it Through Treacherous Waters*, SCIMAG., (Mar. 18, 2019), <https://www.sciencemag.org/news/2019/03/nsf-hopes-jason-can-lead-it-through-treacherous-waters>. "A year ago, for example, it restricted its pool of rotators—scientists who go on leave from their university for a few years to work as NSF program managers—to scientists who are U.S. citizens or who have applied for citizenship. Now, by reaching out to the Jason, NSF appears to be looking for fresh ideas on how to do business in this more constrained environment."

<sup>5</sup> Jeffrey Mervis, *NIH probe of foreign ties has led to undisclosed firing – and refunds from institutions*, SCIMAG., (Jun. 26, 2019) Available at <https://www.sciencemag.org/news/2019/06/nih-probe-foreign-ties-has-led-undisclosed-firings-and-refunds-institutions>

- What steps have federal agencies taken to address foreign threats to federally-funded research through their implementation and oversight of conflict-of-interest policies including the disclosure of all foreign affiliations? What opportunities exist, if any, to further strengthen implementation of these policies and requirements, to include changes to grant forms that place more responsibility for financial disclosures on principal investigators?
- What are the views of selected stakeholders, such as research universities and principal investigators, on other options to strengthen federal agencies' and nonfederal institutions' ability to identify and address foreign threats to federally-funded research?

Thank you for your timely attention to this request. If you have any questions, please have your staff contact Joshua Flynn-Brown of my Committee staff at 202-224-4515.

Sincerely,



Charles E. Grassley  
Chairman  
Committee on Finance