

October 13, 2025

The Honorable Tammy Duckworth
United States Senate
524 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Richard J. Durbin
United States Senate
711 Hart Senate Office Building
Washington, D.C. 20510

Dear Senators Duckworth and Durbin,

We write on behalf of the University of Illinois Urbana-Champaign (Urbana) to express our strong support for the Financial Accountability in Research (FAIR) model proposed by the Joint Associations Group on Indirect Costs (JAG).

We are deeply grateful for your leadership in helping to ensure that the federal government continues to invest in research. As you know, those investments are essential to promoting and protecting Americans' health, prosperity, and national security while maintaining our global leadership in innovation. "Facilities and Administrative" (F&A) or "indirect" costs—such as lab maintenance, utilities, security, data processing, and regulatory compliance—are inseparable from the direct costs of conducting research.

JAG developed the FAIR model to enhance transparency and accountability in federal research funding while ensuring that institutions like ours are adequately reimbursed for the real costs of conducting federally funded research. I am pleased that Urbana played a leading role in helping JAG develop the new model, which reflects input from a broad range of stakeholders including institutions of varying sizes and missions.

JAG developed this model in response to efforts by several federal research agencies that would cap indirect cost reimbursement at 15%. If implemented, these arbitrary caps would significantly harm Urbana's ability to conduct cutting-edge research and would jeopardize our ability to make future scientific breakthroughs. Should the caps go into effect, we estimate several impacts:

- \$20.5 million reduction to Urbana's National Institutes of Health funding;
- \$23 million reduction to Urbana's National Science Foundation funding;
- \$13.4 million reduction to Urbana's Department of Defense funding; and
- \$15.8 million reduction to Urbana's Department of Energy funding.

A reduction in the support of direct and indirect costs of research would have a remarkable impact on the innovations of tomorrow, when considering the enormous landscape of breakthroughs through Illinois research that impact our society today. To name just a few examples from Illinois research – Mosaic served as the first graphical web browser, LED lights, biological fluorescence which underpins broad spectrum medical detection of medical anomalies, and critical plant breeds that ensure food security and prosperity amongst our farming communities.

The FAIR model ensures reasonable support for research while improving visibility into the institutional costs required to conduct cutting-edge research. It replaces the current institution-wide F&A reimbursement process with a more tailored approach that aligns costs with the specific type of research being conducted.

We appreciate the language included in several Senate appropriations bills that acknowledges the work of the JAG and blocks federal agencies from implementing F&A caps or altering reimbursement methods. We urge you to:

- Support efforts to enact legislation that codifies the FAIR model and blocks F&A caps.
- Ensure that any transition to a new F&A model includes a minimum two-year implementation period to account for the tremendous complexity and administrative burden of such a change.

Thank you for your continued support of our university and its research enterprise.

Sincerely,



Charles L. Isbell, Jr.
Chancellor



John Coleman
Provost and Executive Vice Chancellor for
Academic Affairs



Susan A. Martinis
Vice Chancellor for Research and Innovation

- c: Senator Susan Collins (R-ME), Chair, Senate Appropriations Committee
Senator Patty Murray (D-WA), Vice Chair, Senate Appropriations Committee
Senator John Thune (R-SD), Senate Majority Leader
Senator Chuck Schumer (D-NY), Senate Minority Leader