



Opening Statement of Chairman Brian Babin

Investigations and Oversight Subcommittee Hearing

“Safeguarding Federal Research Funds: The False Claims Act's Role in Combating Grant Fraud”

June 24, 2026

Thank you, Mr. Chairman, and thank you to our witnesses for appearing today.

Fraud has no place in the American scientific enterprise. While federally funded research has produced tremendous benefits for our nation, recent enforcement actions make clear that even our most respected research institutions are not immune to failures of oversight, compliance, and accountability. Whether the misconduct involves fraud in the scientific process itself or fraudulent representations made to obtain federal grants and other funding, these actions undermine public trust in science and weaken confidence in America's research institutions.

The purpose of this hearing is straightforward: to examine whether federal taxpayers are receiving the transparency, accountability, and integrity they deserve from institutions that receive billions of dollars in federal research funding. It is estimated that the federal government loses between \$233 billion and \$521 billion annually to fraudulent actions.

The False Claims Act is one of the federal government's most effective tools for combating fraud. It applies to federal funding recipients and is increasingly used in recent years to protect our research enterprise. Through the Act's enforcement mechanisms and whistleblower provisions, it recovered billions of dollars on behalf of taxpayers and exposed misconduct that might otherwise have gone undetected. As Chairman McCormick referenced, in 2025 alone, the Department of Justice reported a record \$6.8 billion in False Claims Act recoveries across all agencies and funding types.

The federal government invests heavily in scientific research through agencies such as the National Aeronautics and Space Administration, the National Science Foundation, the Department of Energy, the Department of War, and others. These investments drive innovation, strengthen our economy, and advance our national security. But they also depend on trust—trust that recipients of federal funding are providing accurate information, complying with federal requirements, safeguarding sensitive research, and using taxpayer dollars responsibly.

This hearing will examine the tools available to enforce our laws, including the False Claims Act, in several areas of growing concern: false certifications by institutions seeking to obtain or retain federal funding; failures to disclose foreign funding, affiliations, and other potential conflicts of interest; and research security compliance, particularly adherence to cybersecurity requirements designed to protect sensitive government-funded research and information.

These issues are especially important as the United States faces increasing global competition and attempts by foreign adversaries to gain access to American research, technology, and intellectual property. Protecting research integrity is not only a matter of financial stewardship—it is a matter of national security.

Enforcing these laws is not about discouraging scientific research or international collaboration. It is about ensuring that taxpayer funds are used responsibly and that federal research programs operate with integrity, transparency, and accountability. Taxpayers deserve confidence that federal funds are awarded based on accurate information, that recipients comply with the obligations they accept, and that misconduct is detected and addressed when it occurs.

Congress has a responsibility to ensure that federal research funding serves the interests of the American people—not the interests of bad actors who seek to exploit weaknesses in oversight systems. Institutions that play by the rules should be supported. Institutions that knowingly violate those rules should be held accountable.

Taxpayers deserve transparency. They deserve integrity. And they deserve confidence that the federal government is safeguarding both their investment and America's leadership in science and technology.

I look forward to our discussion today, and I hope this hearing will improve our understanding of the laws that protect federally funded research, identify where gaps remain, and explore what additional steps may be necessary to strengthen accountability, safeguard the future of our research enterprise, and ensure effective enforcement.