February 25, 2025

Matthew J. Memoli, M.D., M.S. Acting Director National Institutes of Health (NIH) 9000 Rockville Pike Bethesda, Maryland 20892

Dear Acting Director Memoli:

Rhode Island is a leader in biomedical research and innovation thanks to our world class research institutions and National Institutes of Health (NIH) funding. As members of the Rhode Island delegation, we are alarmed by NIH's illegal decision to slash the reimbursement rate for indirect research costs to 15 percent across the board.¹

Thanks to the NIH, grantee institutions, and our vibrant life sciences sector, Rhode Island has a rich history of fostering innovation and delivering lifesaving and life-changing discoveries that benefit people across the nation. Local research institutions and health systems, including Brown University, University of Rhode Island, Brown University Health and Care New England have made invaluable contributions to biomedical research, particularly in transforming the diagnosis and treatment of rare diseases. Last year, researchers in Rhode Island received over \$256 million in NIH funding, which supported research on Alzheimer's disease, dementia, heart disease, diabetes prevention, and many other conditions.² This federal funding strengthens public-private partnerships, drives innovation, and enhances public health outcomes. In 2024, the NIH awarded \$21 million in critical funding to support the Rhode Island IDeA Network of Biomedical Research Excellence program, which provides research grants and student training awards across fields such as cancer, neuroscience, and environmental health sciences.

This cut to research infrastructure would have far-reaching consequences for institutions and researchers in Rhode Island and across the nation, reducing their capacity to conduct cutting-edge research. Slashing NIH funding would mean cutting financial support for the construction and maintenance of laboratories and high-tech facilities; equipment; energy and utility expenses; and the essential safety, security, and other support services researchers needed to perform their work. Specifically, the Trump cuts are projected to result in a monthly loss of \$240,000 and an annual loss of \$4.8 million for the University of Rhode Island, a \$13.6 million loss for Brown University Health, and over \$25 million a year for Brown University. Without the resources to buy or rent equipment used to run trials or pay support staff to ensure a safe environment for clinical trial participants, research will come to a halt. The 15 percent cap may force Brown University Health to close several ongoing research clinical programs, including cancer clinical trials. These cuts would also impact the operating facilities in the newly approved biomedical sciences building at URI. Without fair reimbursement for research infrastructure, institutions throughout the country may be forced to close

¹ <u>NOT-OD-25-068: Supplemental Guidance to the 2024 NIH Grants Policy Statement: Indirect Cost Rates</u>

² <u>NIH Awards by Location and Organization - NIH Research Portfolio Online Reporting Tools (RePORT)</u>

laboratories, lay off staff, stop clinical trials, and pause research programs. This will force Americans to go without lifesaving and life-extending treatments.

For the past decade, on a bipartisan basis, Congress has prioritized funding medical research through the NIH as a key national priority because it drives scientific discovery and promotes economic growth. In Rhode Island, NIH funding supported \$502 million in economic activity and over 2,213 jobs in 2023.³ The economic pain caused by slashing NIH research funding will not be contained to one state or one university campus. It will reverberate into communities throughout the country, hurting hardworking families already struggling to keep up with rising costs.

The *Further Consolidated Appropriations Act, 2024* was passed by Congress on a bipartisan basis and contains a provision to prevent NIH from unilaterally making changes to how the agency pays for indirect costs. We are encouraged that a federal judge has issued a temporary order halting the administration's controversial decision. However, the uncertainty and disruption caused by these irrational decisions highlight the need for the NIH to immediately rescind the guidance on indirect costs and refrain from taking unilateral action on payment for indirect costs in the future. With this in mind, we request answers to the following questions:

- 1. Given the importance of research infrastructure in Rhode Island, how will cuts to indirect payments impact institutional operations or the ability to maintain these research hubs?
- 2. Have you studied the anticipated downstream economic effects on Rhode Island's economy because of these cuts, especially in terms of job loss for researchers and staff layoffs?
- 3. With indirect costs being critical for maintaining research facilities, how might this impact Rhode Island's ability to attract and retain top-tier researchers?
- 4. How might the reduction in indirect payment rates affect underrepresented or emerging research areas at institutions?
- 5. Following the federal judge's decision to block the funding cuts, can you confirm that the institutions and biomedical sector dependent on this critical NIH funding will not face any delays with reimbursements?

Thank you for your prompt attention to this important matter. We ask that you provide responses to these questions no later than March 7, 2025.

Thank you,

Gabe Amo Member of Congress

Sincerely,

Jack Reed United States Senator

³ NIH In Your State - United For Medical Research

Alume

Sheldon Whitehouse United States Senator

Seth Magazine Member of Congress