SUPPORTING NIH RESEARCH FUNDING

DEFENDING AND SUSTAINING THE NATION'S CRITICAL NIH RESEARCH ENTERPRISE

CALIFORNIA LIFE SCIENCES

To maintain the National Institutes of Health (NIH) as the largest public funder of biomedical research in the world, Congress should use its oversight authority to ensure that the NIH distributes congressionally appropriated funding to researchers in a timely and predictable manner.

ADDITIONAL ACTION IS NEEDED TO SAFEGUARD THE NIH

Congress chose not to adopt the administration's nearly 40% proposed cut to the NIH and instead funded the agency at $48.7 billion for FY2026, a **$415 million increase over FY2025.** Congress also declined to implement the administration's proposal to reorganize NIH and substantially alter its operations and fiscal management. However, delays in grant processing, staffing constraints, administrative bottlenecks, and other disruptions have prevented appropriated funds from being distributed in a timely and efficient manner.

Congress has already taken some steps, including expressly prohibiting caps on indirect costs and limiting forward funding in the FY26 funding bill, but additional actions should be taken:

- Ensure that grant funds are available to researchers by **reviewing improper funding delays and grant cancellations**, and working with the NIH to ensure enacted FY26 funding bill policies are followed;
- **Continue to fully fund the NIH** and reject future budget proposals to cut funding; and
- Oppose **large-scale agency restructuring** that could risk major staff and operational disruptions.

Figure 1. NIH Number of Awards, by Awarded Month

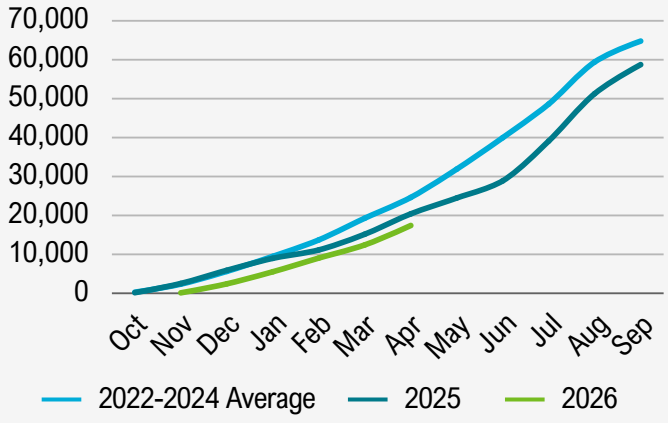
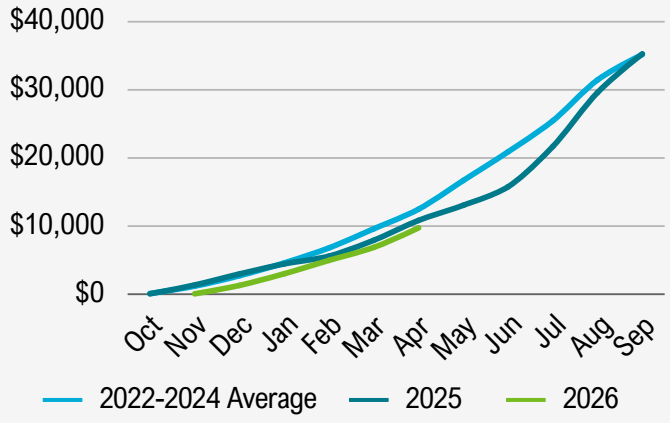


Figure 2. NIH Value of Awards, by Awarded Month

In millions of dollars



As shown in both figures, thus far in FY2026, NIH awarded fewer awards and spent less than in prior fiscal years.

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NIH research funding supported **390,863 jobs** nationwide in 2025.

NIH research funding produced **$94.15 billion** in new economic activity nationwide in 2025.

For every $1 invested in NIH research, there was $2.57 generated in economic activity – **a 250% return.**

NIH-funded research played a **role in the development of 99% of drugs** approved from 2010 to 2019 (354 of 356 drugs).



NIH awarded **$5.24 billion in grants and contracts** during FY2025 that directly supported **54,326 jobs** and **$14.07 billion** in economic activity in California

1,389 awards were terminated, and funding was **delayed to more than 1,000 additional projects** as of April 2025.

The NIH awarded **$1.6 billion less** compared with the same period in 2024, a one-fifth reduction.