

Congress of the United States
Washington, DC 20515

February 14, 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:

As Members of Congress from Texas and as strong supporters of the National Institutes of Health (NIH) and the research it funds, we write to request that you withdraw the proposed 15 percent cap on reimbursements for indirect costs for NIH research grants.

Texas is home to multiple world-class medical facilities, including the world's largest medical complex at the Texas Medical Center in Houston, which employs more than 100,000 people, has 10 million patient encounters per year, and GDP of \$25 billion. It is also home to fourteen medical schools, some of the best in the world. Texas leads the way in medical innovation and stands ready to put its best and brightest minds in biotech research to work solving our biggest and most complex health care problems.

Currently, NIH funds 4,400 active projects totaling \$2.5 billion in Texas. The recently announced cuts to indirect costs, however, threaten to devastate medical health research in our state. Because indirect costs are used for expenses like office space, equipment, clerical staff, IT support, lab operations, legal operations, and salaries of administrators—the things that keep research moving forward—we are already hearing from institutions in our districts that if these cuts go into effect, there will be significant financial impacts leading to layoffs, lab closures, and suspension of clinical trials.

As you know, these reimbursement rates are negotiated between the institutions and one of two cognizant Federal agencies—either the Department of Health and Human Services or the Office of Naval Research—to reflect the specific needs of each institution and are then formalized in an agreement that applies to all of that institution's federal grants. Some Texas research institutions previously negotiated rates for indirect costs of more than 50 percent. According to the NIH database, some of the institutions in Texas that receive the most funding—Baylor College of Medicine, the University of Texas System, and MD Anderson Cancer Center—had negotiated rates for indirect costs between 28 percent to 32 percent. This is millions that has been budgeted for or has already been obligated. Some institutions like the University of Houston and Rice University have publicly stated that they would lose at least \$9 to \$10 million annually, but likely more. University of Texas at Austin, according to NIH records, has 230 active NIH grants and is expecting to receive \$24 million in indirect costs. These funds have already been budgeted and, many times, obligated.

Recent advances in biomedical and health sciences—from immunotherapy as a cancer treatment, to the highly effective COVID-19 vaccines—demonstrate the strengths and successes of the U.S. biomedical

enterprise. The efforts to cut funding for the largest funder of biomedical research in the world is dangerous and will put the United States at a disadvantage and stifle life-saving innovation.

These cuts are not only damaging, they are prohibited by law. Since 2018, Congress has specifically included language in appropriations bills, most recently the *Further Consolidated Appropriations Act, 2024*, banning the NIH from making changes to how indirect costs are determined.

While these announced cuts are temporarily on hold by court order, we urge you to withdraw the notice as soon as possible.

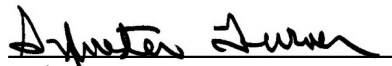
Sincerely,



Lizzie Fletcher
Member of Congress



Joaquin Castro
Member of Congress



Sylvester Turner
Member of Congress



Lloyd Doggett
Member of Congress



Veronica Escobar
Member of Congress



Marc A. Veasey
Member of Congress



Julie Johnson
Member of Congress



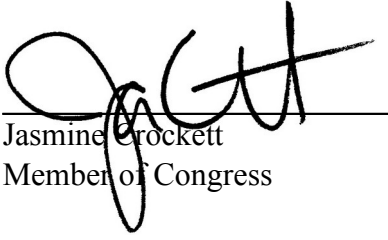
Al Green
Member of Congress



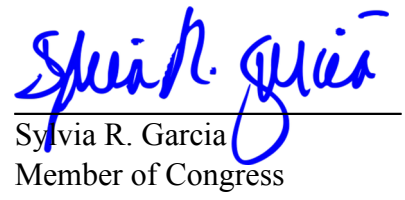
Greg Casar
Member of Congress



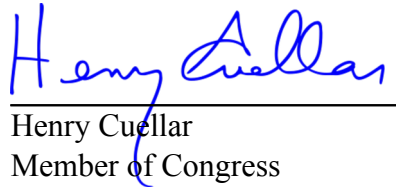
Vicente Gonzalez
Member of Congress



Jasmine Crockett
Member of Congress



Sylvia R. Garcia
Member of Congress



Henry Cuellar
Member of Congress