Judge Temporarily Blocks Trump Cuts to Medical Research Funding

A coalition of 22 attorneys general sued the federal government, claiming that the \$4 billion in cuts would "grind to a halt" studies on cancer, heart disease and other conditions.

ву Sheryl Gay Stolberg and Christina Jewett New York Times

A federal judge on Monday temporarily blocked the National Institutes of Health from cutting research funding in 22 states that filed suit earlier in the day arguing that the plan would eviscerate studies into treatments for cancer, Alzheimer's, heart disease and a host of other ailments.

The funding cuts, announced late Friday, were to take effect on Monday. But the attorneys general of Massachusetts and 21 other states sued. They argued that the Trump administration's plan to slash \$4 billion in overhead costs — known as "indirect costs" — violated a 79-year-old law that governs how administrative agencies establish and administer regulations.

"Without relief from N.I.H.'s action, these institutions' cutting-edge work to cure and treat human disease will grind to a halt," the lawsuit said.

By Monday evening, the relief had been granted. Judge Angel Kelley of the U.S. District Court for the District of Massachusetts issued a temporary restraining order asking the 22 states to file a status report in 24 hours and again every two weeks to confirm the regular disbursement of the funds. The judge set a hearing for Feb. 21.

The filing is the latest in a string of lawsuits challenging President Trump's policies. Also on Monday, a federal judge in Rhode Island ordered the Trump administration to "immediately restore" trillions of dollars in federal grants and loans, including from the N.I.H., that had been <u>frozen under a sweeping directive</u> the president issued, and <u>later</u> rescinded, late last month.

The order leaves out states that did not join the lawsuit, which will still face the funding cuts. They include some states that receive generous research awards, including Pennsylvania, which receives about \$2.7 billion in N.I.H. funds, and Alabama, which receives about \$500 million in agency funds. Georgia and Missouri were also not part of the lawsuit, and each draws about \$1 billion in the medical study grants.

On Capitol Hill on Monday, the cuts drew objections from a prominent Republican, Senator Susan Collins of Maine, who also <u>announced her support for Robert F. Kennedy Jr.</u>, Mr. Trump's choice for health secretary. Ms. Collins, the chairwoman of the Senate

Appropriations Committee, said that she had called Mr. Kennedy to register her strong opposition to "these arbitrary cuts," and that he promised to "re-examine this initiative" if confirmed.

Scientists, medical researchers and public health officials have felt under siege since Mr. Trump became president. In addition to freezing grant dollars and slashing overhead costs, the administration has blocked the Centers for Disease Control and Prevention from publishing scientific information on the threat of bird flu to humans.

The lawsuit filed on Monday involved a change, announced on Friday by the N.I.H., in the formula that the government uses to determine the share of grant dollars that can go toward overhead costs. Those expenses include lighting, heating and building maintenance, but also the upkeep of sophisticated equipment that is too expensive for any single laboratory to buy on its own.

The plan would cost the University of California system hundreds of millions annually, said the system's president, Dr. Michael V. Drake.

"A cut this size is nothing short of catastrophic for countless Americans who depend on U.C.'s scientific advances to save lives and improve health care," Dr. Drake said in a statement on Monday. "This is not only an attack on science, but on America's health writ large. We must stand up against this harmful, misguided action."

State officials are also concerned that the cuts could harm their economies and cost thousands of jobs. Massachusetts prides itself on being the "medical research capital of the country," the state attorney general, Andrea Joy Campbell, a Democrat, said in announcing the suit, adding, "We will not allow the Trump administration to unlawfully undermine our economy, hamstring our competitiveness or play politics with our public health."

The N.I.H. awarded \$4.5 billion in research funds in Massachusetts in recent years, including for research on pancreatic cancer, hypertension and severe asthma. The agency also sent about \$5 billion to New York. The cut is expected to cost the state about \$850 million, the lawsuit said.

Last year, the N.I.H. said, \$9 billion of \$35 billion — or about 26 percent — of grant dollars it distributed went to overhead, or indirect costs. Some academic institutions devote 50 percent or more of their grant dollars to such costs. But the new policy would cap these "indirect funds" at 15 percent, saving \$4 billion, the administration said.

Slashing indirect funds was a goal of Project 2025, a set of right-wing policy proposals put forth by the Heritage Foundation as a blueprint for a second Trump administration. The project's report said the cuts "would help reduce federal taxpayer subsidization of leftist agendas."

Administration officials and their allies cast the indirect costs as a taxpayer giveaway to elite universities whose large endowments could easily cover those costs.

"President Trump is doing away with Liberal DEI Deans' slush fund," Katie Miller, a member of the Elon Musk-led effort to slash the size of the federal government, wrote on Friday on social media. "This cuts just Harvard's outrageous price gouging by ~\$250M/ year."

But Lawrence O. Gostin, an expert in public health law at Georgetown University, said many smaller academic institutions, including historically Black colleges and universities, did not have extra funds to cover those costs, and would have to scale back medical research if the 15 percent cap remained intact.

An N.I.H. spokeswoman referred questions to its parent agency, the Department of Health and Human Services, which is also named as a defendant in the lawsuit. The department declined to comment, citing the pending litigation.

This is not the first time a Trump administration has moved to cut the funds. In 2017, during Mr. Trump's first term, a similar proposal would have reduced the overhead payments to 10 percent of the award amount, according to Monday's lawsuit. The effort faltered.

Congress then acted to "ward off" a future effort and passed a budget bill that prohibited changing the fees from the levels that had been negotiated between federal officials and each research institution, according to the lawsuit.

The lawsuit claims that the administration cannot make indiscriminate changes to the action that Congress took. It also said the notice announcing the rate change violated the Administrative Procedure Act in multiple ways.

The proposed changes have been jarring to universities, which had already finalized budgets assuming that the funds would arrive. The changes were announced on Friday and were to take effect on Monday.

"There just isn't anywhere near that much discretionary money floating around anywhere," said Jeremy Berg, a former N.I.H. division director who oversaw general medical research. "The only thing that a university could do is do less research and start firing staff and faculty. And it would be devastating."

The cuts' largest effect would hit the University of California system, which the lawsuit said gets \$2 billion in N.I.H. research funds for numerous universities and cancer treatment centers. The funds have supported groundbreaking research there, including the invention of gene editing and the first radiation treatment for cancer, according to the lawsuit.

While lawsuits against the Trump administration have tended to be dominated by Democratic-led states, this case also has places that more recently favored Mr. Trump in the election.

They include North Carolina, which gets about \$3.7 billion in N.I.H. research funding awarded to schools like Duke, the University of North Carolina and Wake Forest.

Michigan, a presidential swing state that Mr. Trump carried in November, also sued, citing a probable loss of \$181 million in funding to the University of Michigan alone. The lawsuit said the university has 425 N.I.H.-funded trials underway focused on several diseases, "including 161 trials aimed at saving lives."