MEDICAL RESEARCH

NIH Awards Billions of Dollars Less in Research Funds

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Summary

The National Institutes of Health (NIH) committed to U.S. institutions almost $5 billion less in research grants in the past year than in the year before, the result of disruptions and slowdowns in the processes for awarding federal grants. The full picture of federal research funding, however, is far more bleak for the institutions where the research is conducted and for patients and families, who rely on research innovations to improve their health and overall quality of life. The true shortfall in NIH funding far exceeds the nearly $5 billion gap reported here, due to the thousands of grants terminated midproject by the NIH, funds that have been frozen, and the inability for some institutions to draw down from these obligated funds. Terminated grants alone have resulted in a reduction of many millions of dollars that were previously supporting research.[1,2] The impact goes beyond the failure to spend money allocated to the NIH by Congress: Every dollar not awarded in grant funding or made unavailable to institutions equates to a clinical trial not started, fundamental research not conducted, next-generation scientists not trained, and scientific progress stalled.

Approach

In this brief, we compare the cumulative amount of NIH extramural funding obligated to U.S. institutions during the 2025 fiscal year to that of the 2024 fiscal year.[3] Although the federal government follows an Oct. 1-Sept. 30 fiscal year, for this analysis, we define the fiscal year (FY) as starting July 1 and ending June 30, to align with the budget periods of many academic institutions. We present cumulative NIH funding by month, using the Notice of Award dates and funding information publicly available in the NIH RePORTER,[4] and focus on the first six months of 2025 that coincide with the start of the new administration and the documented disruptions to NIH funding. This analysis captures only obligated funds, meaning the points at which the NIH issued a notice for a new award or a competing or noncompeting renewal. Later disruptions or grant terminations and the unavailability of funds are not systematically reported by the NIH and are not reflected here.

Total Funding Differences

From July to December 2024, the NIH committed nearly $17.4 billion in extramural grant funding to U.S. institutions, which was comparable to the $16.9 billion awarded in the same months in 2023. The cumulative funding gap grew from $148 million at the end of January 2025 to $4.7 billion by the end of June (Figure 1).

Thus, only $30 billion was obligated to U.S. institutions from July 2024 through June 2025, compared to the $34.7 billion obligated at that same point in in the previous year. Notably, funding over the last year also fell below each of the previous five years by an average of $4 billion, even before adjusting for inflation.

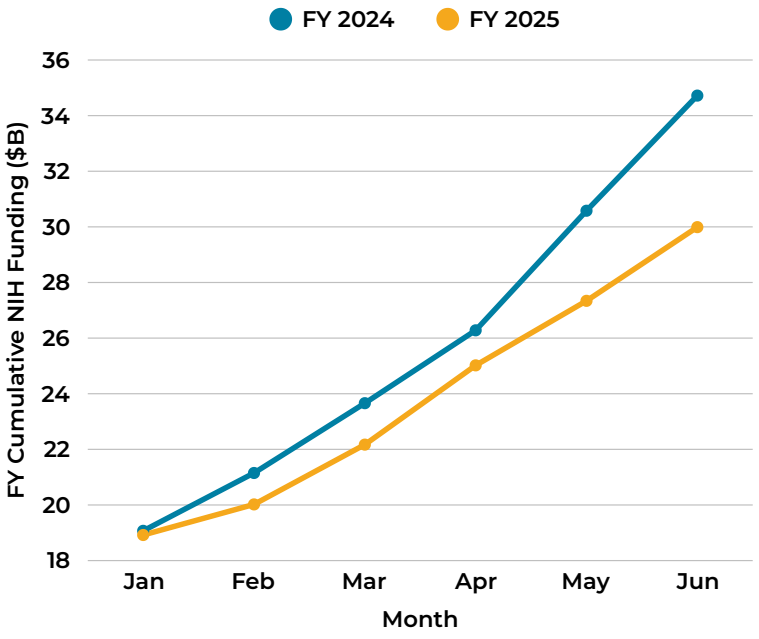

Figure 1. Cumulative NIH extramural funding by month, FY 2024 and FY 2025.

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For new grants and competitive renewals, the total FY 2025 funding was $8.6 billion, an 18% reduction from FY 2024 ($10.5 billion). Funding of noncompeting renewals in FY 2025 outpaced FY 2024 funding in the first half of the fiscal year; however, by the end of June 2025, cumulative funding of noncompeting renewals in FY 2025 was $20.2 billion, a 12% reduction from FY 2024 ($23 billion).

Impacts by Grant Type

Research and Development (R&D) grants represented the majority of NIH grant funding in both fiscal years, from July 1 to June 30 (FY 2024, 86%; FY 2025, 88%). During the first half of FY 2025, cumulative R&D funding from the NIH held steady with FY 2024 levels. Beginning in February 2025, however, cumulative R&D grant funding was consistently lower than it was in 2024, resulting in a loss of $3.6 billion in total R&D grant funding by the end of the fiscal year (FY 2024, $29.9 billion; FY 2025, $26.3 billion) (Table 1). R&D grants include the R01 grant, the most common NIH grant for independent investigators; smaller grants for early-stage investigators; and funding for clinical trials. Research Training and Career Development grants, the NIH's principal mechanism for supporting the next generation of biomedical researchers, only reached $1.7 billion in obligated funds by the end of FY 2025, compared to the $2.2 billion funded by the agency in FY 2024.

Table 1. FY 2024 and FY 2025 Cumulative NIH Extramural Funding by Grant Type

Grant Type	2024	2025	Difference
Research and Development	$29,876,277,248	$26,281,551,872	**-$3,594,725,376**
Research Training and Career Development	$2,210,914,816	$1,671,945,728	**- $538,969,088**
Other	$2,632,066,304	$2,034,614,272	**- $597,452,032**

Note: Grant types are determined by using the funding mechanism category provided by the NIH Activity Code webpage.[5] "Other" grants include all grant mechanisms categorized by the NIH as "other," "construction and modernization," "small business," and "other transactions."

Impact on states

Harmful disruptions in NIH funding were felt by institutions across all geographic regions in all U.S. states; most states have lost tens of millions or hundreds of millions of dollars (Table 2). State-level funding gaps predominantly began after January 2025, and by the end of June 2025, states had experienced a 16% average reduction in obligated NIH funds, compared to June 2024. States eligible for funds through the NIH Institutional Development Award (IDeA) program,[6] which builds research capacity in states with historically low NIH funding levels, experienced an even higher average loss, with a 19% drop in FY 2025 funding, compared to FY 2024.

Conclusion

The NIH obligated nearly $5 billion less for extramural research in the year ending on June 30, 2025, than it did in the previous year. This amount does not account for the abrupt termination of thousands of NIH grants and the disruptions at almost every stage of the grant lifecycle, leading to further losses and institutions' inability to access obligated funding. This analysis demonstrates a break in the stable and predictable funding that has long characterized the federal government's support of scientific innovation through biomedical research.

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Table 2. NIH Funding by State or Territory, FY 2024 and FY 2025

State or Territory	2024	2025	Difference
Alabama	$382,490,020	$328,713,438	-$53,776,582
Alaska	$21,752,424	$7,370,937	-$14,381,487
American Samoa	$0	$143,693	$143,693
Arizona	$341,873,401	$314,766,051	-$27,107,350
Arkansas	$113,847,528	$94,061,013	-$19,786,515
California	$5,020,386,480	$4,298,447,345	-$721,939,135
Colorado	$526,948,435	$467,315,976	-$59,632,459
Connecticut	$759,936,524	$691,250,239	-$68,686,285
Delaware	$81,126,671	$67,662,302	-$13,464,369
Florida	$885,514,575	$739,827,040	-$145,687,535
Georgia	$731,632,994	$692,182,433	-$39,450,561
Guam	$1,905,947	$2,210,512	$304,565
Hawaii	$70,702,204	$47,972,208	-$22,729,996
Idaho	$19,129,137	$18,394,291	-$734,846
Illinois	$1,206,364,608	$1,073,563,778	-$132,800,830
Indiana	$400,586,489	$369,586,638	-$30,999,851
Iowa	$200,682,648	$189,221,825	-$11,460,823
Kansas	$153,625,971	$119,752,226	-$33,873,745
Kentucky	$232,697,715	$191,464,360	-$41,233,355
Louisiana	$206,839,001	$154,978,871	-$51,860,130
Maine	$120,792,286	$101,816,700	-$18,975,586
Maryland	$1,404,917,864	$1,203,876,747	-$201,041,117
Massachusetts	$3,372,022,607	$2,816,854,218	-$555,168,389
Michigan	$1,036,142,600	$857,260,393	-$178,882,207
Minnesota	$711,225,827	$572,152,428	-$139,073,399
Mississippi	$48,638,638	$52,119,439	$3,480,801
Missouri	$756,524,537	$820,928,221	$64,403,684
Montana	$43,365,353	$28,510,653	-$14,854,700
Nebraska	$144,648,225	$124,391,851	-$20,256,374
Nevada	$40,628,335	$18,197,295	-$22,431,040
New Hampshire	$143,334,509	$102,555,731	-$40,778,778
New Jersey	$370,964,875	$345,110,181	-$25,854,694
New Mexico	$125,010,029	$96,890,058	-$28,119,971

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State	2024	2025	Difference
New York	$3,383,564,881	$2,851,308,841	-$532,256,040
North Carolina	$1,919,801,857	$1,339,508,857	-$580,293,000
North Dakota	$28,024,456	$15,895,837	-$12,128,619
Ohio	$971,991,241	$864,795,698	-$107,195,543
Oklahoma	$146,273,346	$122,546,992	-$23,726,354
Oregon	$408,775,929	$346,061,304	-$62,714,625
Pennsylvania	$2,160,807,939	$1,909,447,706	-$251,360,233
Puerto Rico	$47,330,272	$66,974,324	$19,644,052
Rhode Island	$237,989,164	$183,822,244	-$54,166,920
South Carolina	$252,190,465	$225,294,053	-$26,896,412
South Dakota	$35,141,840	$24,430,013	-$10,711,827
Tennessee	$758,232,262	$677,710,562	-$80,521,700
Texas	$1,790,350,221	$1,706,521,257	-$83,828,964
U.S. Virgin Islands	$446,273	$0	-$446,273
Utah	$284,134,886	$260,490,956	-$23,643,930
Vermont	$54,545,175	$48,062,704	-$6,482,471
Virginia	$544,615,595	$448,815,973	-$95,799,622
Washington	$1,145,247,948	$1,117,574,934	-$27,673,014
Washington, D.C.	$209,247,089	$187,006,107	-$22,240,982
West Virginia	$49,083,776	$50,630,620	$1,546,844
Wisconsin	$603,719,163	$519,318,849	-$84,400,314
Wyoming	$11,486,842	$12,345,737	$858,895
Total	**$34,719,259,077**	**$29,988,112,659**	**-$4,731,146,418**

Notes

1. AAMC. Impact of NIH grant terminations; AAMC. Published May 27, 2025. Accessed August 12, 2025. https://www.aamc.org/about-us/mission-areas/medical-research/publication/impact-nih-grant-terminations
2. Ross N, Delaney S, Barente A, Mairson E, Scott E, Shan M. Grant Witness. Accessed August 11, 2025. https://grant-witness.us/
3. Methodology for this analysis: https://www.aamc.org/media/85421/download
4. NIH. NIH RePORTER. Accessed August 12, 2025. https://reporter.nih.gov/
5. NIH. Grants and funding: activity codes. Accessed August 12, 2025. https://grants.nih.gov/funding/activity-codes
6. IDeA states include Alaska, Arkansas, Delaware, Hawaii, Idaho, Kansas, Kentucky, Louisiana, Maine, Mississippi, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Dakota, Oklahoma, Rhode Island, South Carolina, South Dakota, Vermont, West Virginia, Wyoming, and Puerto Rico.