

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, JUNE 03, 2025**

MINUTE ORDER NO. 20

SUBJECT: SUPPORTING SAN DIEGO'S BIOMEDICAL SECTOR: ADDRESSING RECENT CHALLENGES TO THE NATIONAL INSTITUTES OF HEALTH (DISTRICTS: ALL)

OVERVIEW

San Diego's biomedical community is on the frontlines of saving lives, fighting diseases, and pushing the boundaries of scientific discovery. The National Institutes of Health (NIH) is the beating heart of that work - pumping over \$1 billion into hundreds of San Diego labs, hospitals, and startups annually. Those dollars don't just fund research projects; they fund life-changing breakthroughs, train the next generation of scientists, and power the local economy. Today, that lifeline is at risk.

The NIH supports scientific and commercial advancements that drive San Diego's \$57 billion biomedical sector and improve human health. NIH grants keep paychecks coming, labs running, the lights on, and families fed. They turn an entrepreneur's great idea into a signed lease for a local realtor and purchases for local vendors. Every NIH dollar attracts an additional \$3 to \$4 in private investment, drawing top talent to our region and cementing San Diego's reputation as a premier biomedical innovation destination. However, the current restructuring at the NIH has already forced layoffs, leaving lab techs scrambling to pay rent and students rethinking their futures in science. For the patients enrolled in clinical trials, it could mean drug trials being abruptly stalled and treatments that don't come through in time.

Right now, the current federal administration is:

- **Proposing a 40% cut to the NIH budget**, which would mean \$18 billion less in biomedical research funding for discoveries, treatments and cures that save lives.
- **Capping federal investment in facilities and administration costs for research institutions**, breaking the decades long partnership between the federal government and universities to fund biomedical science and jeopardizing the ability of San Diego's research institutions to sustain cutting-edge biomedical research infrastructure. UC San Diego alone estimates a \$150 million loss from the cap on NIH research infrastructure reimbursements.
- **Delaying new NIH grant funding**. NIH grantmaking lags \$2.3 billion behind this point last year. Since NIH grants fund lab payrolls, from janitors to PhDs, this slowdown creates cash flow problems for San Diego's labs and has already caused layoffs and enrollment reductions.
- **Cancelling hundreds of active NIH grants that were vetted by independent panels of scientific experts**. Nearly 800 NIH grants have been cancelled due to shifting administration priorities. This has impacted research across the region, including a clinical trial at UC San Diego that is developing the first-of-its kind HIV/AIDS vaccine right here in San Diego.
- **Terminating 1,200 NIH employees**, including preeminent scientists, which compromises scientific progress and results in confusion for San Diego's NIH grant recipients.
- **Slowing merit-based peer review** by cancelling or curtailing expert councils that vet NIH grants.

The restructuring of the NIH jeopardizes its long track record of transformational health breakthroughs. All but two of the new drugs that came to market in the 2010s relied on NIH-funded research. The blockbuster GLP-1 weight loss drugs, Ozempic and Wegovy, for example, were built upon NIH-funded research. Deaths from heart disease are down 75% and cancer death rates dropped 33% over the last 40 years as a result of NIH-funded research. The proportion of children dying of cancer has dropped by more than 50% since the 1970s and people with cystic fibrosis now live into their 50s and beyond thanks to the NIH.

Not only does the restructuring of the NIH harm human health, it harms San Diego's biomedical companies too. Our region's 2,000 biomedical companies generated nearly \$57 billion in overall output and directly employ over 75,000 people directly, many in high-wage jobs. These companies will start to see fewer valuable biomedical insights to commercialize, less federal support for startup companies, fewer highly-skilled biomedical workers to hire, smaller markets for some of their products, and the erosion of competitive advantage in world markets. Illumina, a leading biotechnology company headquartered in San Diego, is expected to lose up to \$85 million in revenue from the cap on NIH reimbursements for scientific infrastructure alone because academic and government labs make up a significant share of Illumina's customer base.

The largest non-federal employer in the county, UC San Diego, will also be hard hit by the restructuring of the NIH. The university faces a loss of hundreds of millions in NIH funding, threatening everything from clinical trials to student training programs. Research labs will close and life-saving treatments will be abandoned. This isn't just about throwing PhDs out of work; custodians, lab techs, cafeteria workers, and security staff whose paychecks depend on NIH grants will lose jobs too.

San Diego's best scientists are already eyeing the exits. Europe just launched a €500 million fund to poach top researchers from the US. If we let this administration dismantle the NIH, we won't just lose grants - we'll lose the brilliant minds who drive San Diego's biomedical breakthroughs. We won't just lose funding - we'll lose the very people capable of developing the next vaccine, the next cancer treatment, the next life-saving cure. And those losses don't just set back science - they cost lives.

Today's item calls on the County to stand up for San Diego's world-class biomedical community and our regional economy. It asks the San Diego County Board of Supervisors to express concern about recent federal actions affecting the NIH and advocate for increased federal support and funding to bolster San Diego's biomedical leadership.

RECOMMENDATION(S)

VICE-CHAIR TERRA LAWSON-REMER

1. Adopt the resolution entitled: A RESOLUTION OF THE BOARD OF SUPERVISORS EXPRESSING CONCERN REGARDING RECENT FEDERAL ACTIONS AFFECTING THE NATIONAL INSTITUTES OF HEALTH AND SUPPORTING INCREASED FUNDING.
2. Direct the Chief Administrative Officer to send a letter to the Majority and Minority leaders of the House of Representatives and the Senate, the Chairs and Ranking Members of the House Energy & Commerce Committee, the Senate Health, Education, Labor, and Pensions Committee, and the House and Senate Appropriations Committees to advocate for increased federal support and funding for biomedical research, education, scientific infrastructure, commercialization, and entrepreneurship, including a copy of the resolution as recommended in Recommendation 1.

3. Direct the Chief Administrative Officer to update the County's 2025 legislative program to advocate for expanding federal funding and support for biomedical science, education, research infrastructure, commercialization, and entrepreneurship to advance San Diego's biomedical leadership and drive our regional innovation economy.

EQUITY IMPACT STATEMENT

Today's action seeks to protect smaller and less well-resourced research institutions, such as San Diego State University (SDSU), which have less capacity to absorb NIH cuts. It also seeks to protect career opportunities in the biomedical field for scientists from underrepresented groups by defending recruitment and professional development programs funded by the NIH. Lastly, it seeks to ensure that NIH grantmaking upholds merit-based peer review such that high-quality research projects focused on biomedical issues within understudied populations are not stymied for political reasons.

SUSTAINABILITY IMPACT STATEMENT

N/A

FISCAL IMPACT

There is no fiscal impact associated with these recommendations. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

San Diego's biomedical companies, suppliers, and local businesses whose customers rely on NIH grants stand to lose hundreds of millions of dollars' worth of revenue over the next year. They will start to see fewer biomedical insights to commercialize, less federal support for startup companies, fewer highly-trained biomedical workers to hire, smaller markets for some of their products, and the erosion of competitive advantage in world markets. Today's action seeks to head off this negative outcome by calling for an end to the restructuring of the NIH and reinvestment in San Diego's biomedical community.

ACTION:

ON MOTION of Supervisor Lawson-Remer, seconded by Supervisor Montgomery Steppe, the Board of Supervisors took action as recommended, adopting Resolution No. 25-041, entitled: A RESOLUTION OF THE BOARD OF SUPERVISORS EXPRESSING CONCERN REGARDING RECENT FEDERAL ACTIONS AFFECTING THE NATIONAL INSTITUTES OF HEALTH AND SUPPORTING INCREASED FUNDING.

AYES: Anderson, Lawson-Remer, Montgomery Steppe, Desmond

ABSENT: (District 1 Seat Vacant)

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter