

**CLERK OF THE BOARD OF SUPERVISORS  
EXHIBIT/DOCUMENT LOG**

**MEETING DATE & AGENDA NO. 06/03/2025 #20**

**STAFF DOCUMENTS (Numerical)**

No.	Presented by:	Description:
1	Staff	9-page PowerPoint

2

3

4

5

**PUBLIC DOCUMENTS (Alphabetical)**

No.	Presented by:	Description:
A	N/A	

B

C

D

E

F

An aerial photograph of a coastal city, likely San Diego, showing a long pier extending into the ocean, a residential area with many palm trees, and a clear blue sky. The foreground is partially obscured by green foliage.

# Federal policy implications: Scientific research

Nikia Clarke, Ph.D.

Chief Strategy Officer

May 2025

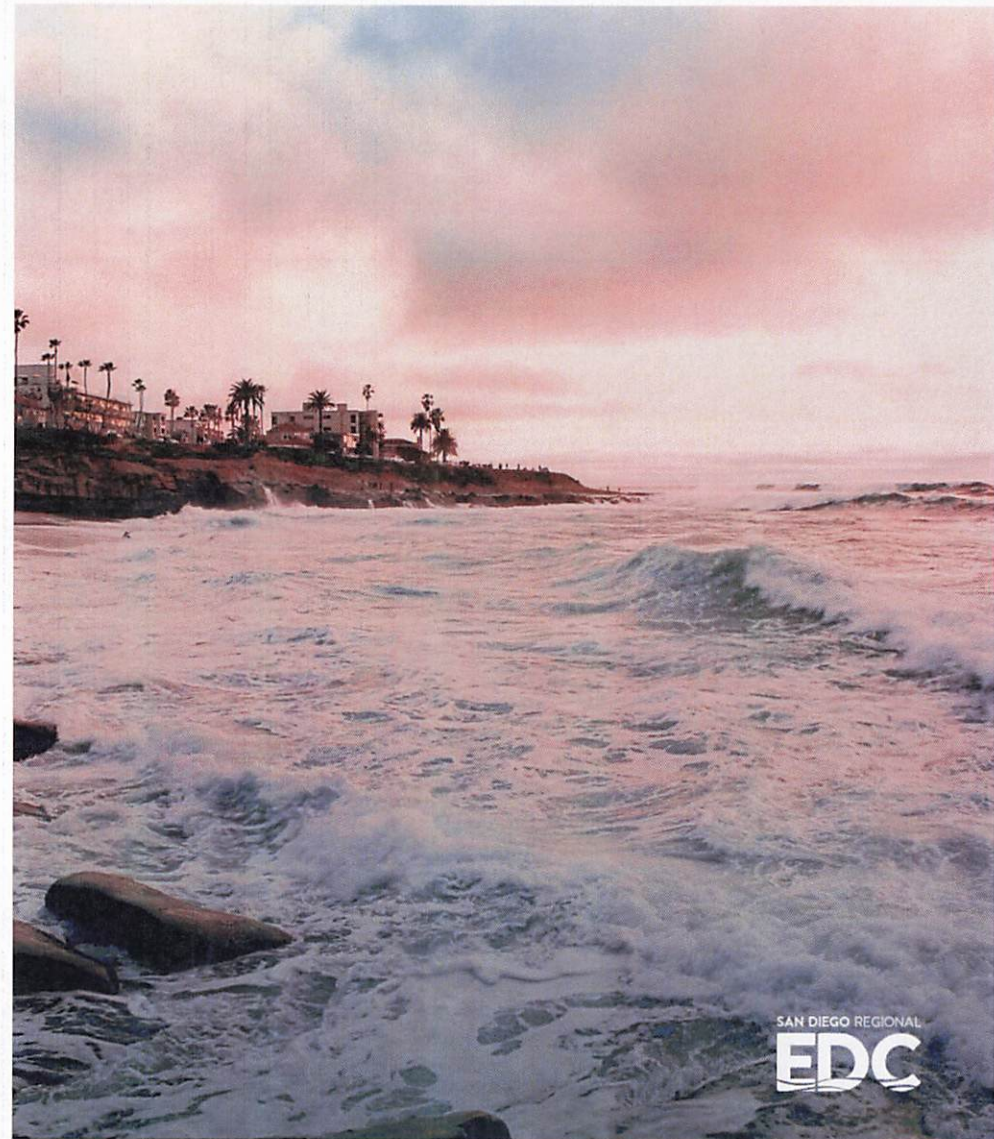
SAN DIEGO REGIONAL  
**EDC**



**EDC** mobilizes business, government and civic leaders around an **inclusive** economic development strategy to maximize economic **prosperity** and global **competitiveness**.

### How we do it

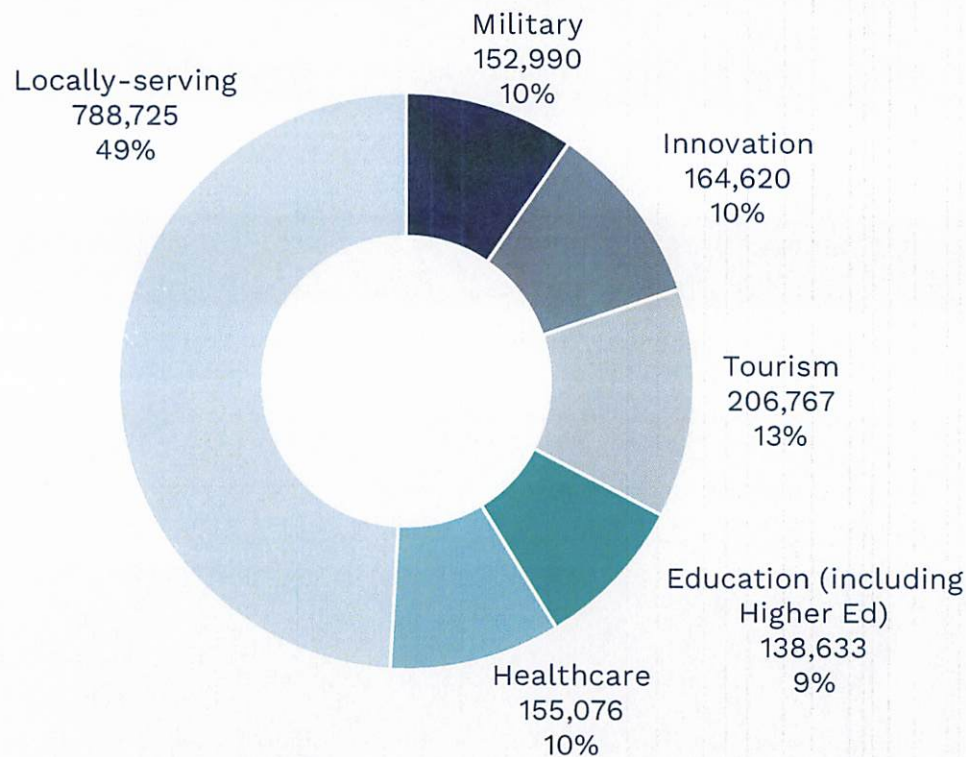
- Focus on quality **jobs**, skilled **talent**, and thriving **households**
- Work **with and through** 150+ companies and investors
- Lead programs and initiatives that are **demand-driven, employer-led, and outcomes-based**.





## San Diego has diverse base of jobs

Employment 2023



3

<sup>1</sup> EDC; <sup>2</sup> BLS (2025)

## Federal support equally diversified

102

**RESEARCH INSTITUTIONS**

23

**POST-SECONDARY INSTITUTIONS**

\$260B

**GROSS REGIONAL PRODUCT**

264,200 (47,000 FEDERAL)

**PUBLIC SECTOR EMPLOYEES<sup>2</sup>**

40,000

**SCIENTIFIC R&D JOBS**

# Scientific R&D drives regional innovation cluster

Proposed NIH indirect reimbursement cost cap could lead to a \$448M+ annual loss in San Diego region <sup>2</sup>

**\$1.1B**

NIH + NSF funding, 2024 <sup>1</sup>

**164K**

innovation jobs, 2023 <sup>2</sup>

**47.5K**

employed in higher-ed <sup>2</sup>

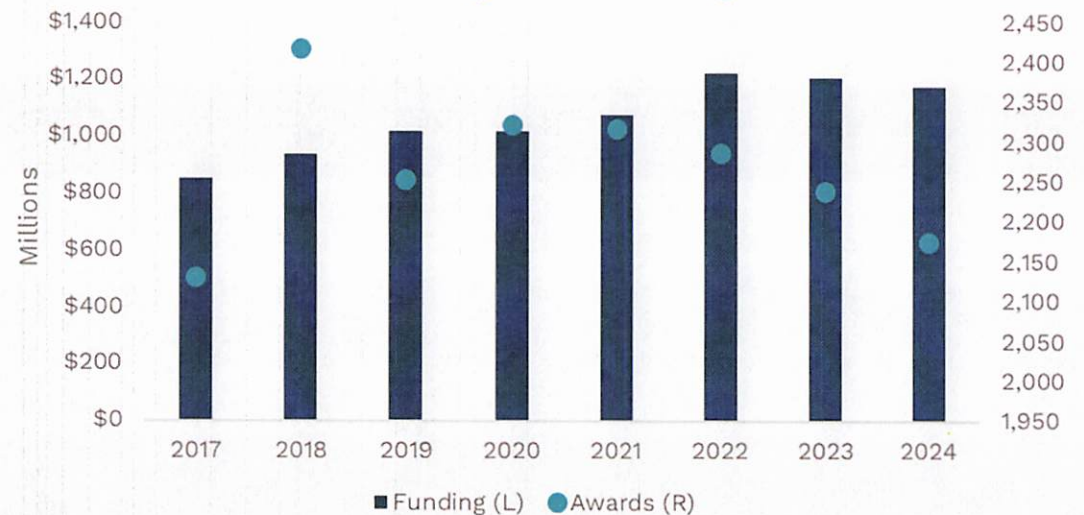
**\$31B**

economic impact, 2023 <sup>2</sup>

## 2024 NIH funding <sup>2</sup>

- UCSD | \$561M
- Scripps Research | \$163M
- Salk Institute | \$66M
- Sanford Burnham Prebys | \$54M
- SDSU | \$43M

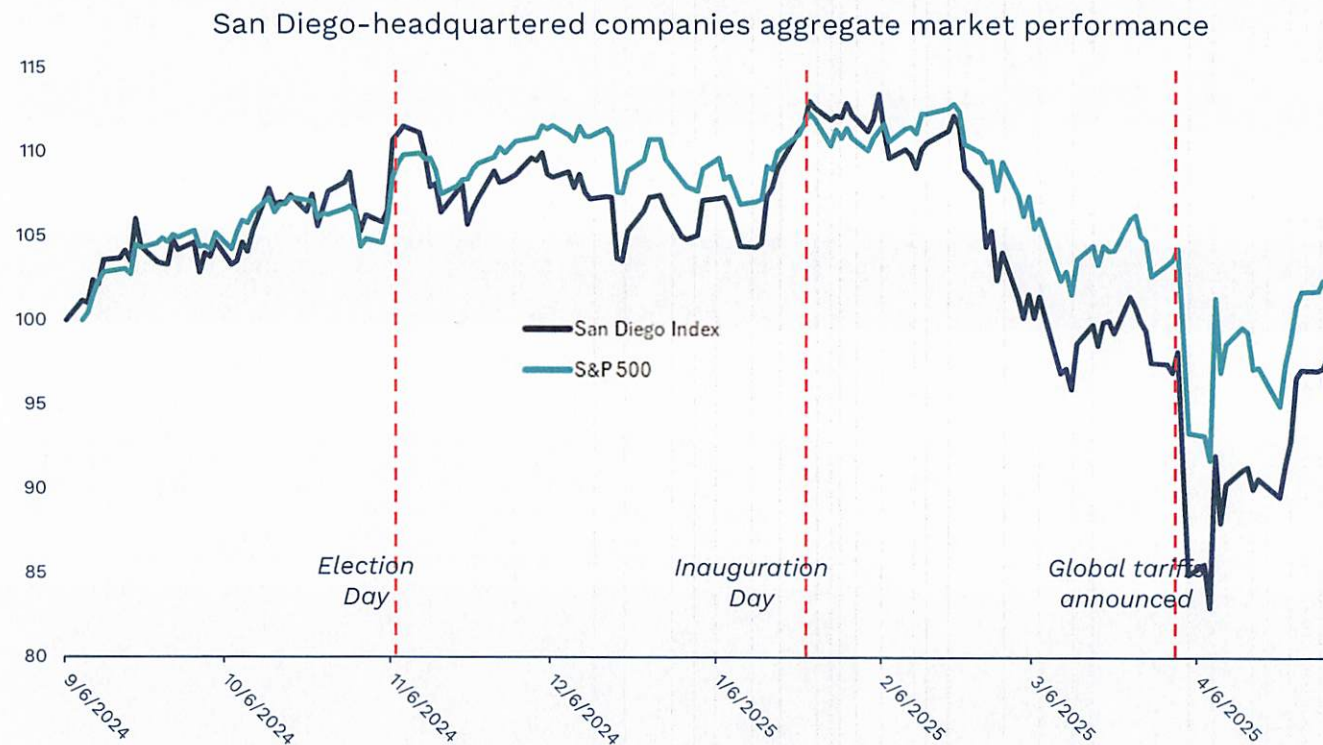
## San Diego NIH funding





# San Diego firms underperform the market

More severe market impacts due to industry mix



**\$1.1B**

NIH + NSF funding, 2024 <sup>1</sup>

**\$5.8B**

VC funding, 2024 <sup>1</sup>

**164K**

innovation jobs, 2023 <sup>2</sup>

**\$31B**

economic impact, 2023 <sup>2</sup>

# Uncertainty is the new normal

## What we know now



- **1/20:** EO withdrawing from WHO
- **1/27:** EO issued **temporary grant funding freezes** across education, small businesses, infrastructure, and public health projects (NSF & NIH) (**BLOCKED** 1/28, 2/3)
  - **2/7:** But Trump administration then froze NIH submissions to the Federal Register effectively **pausing funding for new grants** (resumed 2/26).
- **2/7:** EO proposed 15% NIH indirect cost cap could lead to a \$448M+ annual loss in San Diego region (temporary blocks: 2/10, 2/21; permanent **BLOCK** 4/7, appeal likely)
- **2/13:** EO establishing President's Make America Healthy Again (MAHA) Commission.
- **3/24:** NIH ends funding for climate, gender, DEI research (internal memo)
- **4/1:** Layoffs across HHS agencies – **10,000 across CDC, NIH, and FDA**
- **4/18:** NSF terminates hundreds of active research grants – San Diego sees nearly \$6M in NSF grants cancelled
- **4/21:** Proposed **44% cut** to NIH budget; and **66% cut** to NSF budget (FY2026)
- **5/30:** HHS releases budget summary consolidating NIH's 27 agencies into 8, maintaining 15% cap, and reducing funding by 40%

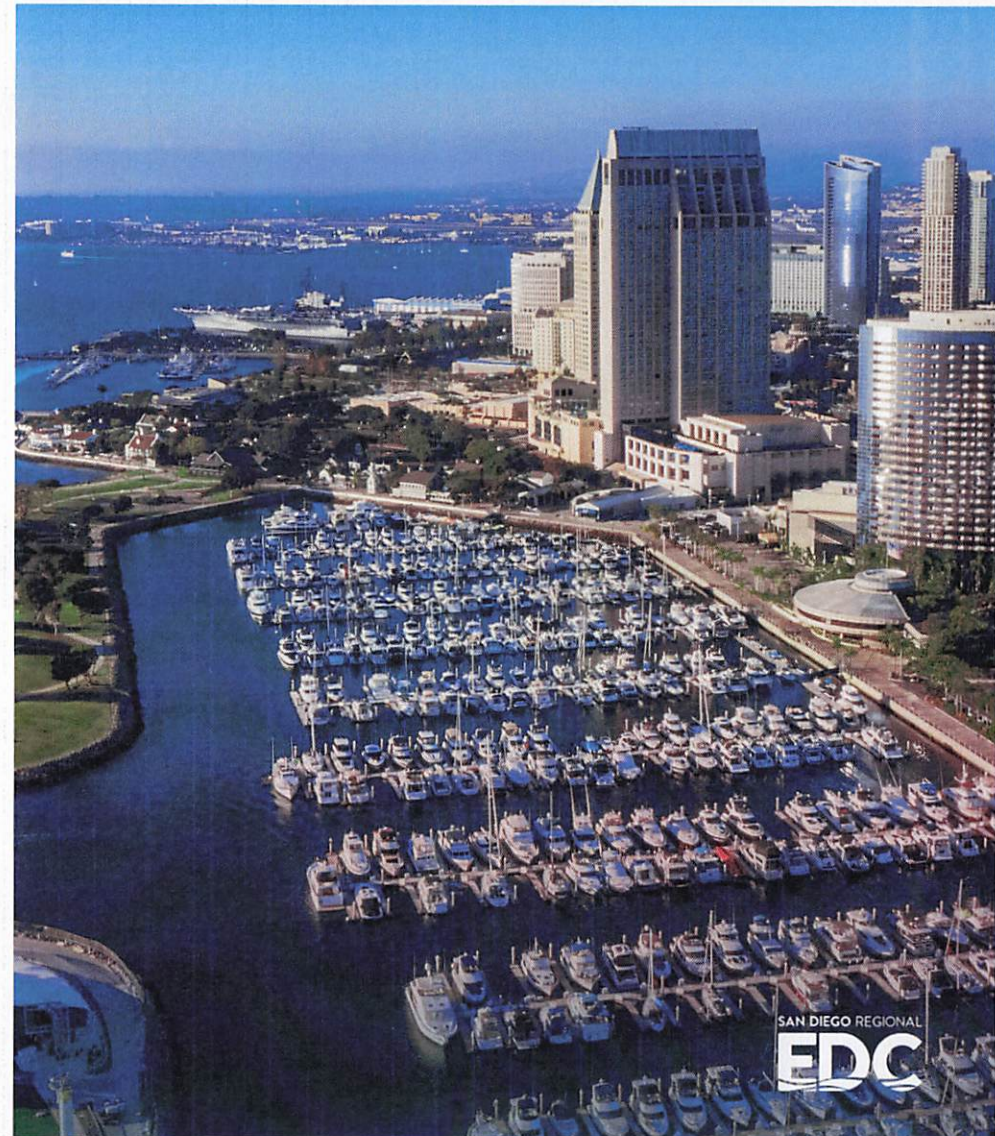


# Uncertainty's long reach

## What to watch

- University research model under threat
  - Reduction in startups and university spin offs will lead to gap in 5-10 years
  - STEM talent brain drain
  - Cashflow/targeting
- REprioritization versus DEprioritization
  - Federal staffing and agency reorg
  - State science bans
  - Regulatory changes
  - VC and industry impacts

<sup>1</sup> Center for American Progress, 2025





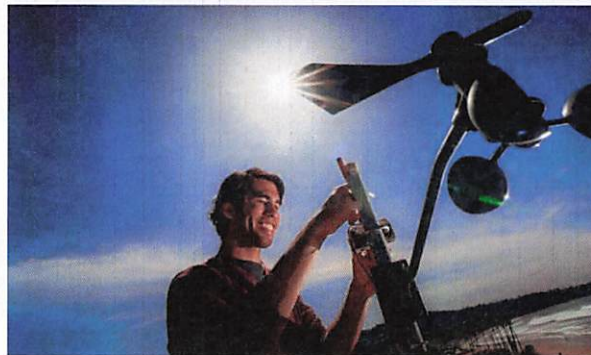
# What we can do to help

Regional programs to support institutions and innovators



## Institutions

- Coordinated advocacy efforts through UCSD, trade groups (Biocom), EDC, Regional Chamber
- Philanthropy
  - Prebys Foundation emergency funding for scientific research
  - Curebound



## Innovators

- Local resources, accelerators, & incubators
  - Connect
  - MetroConnect
  - Cleantech San Diego
  - Jlabs, Gateway Labs



## Incentives

- R&D Tax Credit
- Cal Competes
- SDG&E Economic Development Rate





# Thank you.

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and visit our website [sandiegobusiness.org](#)

Regionally focused. Globally competitive.

