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Current Federal Funding Landscape— *December 2025*

*2025 Eleventh Annual Rutgers Brain Health
Institute Symposium*

Presentation Overview

1. Introduction to Lewis-Burke
2. Overview of Federal Landscape
3. Administration and Congressional Priorities
4. Agency Updates
5. Q&A



About Lewis-Burke

Government Relations for Research, Healthcare, and Education

- Founded in 1992; located in Washington, DC
- Decades-long relationship with Rutgers
- Coordinates closely with Rutgers Office of Federal Relations
- **~45 policy experts** with a range of expertise/backgrounds allow multi-layered issue teams with deep expertise in agencies and scientific/higher education areas
 - Dedicated six-person team working specifically with Rutgers
- Support federal relations activities to develop and implement federal strategies to pursue, shape, and create new sources of funding to increase and diversify research portfolio
- Able to engage on multiple levels:
 - Individual faculty (including early career faculty)
 - Teams of faculty
 - Deans and Center Directors
 - Chancellor Unit and System-wide leadership

Overview of Federal Landscape



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Big Picture

- There has been **significant change** – change was expected but not this pace and scale
- There will be **less federal funding overall** – but there could still be “winners” or specific focus areas that align with the Brain Institute’s priorities
 - Congress has pushed back on major proposed cuts – but rescissions/impoundment still a risk
 - “Make America Healthy Again” agenda – how will it translate to opportunities?
 - Many solicitations are still open – apply if you can
- The Administration’s strategy is to **go far and expect pushback** – many changes have faced legal challenges or have already been walked back
- Congress is **narrowly divided** – Rs vs. Ds, factions within parties
- White House is **relationship-driven** and chaotic – not all parts of Administration are on the same page
- Eventually we’ll reach a **new normal** – what does that look like?

FY 2026 Appropriations

- Continuing Resolution (CR) signed on November 13 reopened the government after **43-day shutdown**
- Extends government funding through **January 30, 2026** at FY 2025 funding levels
- Also provides **full year appropriations for USDA and VA**, and temporarily extends expiring programs in healthcare and agriculture
- Does not include funding for expiring Affordable Care (ACA) Act premium tax credits,
 - Mid-December vote on a stand-alone bill
- The Senate plans to take up the **next FY 2026 appropriations package** soon
 - Plan includes funding for DOD, HHS, DOL, and ED at a minimum
 - Could also include DOC, DOJ, science agencies (NSF, NASA), DOT, HUD, DOI, and/or EPA



Appropriations process is disrupted and delayed. The extended Government Shutdown disrupted regular order.



Both House and Senate have provided funding above President's budget request for FY 2026.



So far both the House and Senate have largely rejected proposed cuts to research programs.



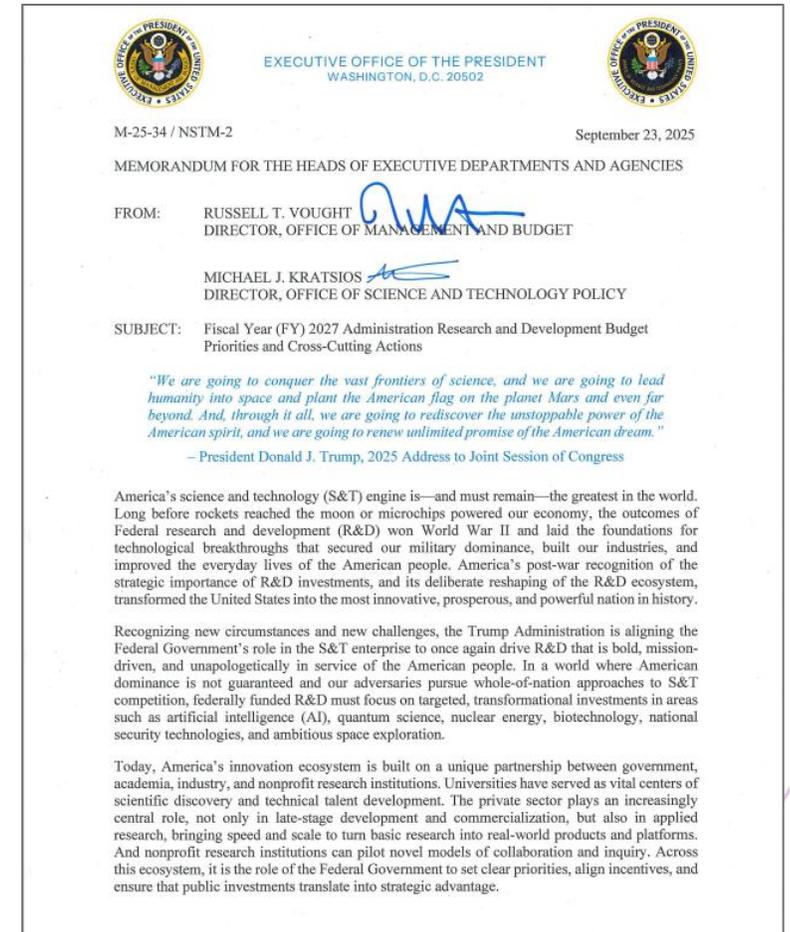
Final spending levels will require bipartisan negotiations to overcome a 60-vote filibuster in the Senate.



***Administration and
Congressional Priorities***

Trump Administration “American Health” R&D Priorities

- **American Health and Biotechnology** is one of the five R&D budgetary priority areas for FY 2027.
- **America’s Health** mission focused on **maximizing health** and **quality of life** for Americans
 - Focused on health priorities outlined in the MAHA commission:
 - Looking to address pressing public health challenges including but not limited to chronic disease, obesity, **neurodegenerative disorders**, and rare disease.
 - Health technology to strengthen US agricultural resilience and food security.
 - Leveraging AI and –omics tools to improve understanding of environmental, lifestyle, and genetic causes of disease.
- **Biotechnology** investments in domestic biomanufacturing capabilities and biosafety and biosecurity.



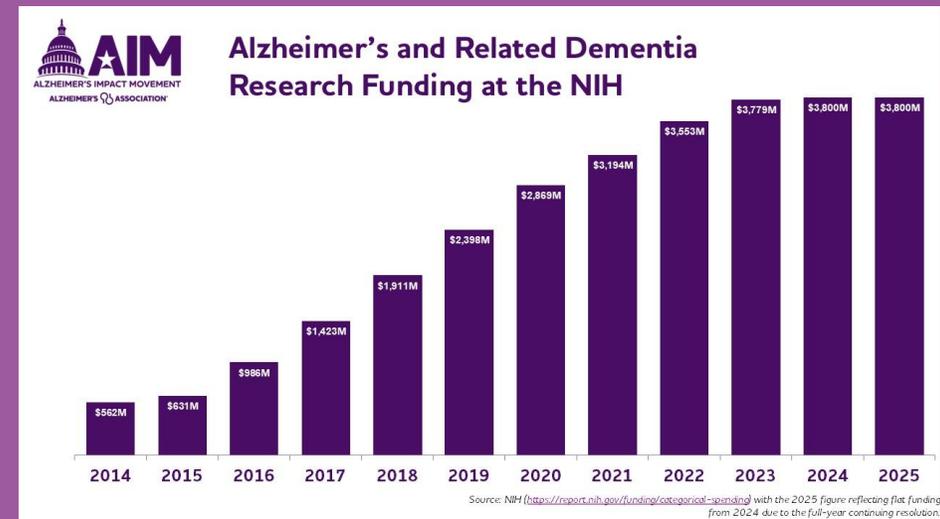
Member Interest

- There are several congressional caucuses focused on topics related to Brain Health with bipartisan membership. That list includes but is not limited to:
 - Congressional Neuroscience Caucus
 - Bipartisan Senate Mental Health Caucus
 - Bipartisan Congressional Task Force on Alzheimer's Disease

Congressional Funding Investments

- BRAIN Initiative included \$1.5 billion investment over 10 years, this funding runs out FY 2026 what will Congress do next?
- Over the last decade Alzheimer's funding has gone from ~\$500 million to nearly \$4 billion
- Investments in Mental Health research and services
 - Bipartisan Safer Communities Act
 - Dr. Lorna Breen Health Care Provider Protection Act
 - Increases in mental health research at the NIH

Congressional Interest in Brain Health



Where is Health Research Going??



Make America Healthy Again

Based on all health indicators and global comparisons, Americans are becoming sicker, beset by illnesses that our medical system isn't addressing effectively. The Trump Administration is changing that.

Federal Investment Priority Areas:

- Intersection of AI, data science, and health will be prime areas for growth
- Growth in interest for New Approach Methodologies (NAMS) – Non-animal models
- MAHA Focus Areas: Childhood Chronic Disease, autism, obesity, and mental health
- Push towards innovative, high-risk/high-reward research
- Cancer, **Neuroscience**, diabetes, and **Alzheimer's Disease and Related Dementias** will have continued support



Agency Updates

National Institutes of Health (NIH)



Funding Outlook:

- FY 2025 funding at \$46.8 billion (Flat funding from FY 2024*)
- FY 2026 PBR proposed **\$27.5 billion**; FY 2026 Senate Bill would provide **\$47.2 billion**; House would provide **\$46.9 billion**.

Research Focus Areas:

- Chronic Disease – MAHA agenda
 - Nutrition research
 - Exposomics
 - Mental wellbeing and social media
 - Exercise and outdoor access
 - Autism Spectrum Disorder and neurodevelopment
- Development of Non-Animal Models
- Synthetic/engineering biology and other innovative research
- Oversight of infectious disease/vaccine research
- Data science and AI

Agency Trends:

- Increased centralization of operations, priorities, decision making
 - Previously, 27 institutes and centers (IC) operated mostly independently, set own priorities, etc.
 - Unified Strategy and Highlighted Topics mark shift towards increased role of OD in setting agency-wide priorities
- Forthcoming changes to award decision model
 - Peer review scores will no longer be the primary driver of funding decisions
 - Alignment with agency priorities and balance of funding portfolio will also factor into decisions
- Increased oversight of foreign funding and partnerships
- *Funding from the 21st Century CURES Act is tapering off; FY 2026 is the last year of authorized funding for the BRAIN Initiative and All of Us program*

* Cures is funded at FY2025 authorized levels which is a decrease from FY 2024

Advanced Research Projects Agency for Health (ARPA-H)



Funding Outlook:

- FY 2025 funding at \$1.5 billion (Flat funding)
- FY 2026 PBR proposed \$945 million cut (37% decrease)
 - Senate rejects cut, provides flat funding at \$1.5B; House bill accepts 37% cut

Research Focus Areas:

- Chronic Disease
 - MAHA agenda
- Adolescent health
- Technology to speed approvals of new therapies
- Amyotrophic lateral sclerosis (ALS)
- Long COVID
- Women's Health
- Emerging Public Health threats
- Data science and AI

Agency Trends:

- Fewer staffing or funding disruptions, but pace of awards, programs, and hiring slowed
 - UPGRADE, HEROES and INDEX were paused.
- Alicia Jackson appointed as new agency leadership
- Considering programs aligned with MAHA such as on regulatory innovation and adolescent mental health
- New programs issued in this administration
 - **FRONT program – repairing brain tissue**
 - GIVE and THRIVE programs – focused on gene therapy manufacturing and expansion
 - **AIR – autonomous robotic systems for stroke treatment and microbots**
 - MOCS – smart diagnostics and sensors for obstetrics

Department of Defense: Biomedical Research



- **DOD Health Research Funding:** Primarily comes from the Army Medical Research and Development Command (USAMRDC), the Defense Health Agency (DHA) and the Congressional Directed Medical Research Programs (CDMRP)
- **Realignment:** Ongoing realignment occurring between DHA and US Army Medical Research and Development Command (USAMRDC)
 - Most DOD Health Research is shifting to DHA, however, USAMRDC continues to receive health funding
- **Budget Reductions:** Under the FY 2025 CR, CDMRP received a 57% cut to funding compared to FY 2024.
 - The program ran 12 out of the 35 programs run previously and received 2-3 times as many applications compared to previous years
 - For FY 2026, the House proposed funding CDMRP at \$50 million (7.7%, increase over FY 2025 CR; 53.3 % decrease from the FY 2024 enacted amount of \$1.5 billion).
 - DOD health outside of CDMRP is proposed to stay relatively flat for FY 2026
- **DOD Health Priorities:** include - biological systems, military infectious disease, combat causality care, occupational and environmental medicine, psychological health
 - CDMRP has programs within its Peer Reviewed Medical Research Program (PRMRP) on Traumatic Brain Injury and Psychological Health
 - They have seen increased applications from researchers who traditionally engage with HHS and do not change their approach for engagement

DARPA Biological Technologies Office (BTO)



Director Michael Koeris – very hands on and active, joined BTO last year (Amgen, RADx, biotech startups)

- Pitch Days – AI/Biotech pitch days last year, launched Ag x BTO at University of Illinois earlier this year
- Broad interest in biotech innovation, reflected through office-wide BAA
 - *“Biotechnology, biochemistry, molecular biology, neuroscience, psychology, cognitive science, and related disciplines to advance treatment and resilience in neurological health and optimize human performance”*
- BTO Program Managers are required to respond to inquiries - "everyone allowed 30 min., but not guaranteed more"

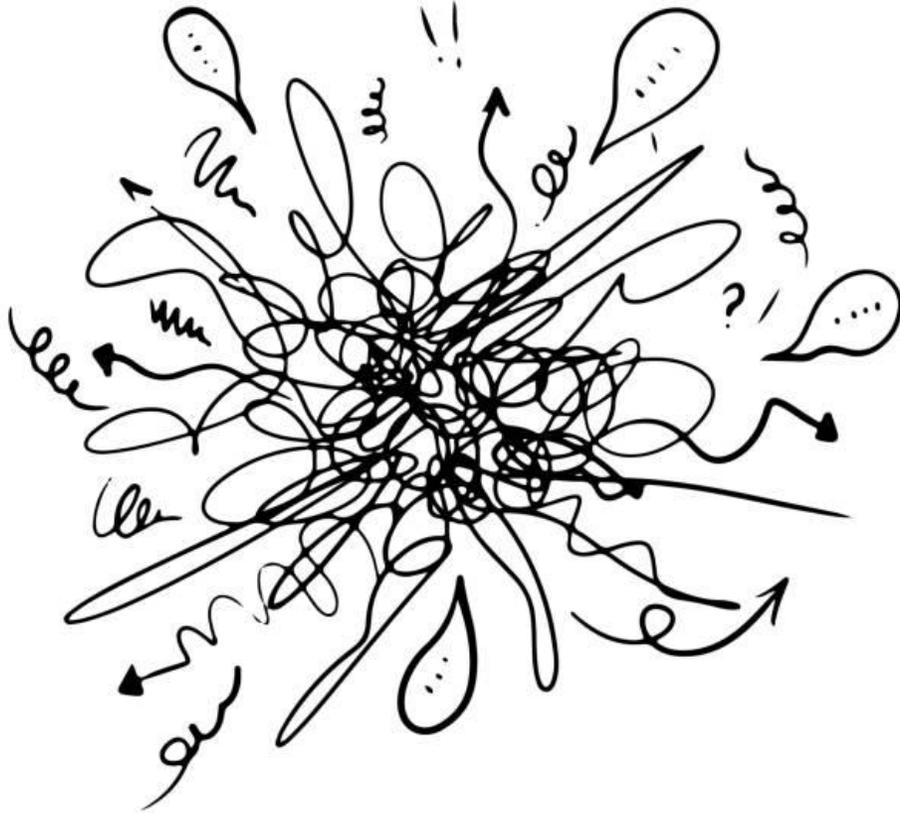
BTO Priority Area: Combat Casualty Care

- “Warfighter readiness, health, and recovery, including MCMs, diagnostics, health IT, and medical devices:
 - **Optimize:** Ensuring peak warfighter performance, both physical and cognitive, throughout all phases of a mission.
 - **Prevent:** Protecting warfighters from any threat and advancing capabilities on the battlefield for immediate injury treatment.
 - **Restore:** Creating biotechnological approaches to provide tactical care and restore function to injured warfighters.”

Recent BTO updates:

- **BTO Innovation Opportunity Fair** – in person (Arlington, VA) being rescheduled due to government shutdown
- Additional funding through OBBBA (Reconciliation): **Triage** (triage in mass casualty) RFI released
- Adding new PMs often as many have moved to ARPA-H major opportunity for engagement

Bottom Line



There **has been significant change**; change was expected but not this pace/scale

There will be **less discretionary funding overall**, but opportunities exist

There will be winners/focus areas in S&T, consistent priorities like **mental health** and **neurodegenerative diseases** will remain

There are **different priorities** from different parts of the White House – **confusion at agencies**

We anticipate a growing role for **“non-traditional” partnerships**: philanthropies, private sector, community organizations etc.

Thank you for your time
Questions

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