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Federal Government Transition Update - 4.18.25 [1]

April 18, 2025 by Riley Black [2]

Dear Colleagues,

Please find a federal government update from our teams.

U.S. Department of Energy F&A Rate Cap Update
On Monday April 14, the Association of American Universities (AAU), Association of Public and Land-Grant Universities (APLU), American Council on Education (ACE), along with nine universities, joined in a lawsuit [3] challenging the U.S. Department of Energy's (DOE) Friday night announcement [4] of the implementation of a 15 percent (F&A) rate cap, for research grants. CU Boulder, at the request of AAU submitted a declaration [5] relative to this lawsuit. On Wednesday April 16, the U.S. District Court of Massachusetts issued a TRO covering institutions nationwide and preventing the administration "from implementing, instituting, maintaining, or giving effect to" the DOE F&A rate cap.

We are actively collaborating with the Colorado congressional delegation, as well as other universities and higher education associations on this. APLU, AAU and ACE released a joint statement, [6] and COGR [7] did so as well, condemning the policy.

Student Visas
The National Association of International Educators (NAFSA) reported that over 1,300 international students have had their visas revoked or their records terminated in the Student Exchange Visitor Information System (SEVIS). As of April 17, the University of Colorado System has confirmed [8] that 22 international students, have had their student visas revoked across all four campuses.

The American Council on Education (ACE) sent [9]a letter to Congress earlier this month alongside AAU, APLU and 13 other associations requesting a briefing from the U.S. Departments of Homeland Secuity and State regarding the visa revocations and SEVIS record terminations. The offices of International Affairs on all four campuses are available as a resource for international students who have questions and concerns regarding recent events.

National Science Foundation (NSF) To Begin Terminating Grants and New Awards Frozen
On the afternoon of April 18, the NSF announced [10] they would begin terminating active research grants that are not aligned with NSF's priorities included but not limited to diversity, equity and inclusion and misinformation/disinformation. Additionally, all new research grants have also been frozen at NSF, at the direction of DOGE as reported by *Nature.* [11]

Health and Human Services (HHS) Proposed Budget Cuts
According to internal documents, the White House is expected to propose substantial budget

reductions as well as program eliminations in its forthcoming fiscal year (FY) 2026 budget request to Congress. The *Washington Post* [12] reports HHS would be asked to take a $40 B cut, a third of their discretionary budget.

The 67-page White House budget document lays out a 40 percent reduction at National Institutes of Health (NIH) and the consolidations of the 23 institutes into a total of eight. The Center for Disease Control and Prevention (CDC) would see a 44 percent reduction. The Advanced Research Projects Agency for Health (ARPA-H) would see a 37 percent reduction and move from NIH to the office of a newly created Assistant Secretary for Innovation within HHS. A number of additional proposed cuts are also included. Also included in these documents was language to codify the proposal to cap NIH F&A rates at 15 percent as reported by *Politico.* [13]

This reporting is based on “pre-decisional” budget documents known as a “passback,” which is a document the White House uses to communicate budget decisions to agencies before it publicly releases its budget proposal. It is unclear how Congress will respond to the proposed cuts. During the President’s first term, a 20 percent reduction to NIH's budget was rejected by Congress, as reported by *Washington Post.* [14]

We understand these potential changes are of concern to our campuses and recognize the challenges and uncertainty on our campuses during this time of unpredictable change at the national level. The Federal Relations and General Counsel teams are actively monitoring developments and are committed to keeping you informed. In this uncertain time, all that you do and will continue to do for CU means more than ever. Our team is working closely with the President and Chancellors as well as the Colorado congressional delegation. We encourage you to contact your campus leadership with questions. Please visit the CU System Federal Transitions Update [15] page for up-to-date communications and federal memos.

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