Dear Colleagues,

The American Recovery and Reinvestment Act, signed by President Obama on Feb. 17, provides $10.4 billion to the National Institutes of Health. The Recovery Act funds, which are in addition to the annual NIH budget, will provide unprecedented support for health-related research over the next two years, while at the same time stimulating the economy. The details of how NIH will allocate the stimulus money are still being worked out, but this is what we know so far:

Breakdown of NIH Funding

The Recovery Act makes $10.4 billion available to NIH through September 2010. NIH must obligate stimulus funds within that 18-month time period, and the funds must be spent on projects that can be completed within two years. We expect to spend as much as possible in Fiscal Year 2009.

$8.2 billion will support research priorities

- $7.4 billion will be transferred to the Institutes and Centers and the NIH Common Fund, using a percentage formula based on their appropriations. The NIDCR will receive approximately $100 million.
- $800 million will go to the NIH Office of the Director to support Challenge Grants and other scientific priorities.

$1 billion will support extramural construction, repairs and alterations

- These resources will be allocated to the National Center for Research Resources (NCRR); all NIH-funded research institutions can apply for the funds.

$300 million will support shared instrumentation and other capital equipment

- These funds will be allocated to NCRR to support all NIH activities.

$500 million will support NIH building and facilities projects

- These funds will be used for high-priority repair, construction and improvement projects on NIH campuses that align with the overall purpose of the Recovery Act.

$400 million will support Comparative Effectiveness Research

Funding Mechanisms

NIH will use many funding mechanisms to spend the stimulus money:

- We will choose among recently peer-reviewed, highly meritorious R01 (and similar) applications capable of making significant advances with a two-year grant. New R01 applications capable of making significant progress with two years of funding may also be supported with stimulus money.
• We will accelerate the tempo of ongoing science through targeted supplements to current grants. For example, we may competitively expand the scope of current research awards, or supplement current awards with additional support for infrastructure.
• NIH anticipates supporting new types of activities that fit into the structure of the Recovery Act. We will support a reasonable number of awards to jump-start the new NIH Challenge Grant program. This program is designed to focus on health and science problems where significant progress can be expected in two years. The number and size of Challenge Grant awards supported with stimulus funds will depend on the scientific merit and quality of the applications. Details about the program will be forthcoming.
• NIH will also use other funding mechanisms as appropriate.

Impact of NIH Recovery Act Spending

We expect the impact of NIH stimulus spending will be far-reaching. It will extend beyond the investigators who receive the funds, to allied health workers, technicians, students, trade workers and others who will receive leveraged benefits. The more than 3,000 institutions across the country that receive NIH support have a direct impact on the local economies in their towns, cities and states. Beyond the immediate economic stimulus, scientific progress resulting from Recovery Act spending will have a positive effect on the nation’s health for many years to come.

Next Steps

NIH is working closely with the Recovery Act Implementation Team at the U.S. Department of Health and Human Services to ensure transparency and accountability for the Recovery Act funds. As NIH spending plans are approved through this process, we will keep you informed.

The availability of Recovery Act funds is an extraordinary opportunity for science in pursuit of improved health, and I strongly urge all members of the dental and craniofacial research community to carefully consider applying for specific funding opportunities as they are announced. NIDCR program staff will be identified with each funding opportunity, and I urge you to contact them with your questions. As always, I am grateful for your help and support.

Sincerely,
Larry

Lawrence A. Tabak, DDS, PhD
Acting Deputy Director, NIH
Director, NIDCR