



*Taxpayers shouldn't be forced to pay \$20 billion+ for **wasteful** government animal experiments.*

April 20, 2021

Deborah Kearse
Director, Division of Program Integrity
National Institutes of Health
Office of Management Assessment
6011 Executive Blvd., Suite 601, MSC 7669
Rockville, MD 20852

Via email: Deborah.Kearse@nih.gov

Dear Ms. Kearse,

On behalf of White Coat Waste Project (WCW) and its more than 3 million members and supporters, I am writing to request an investigation into widespread violations of federal spending transparency law by Stanford University related to its National Institutes of Health (NIH)-funded experiments in which human fetal tissue (HFT) is implanted into animals.

Stanford University press releases about wasteful and cruel HFT experiments on animals

Two press releases posted on Stanford Medicine's News Center, one from 2018¹ and another from 2020,² describe the school's taxpayer-funded experiments in which fingers, femurs or cells from 10 to 20-week fetuses were harvested and implanted in baby mice to observe their growth.^{3,4}

A review of federal research databases shows that the NIH grants listed as funding sources on both papers have received over \$60 million.⁵

As outlined below, it is impossible to determine exactly how much tax money was spent on these particular experiments or other animal tests using human fetal tissue because of Stanford's violations of federal disclosure law.

¹ [Study identifies stem cell that gives rise to new bone, cartilage in humans](#), Stanford Medicine News Center, 9/20/2018

² [Researchers find method to regrow cartilage in the joints](#), Stanford Medicine News Center, 8/17/2020

³ Chan CKF, Gulati GS, Sinha R, et al. [Identification of the Human Skeletal Stem Cell](#). *Cell*. 2018;175(1):43-56.e21.
doi:10.1016/j.cell.2018.07.029

⁴ Murphy MP, Koepke LS, Lopez MT, et al. [Articular cartilage regeneration by activated skeletal stem cells](#). *Nat Med*. 2020;26(10):1583-1592.
doi:10.1038/s41591-020-1013-2

⁵ HFT-specific grants: [R01DE027323](#) - \$1,143,198 since 2018; [R56DE025597](#) - \$357,774 in 2016. Other NIH grants supporting Stanford's HFT animal experiments: [R01DE026730](#) - \$1,875,377 since 2017; [R01DE021683](#) - \$1,958,721 between 2012-16; [R21DE024230](#) - \$443,115 between 2014-15; [U01HL099776](#) - \$8,242,137 between 2009-15; [U24DE026914](#) - \$11,961,481 between 2017-19; [R21DE019274](#) - \$767,933 between 2008-09; [U01HL099999](#) - \$7,781,268 between 2009-15; [R01HL058770](#) - \$4,532,157 between 1998-2011; [R00AG049958](#) - \$1,002,366 since 2015; [P50HG007735](#) - \$20,880,098 since 2014; [R01GM123069](#) - \$1,248,086 since 2017; [K08GM109105](#) - \$784,640 between 2014-17; [R01AR071379](#) - \$1,483,155 since 2017.

Violations of federal spending transparency law by Stanford University

As you are aware, long-standing federal spending transparency law—known as the Stevens Amendment—requires that any press releases or statements describing taxpayer-funded projects under the Departments of Education, Labor and Health and Human Services (HHS) must include, “ (1) the percentage of the total costs of the program or project which will be financed with Federal money; (2) the dollar amount of Federal funds for the project or program; and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.”⁶

The aforementioned press releases violate this federal law by failing to report the amount of taxpayer funding Stanford spent on cruel and wasteful HFT experiments on animals, the percentage of total costs paid for by taxpayers and how much was funded by private sources.

Additionally, we determined that virtually all of Stanford Medicine’s News Center press releases reporting taxpayer-funded animal experiments violate the Stevens Amendment.⁷ The releases fail to acknowledge federal funding, and/or fail to report the amount of taxpayer money spent, and/or fail to report the percentage of the project paid for with taxpayer funds.

Systemic spending transparency failures by NIH grantees

The current example is troubling, but it is a symptom of a broader problem. A report coauthored by WCW found widespread violations of the Stevens Amendment by NIH grant-receiving institutions performing wasteful animal experiments.⁸

A Government Accountability Office (GAO) audit that followed the release of WCW’s report cited our troublesome findings and wrote that, “NIH officials stated that they do not specifically monitor for Stevens Amendment compliance.”^{9,10}

The GAO recommended that HHS (including NIH) begin enforcing the law, and HHS stated that it “would direct all operating divisions to design a process for implementing and monitoring the Stevens Amendment and would update HHS grants policy to reflect this new process” and that it “would address any non-compliance issues if they were raised.”

Unfortunately, it appears NIH and its grantees continue to violate the law with impunity despite it being included in the NIH Grants Policy Statement under the heading “Acknowledgment of Federal Funding” and the NIH issuing notices specifically reminding grantees of this transparency mandate.^{11,12}

To stem this rampant noncompliance and improve transparency about federal spending, Iowa Senator Joni Ernst (R-IA) and Rep. Ralph Norman (R-SC) introduced the Cost Openness and Spending Transparency (COST) Act (HR 1937/S 760) to require that all recipients of federal

⁶ Sec 505 of the Labor, Health and Human Services, and Education Appropriations Bill, 2021 (H. Rept. 116-450)

⁷ [Stanford Medicine News Center](#)

⁸ [New report: Ivy League flunks on animal testing transparency.](#) WCW Blog, 4/25/2017

⁹ [Feds confirm WCW report on animal testing transparency violations, propose reforms.](#) WCW Blog, 3/14/2019

¹⁰ [Agency action required to ensure grantees identify federal contribution amounts.](#) Government Accountability Office, 3/14/2019

¹¹ [NIH grants policy statement \(Sec. 4.2.1\). Acknowledgement of federal funding.](#)

¹² [NIH: Notice of legislative mandates in effect for FY 2021.](#) 1/29/2021

funds abide by the conditions of the Stevens Amendment and giving the Office of Management and Budget the authority to withhold funding for noncompliance.

Request for action

For 30 years since the Stevens Amendment was first passed, recipients of NIH funding have been legally required to clearly disclose the cost of their projects so taxpayers are aware of how their hard-earned money is being spent. Yet, evidence shows ongoing, widespread violations of this common-sense spending transparency law. The NIH has acknowledged this problem and pledged to address it.

We urge you to investigate the federal transparency violations documented in this letter and hold Stanford University accountable for its repeated failure to properly disclose taxpayer funding for their HFT experiments on animals.

Thank you for your attention to this matter. Please do not hesitate to contact me with any questions at [REDACTED] or [REDACTED].

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Lopez", with a stylized flourish at the end.

Daniel Lopez
Research Manager
White Coat Waste Project

cc: Meredith Stein, Acting Director, OMA
Jeff Hayden, Assistant Director, OMA
Dr. Michael Lauer, Deputy Director, NIH Office of Extramural Research
Senator Joni Ernst