

Texas: The Local Impact of Federal Cuts

A reporter's field guide to the Trump administration's cuts to the federal workforce, federal funding and federal infrastructure that touch Texas communities.

How To Use This Brief

This brief covers cuts made by the Trump administration through executive action since Jan. 20, 2025, including grant terminations, contract cancellations, Office of Management and Budget and Department Of Government Efficiency-driven freezes, agency reorganizations, reductions in force and rule recessions that slashed funding flows. This brief excludes provisions that took effect through the congressional voting and budgetary process. It focuses primarily on cuts that have had the greatest impact on Texas communities and received less local media coverage in Texas' media markets.

Each sector entry below includes (1) what happened and the executive action behind it, (2) Texas-specific impact, identifying affected institutions, (3) story angles that support human-impact ledes and (4) sourcing pointers.

***Note:** This guide is a compilation of publicly available reporting and primary source documents and does not reflect original data collection or research conducted by the Partnership for Public Service. Numbers and named institutions are drawn from cited reporting and primary documents available as of July 2026. Reporters should be diligent about verifying any funding restorations triggered by ongoing litigation, as the lawsuit landscape changes frequently.

Texas at a Glance

- [\\$74 million](#) in canceled Building Resilient Infrastructure and Communities (BRIC) hazard-mitigation funding for Texas, covering disaster-prevention projects in Harris County and across the coast.
 - A judge [ruled](#) that funding be restored, although reporting on restoration efforts have since declined.
- [\\$62.7 million](#) in canceled or frozen National Institutes of Health grants across the state, including 37 canceled at seven Houston-area institutions.
- [Over 20,000](#) Department of Veterans Affairs employees gone nationwide through buyouts and attrition, with Texas, home to roughly [1.5 million veterans](#), vulnerable to staffing strains.
 - The VA inspector general logged a [50% jump](#) in severe staffing shortages in fiscal year 2025.
- [\\$67 million](#) in Environmental Protection Agency environmental-justice grants canceled across 13 Texas coastal counties, including [\\$20 million](#) in cancellations to Houston's

Health Department for a cancer cluster project and a [\\$17.9 million](#) Community Change Grant for Mission Waco in McLennan County.

- Additional loss of [\\$42 million](#) for immunizations and disease tracking to Houston's Health Department through early termination of COVID-19 related grant funding.

Disaster Preparedness: Federal Emergency Management Agency Hazard and Flood Mitigation

The What:

On April 4, 2025, acting administrator of the Federal Emergency Management Agency, Cameron Hamilton, [terminated](#) the Build Resilient Infrastructure and Communities (BRIC) program, a hazard-mitigation grant program created by Congress in 2018 as part of the [Disaster Recovery Reform Act](#) and signed into law by President Donald Trump. This also resulted in the withdrawal of [\\$600 million](#) in planned funding for flood mitigation assistance for fiscal year 2025.

FEMA also [rescinded \\$882 million](#) in already-allocated BRIC funds tied to the Infrastructure Investment and Jobs Act. Following a lawsuit from over 20 states, a [federal court ruled](#) the Trump administration could not eliminate BRIC and had to take steps to restore the program. As of March 2026, [FEMA reopened](#) a BRIC notice of funding opportunity but with new rules pushing more responsibility to states and ending technical assistance for smaller communities.

Impact on Texas:

Texas lost [\\$74 million](#) in BRIC funding during the initial termination, according to the Urban Institute. Harris County and the Harris County Flood Control District had 11 BRIC applications in the pipeline, some of which may have been impacted as a result of BRIC cancellations.¹

Kerry County's outdated flood-warning system gained a lot of attention following the deadly [July 4, 2025, weekend floods](#) that killed over 110 people, including 27 children. Under Department of Homeland Security Secretary Kristi Noem, the Trump administration [slowed](#) Hazard Mitigation Grant Program approvals broadly, complicating Texas' ability to fund preparedness without federal assistance.

Story Angles

Story Angle 1

Find a homeowner in Harris County slated for one of the 11 canceled BRIC applications, like residents in Bear Creek Village where the residential community had funding under review for a

¹ Using the dataset on BRIC applications through [Reduce Flooding](#), filter "state" to Texas, "subapplicantName," to Harris County and Harris County Flood Control, and "program" to Building Resilient Infrastructure and Communities. All 11 projects were submitted 2020 to 2023, the years in which projects were canceled.

flood mitigation project.² Applicants may have sought funding for elevated foundations, drainage upgrades or storm-water improvements that won't happen this hurricane season.

- The specific Harris County BRIC projects in jeopardy have not been named. This angle can help unearth which Harris County neighborhoods and communities were affected and are most at risk during hurricane season.

Story Angle 2

Interview a Kerr County family who lost a relative in the July floods and walk readers through the [2017 federal denial](#) of Hazard Mitigation Grant Program funds that left the warning system unfixed.

Story Angle 3

Explore the [counties](#) and local [infrastructure](#) most vulnerable and most in need of federal BRIC funding for disaster preparedness and mitigation. Profile residents in those vulnerable communities and explore how they are preparing for future flooding, with or without federal support.

Story Angle 4

Every dollar spent on hazard mitigation has been documented as [saving \\$6](#) in disaster repair costs. Following investigations on the status of funding restoration in Texas, calculate the foregone savings in the state.

Biomedical Research: National Institutes of Health Grant Terminations

The What:

On Feb. 7, 2025, the National Institutes of Health announced a [15% cap](#) on indirect-cost (facilities and administrative) reimbursement for research grants—down from negotiated rates of 50% or more at some research institutions. A federal judge issued a [permanent injunction](#) in April 2025 halting that policy. NIH then proceeded with mass grant terminations on substantive grounds: Between February and August 2025, the agency [terminated 2,291 active grants](#), rescinding \$2.45 billion of \$5.08 billion in awarded funding, also freezing 1,534 additional grants. [A lawsuit](#) against NIH grant terminations is still active, although a settlement was achieved on the delayed-review portion of the lawsuit and NIH agreed to review thousands of stalled, withdrawn or denied applications.

Terminations targeted research with to diversity, equity, climate and gender. Early-career investigators (assistant professors, postdocs, graduate students) and women were [disproportionately affected](#).

² Using the dataset on BRIC applications through [Reduce Flooding](#), filter "state" to Texas, "subapplicantName," to Harris County and Harris County Flood Control, and "program" to Building Resilient Infrastructure and Communities. View the entries under "subapplicationTitle" to see the impacted neighborhoods and communities.

Impact on Texas:

Texas [received \\$1.9 billion](#) in NIH grants and contracts in fiscal year 2025, supporting [29,255 jobs](#) and [\\$6.2 billion](#) in economic activity. The University of Texas system was among the hardest hit nationwide, with over [54 awards canceled](#). The [Dec. 29, 2025, settlement](#) that reopened review of stalled applications applies only to grants covered by the groups that sued, which covers researchers at public universities in plaintiff states or members of the professional societies that sued. Texas was not part of that lawsuit.

As of July 2026, [Grant Witness](#) identified the following losses: University of Texas Medical Branch (over \$47 million across 5 grants), Baylor College of Medicine (\$6.6 million across 15 grants), and impacts at MD Anderson, Rice, the University of Houston and Prairie View A&M.

Story Angles

Story Angle 1

Interview a Houston-area postdoctoral researcher whose [K99 transition award](#), a grant designed to launch the next generation of independent researchers, was terminated in the middle of an experiment. Follow up on Baylor's projected acceptance rates and future research, explore the medium-term consequences that have played out since the initial cancellation and assess the longer-term consequences for future research, innovation and economic growth.

Story Angle 2

Explore why Texas decided not to join the 16-state coalition that sued and forced the delayed-review settlement in December 2025. Texas Attorney General Ken Paxton joined numerous other multistate suits in 2025 but not this one—ask his office why. Interview representatives at the University of Texas, Texas A&M, Baylor and the University of Texas Medical Branch about how many of their researchers with delayed or withdrawn applications are getting the settlement's court-ordered review—and how many fell through the gap because Texas wasn't a party and the researcher isn't a society member.

Story Angle 3

Examine the clinical stake at institutions like MD Anderson, UT Southwestern and Baylor, where Texans go for cancer care and where trials run. A terminated grant could mean a trial for patients was shut down as it was ongoing—explore the short- and long-term consequences of stalled or cut research that local Texans were enrolled in and stood to benefit from.

Story Angle 4

Texas voters [approved Proposition 14](#) in November 2025, a \$3 billion, decade-long state investment in the Dementia Prevention and Research Institute of Texas. Explore the contradiction between state versus federal investments. With NIH funding returning roughly [\\$2.57](#) for every \$1 invested and supporting [29,255 Texas jobs](#) in fiscal year 2025, each terminated grant is not just stalled science, but an economic engine pulled out of a local economy, hitting lab techs, suppliers and nearby businesses.

Veterans Care: Department of Veterans Affairs Staffing Crunch With 1.5M Veterans in Texas

The What:

After floating a plan in March 2025 to cut up to [83,000 positions](#), Department of Veterans Affairs Secretary Doug Collins reset the goal to around [30,000](#) net reductions through attrition, a hiring freeze, deferred resignations and early retirements, ruling out a department-wide reduction in force.

Ultimately, the department saw [a net drop closer](#) to 20,000 in fiscal year 2025. The losses were concentrated in clinical roles (physicians, nurses and schedulers), with an estimated 1.2 million veterans losing their VA provider. The VA inspector general [found](#) 4,434 severe occupational staffing shortages across all 139 VHA facilities in fiscal year 2025, a 50% increase from fiscal year 2024, with 94% of facilities short on medical officers and 79% short on nurses. At the same time, the [VA is pushing](#) more veterans into private community care.

Impact on Texas:

Texas is home to about [1.5 million veterans](#), among the largest veteran population of any state. They're served by major VA facilities, including Michael E. DeBakey (Houston), South Texas (San Antonio), VA North Texas (Dallas), Olin E. Teague (Temple) and West Texas (Big Spring), plus [dozens](#) of community-based outpatient clinics.

A proportional share of the national clinical losses lands here. The Texas Observer and San Antonio Current [documented](#) a San Antonio VA mental-health rehab unit that lost five nurses since January 2025 and reduced open beds, with veterans waiting a full day to reach clinic staff. The community-care push matters disproportionately in [rural Texas](#), where it can be difficult to access medical care. [West Texas VA](#) is attempting to address the gap in care through a home-based primary care program, although demand for home-based, long-term care is projected to increase by [50% by 2040](#).

As the VA sheds in-house clinicians, it routes more veterans to private "community care" that is more expensive and less coordinated, with [spending climbing](#) from \$14.8 billion (in fiscal year 2018) to roughly \$28.5 billion (in fiscal year 2023). VA's "Red Team" panel [called](#) runaway community-care growth "a potential existential threat to the VA Health System" and [JAMA Surgery found](#) women veterans had half the post-op death risk at VA hospitals versus in community settings.

Story Angles

Story Angle 1

Explore the impact of staffing cuts at VA facilities in Texas on veterans in care, and the staff who provide care, as patients across the country experience [increasing wait times](#). Profile a provider who can speak to the direct impact on patients and medical institutions and professionals.

Interview an economist who can address the shorter- and longer-term consequences of increasing strains on the VA health care system.

Story Angle 2

Examine the risk of a shift toward community care. Request two parallel data series since January 2025 from a major facility (DeBakey, South Texas or North Texas) on community-care referrals and clinical vacancy rates. Then, anchor the story with a veteran who was sent to a distant or fragmented private provider after an in-house position went unfilled.

- Flag the counterargument for fairness: The VA says community care expands choice and that [the cuts won't touch clinical care](#).

Environmental Justice: Environmental Protection Agency Grant Terminations Across the Texas Gulf Coast

The What:

Following a day-one Trump [executive order](#) directing agencies to pause Inflation Reduction Act disbursements, the Environmental Protection Agency terminated roughly 350 grants under the Environmental and Climate Justice (ECJ) program, about \$3 billion total, that Congress had mandated via [Section 138 of the Clean Air Act](#). The cancellations swept up Community Change Grants, Collaborative Problem-Solving awards and related programs. Congress [rescinded](#) the program's unobligated funds and repealed the underlying IRA provision in the One Big Beautiful Bill Act.

On June 11, 2026, [a federal judge found](#) EPA's shutdown of the ECJ "arbitrary and capricious and unlawful" and vacated the termination guidance. But he declined to order EPA to resume running the program, citing the dismantled staff and the looming deadline of dispersing funds by September 2026. The court [directed terminated recipients](#) to the U.S. Court of Federal Claims to pursue monetary claims on their individual awards, a slow, grant-by-grant route.

Impact on Texas:

In the Houston area, [the cuts hit](#) \$62 million for the Houston Health Department and \$67 million for environmental-justice projects across 13 coastal counties. Of the health-department total, [about \\$20 million](#) was tied to a confirmed cancer cluster in the Fifth Ward and Kashmere Gardens near the Union Pacific railyard. An additional [\\$42 million](#) for immunizations and disease tracking was lost through an early termination of COVID-19 related grant funding. Air Alliance Houston [lost a \\$3 million](#) pollution-permit alert program for Harris County in Central Texas, and the Mission Waco-led Community Change Grant of \$17.9 million supporting composting, lead abatement and solar at resilience hubs and more was [canceled in spring 2025](#).

On the coast, Corpus Christi's Coastal Watch Association [lost funding](#) it called "a backbone" for air-quality monitoring and outreach. North Texas's Downwinders at Risk also [lost a grant](#) intended to support the creation of a localized air-quality monitoring network in nine communities across Tarrant and Dallas counties.

Story Angles

Story Angle 1

Profile a Greater Fifth Ward or Kashmere Gardens parent whose child is part of the [creosote-linked cancer cluster](#) and learned the \$20 million project to address it was canceled. Some reporting has been conducted, but there is room for follow up.

Story Angle 2

The EPA's [public rationale](#) was that grants cannot “promote or take part in diversity, equity, and inclusion initiatives, ‘environmental justice’ initiatives, and conflict with the agency’s policy of prioritizing merit, fairness, and excellence.” But Section 138 was passed by Congress and obligated the money, and the EPA's own site still lists a September 2026 [award deadline](#).

How does the EPA reconcile terminating grants with a statutory obligation to award them, and how does the agency reconcile terminating grants intended to address public health issues like the creosote-linked cancer cluster? Submit a freedom-of-information request to obtain the administrative record on which Texas grants were cut and why.

Story Angle 3

Air Alliance Houston and a coalition of nonprofits were [named](#) in a lawsuit against the Trump administration for the terminated ECJ grants. As of July 24, a federal judge [ordered EPA](#) to administer the grants. Track the impact to Gulf Coast communities of the funding lost for over a year, like air monitoring in Corpus Christi and permit alerts in Harris County, and the disbursement of funds, if they happen at all. Explore the impact of the litigation landscape, which requires resources to sue over already approved funding and the harm to communities who needed this funding most urgently.

Story Angle 4

These cancelled contracts were binding and already awarded contracts. Organizations hired staff and began construction, with Mission Waco [missing its construction window](#) for grant-funded roads and parking. Explore how canceling contracts midstream stranded local money and jobs, and examine the longer-term local economic consequences.

Story Angle 5

Roughly two dozen blue states sued over the prematurely terminated COVID-19 funds and [won](#) an injunction, while Texas did not join. Texas counties, like Dallas and Harris counties, are [suing](#) and [winning](#). Which other Texas jurisdictions could file but haven't? Explore the lawsuit landscape and the [downstream effects](#) of reduced funding and layoffs.