



July 13, 2026

The Honorable Russell Vought
Director
Office of Management and Budget
725 17th Street NW
Washington, DC 20503

Re: DRRC Comments in Response to Proposed Revisions to Guidance for Federal Financial Assistance (OMB-2026-0034)

Dear Mr. Vought:

On behalf of the members of the Disability and Rehabilitation Research Coalition (“DRRC”) we appreciate the opportunity to submit these comments in strong opposition to the Office of Management and Budget’s (“OMB”) proposed rule revising the Uniform Guidance for Federal Financial Assistance, codified at 2 C.F.R. Part 200 (hereafter referred to as the “Proposed Rule”).¹ While presented as a grants management reform initiative, this proposed rule would fundamentally alter longstanding principles that have governed federal research funding for decades. Collectively, the proposed changes included in this proposed rule threaten to undermine the stability, independence, and effectiveness of the federal research enterprise at a time when continued investment in evidence-based innovation is essential to improving health outcomes, advancing rehabilitation science, and addressing the needs of millions of individuals with disabilities and other chronic conditions.

The DRRC is a coalition of national non-profit organizations committed to improving the science of medical rehabilitation, disability, and independent living. The DRRC focuses on increasing and leveraging federal resources devoted to achievement of this goal. We aim to improve the ability of individuals with disabilities and chronic conditions to be as healthy, functional, and live as independently as possible.

The federal government’s research enterprise has long been regarded as the gold standard across the globe because funding decisions are driven by scientific excellence, rigorous peer review, transparency, and collaboration rather than shifting political priorities from one Administration to another. This proposed rule departs from these principles in significant and troubling ways. If finalized, these proposals would inject uncertainty into the research process, discourage long-term scientific investment, undermine the integrity of the grant making process, and weaken the collaborative partnerships that are essential to advancing disability and rehabilitation research.

¹ Guidance for Federal Financial Assistance, 91 Fed. Reg. 32,198 (proposed May 29, 2026) (to be codified at 2 C.F.R. pts 1, 25, 170, 175, 176, 180, 182, 183, 200, and agency-specific regulations).
<https://www.federalregister.gov/documents/2026/05/29/2026-10817/regulation-for-federal-financial-assistance>

For these reasons, the DRRC urges OMB to withdraw or substantially revise the provisions discussed below.

I. Mechanical Disruption to Federal Grants Management and the Research Ecosystem

Beyond the DRRC's substantive policy concerns discussed below, we are deeply troubled by the substantial operational disruption this proposed rule would impose on the federal grants management system. The federal research enterprise functions effectively because it relies on well-established processes, predictable rules, and longstanding partnerships among federal agencies, universities, nonprofit organizations, research institutions, and community-based organizations. The proposed rule would fundamentally alter many of these processes simultaneously, creating uncertainty and inefficiencies that would reverberate throughout the grant lifecycle.

If finalized, the proposal would require federal agencies, grant recipients, and subrecipients to overhaul existing grants management systems, revise policies and procedures, retrain staff, renegotiate collaborative arrangements, modify award administration practices, and implement new compliance frameworks. Such changes would not occur in a vacuum. Rather, they would consume substantial administrative resources that would otherwise be devoted to advancing scientific research, managing active projects, and ensuring timely dissemination of findings. For agencies already facing resource constraints, implementation of these sweeping revisions would likely divert personnel and attention away from core programmatic responsibilities.

The disruption would be particularly acute for ongoing and multi-year research projects. Universities, rehabilitation research centers, and nonprofit organizations currently administer thousands of active federal awards under a well-established regulatory framework. The proposed changes create uncertainty regarding award administration, allowable costs, subrecipient relationships, international collaborations, and grant continuation decisions. Further, recipients would be forced to devote significant time and resources to interpreting new requirements, seeking agency guidance, and adjusting compliance systems, potentially delaying research activities and slowing the pace of scientific progress.

The proposed expanded role for political review and increased discretion for political appointees to suspend or terminate awards would also introduce delays, uncertainty, and unfairness into funding decisions. Federal grantmaking agencies have spent decades developing peer review and merit review systems designed to evaluate applications efficiently, consistently, and transparently. Introducing additional layers of review and approval risks creating bottlenecks in award processing, delaying the release of funds, and increasing uncertainty for researchers and institutions planning multi-year projects. Such delays can have cascading effects, including interruptions in hiring, procurement, participant recruitment, data collection, and collaborative research activities. Interruptions in longitudinal data collection activities could have devastating implications, compromising the integrity of data sets that have taken decades to perfect.

Similarly, the elimination of fixed amount awards and subawards would require institutions to establish new oversight, monitoring, and documentation procedures for collaborative projects

that currently operate under streamlined mechanisms. Disability and rehabilitation research frequently depends on partnerships involving multiple universities, nonprofit organizations, service providers, and community stakeholders. Replacing existing flexible arrangements with more administratively burdensome structures would increase transaction costs, discourage participation by smaller organizations, and reduce the overall efficiency of federally funded collaborations.

Most concerning, the cumulative effect of these changes would be to shift substantial time, funding, and personnel away from scientific research and toward administrative training and compliance. Researchers, institutions, and federal agencies alike would be forced to devote increasing resources to navigating new procedural requirements rather than advancing discovery, innovation, and evidence-based solutions. At a time when the nation faces growing health, disability, and workforce challenges, policies that increase administrative complexity and disrupt the operation of the federal research enterprise are likely to diminish, rather than enhance, the return on federal research investments.

For these reasons, the DRRC urges OMB to carefully consider not only the policy implications of this proposed rule but also the profound operational disruption that would accompany its implementation. The federal grants management system depends upon stability, predictability, and administrative efficiency. These proposals risk undermining each of these principles and could produce years of uncertainty and disruption for federal agencies, research institutions, nonprofit organizations, and the communities they serve.

II. Proposal to Align Federal Programs with Administration Priorities

OMB is proposing to require federal agencies to design federal programs with clear goals and objectives that “align with administration policies and priorities.” **The DRRC strongly opposes this proposal as it will add uncertainty and lead to significant instability for nonprofit grantees in the federal grantmaking process.** By allowing each new administration to make significant, substantive changes to discretionary federal programs, grantees would be forced to operate federal programs in a shifting political environment, and potentially, in a manner not authorized by Congress.

Federal law also makes clear that the Executive Branch does not possess the authority to impose new programmatic requirements on recipients of federal assistance beyond what Congress has authorized. Congress has long distinguished between the federal government’s authority to establish administrative requirements governing grants and its authority to impose substantive program obligations. The Uniform Guidance was promulgated to streamline and standardize the administration of federal awards, not to create new statutory obligations for recipients. To the extent the proposed rule would require recipients to undertake activities, certifications, reporting obligations, or compliance measures not authorized by the underlying federal assistance statutes, OMB would be exceeding the scope of its delegated authority. *See* 31 U.S.C. §§ 503(a), 1111; 2 C.F.R. § 200.101; *West Virginia v. EPA*, 597 U.S. 697, 723 (2022) (“Agencies have only those powers given to them by Congress”).

III. Political Review and Grantee/Proposal Selection

Under this proposed rule, OMB is proposing to create and implement a process for pre-issuance review to ensure federal award proposals selected for funding are “consistent with applicable law, federal agency priorities, and the national interest.” The proposed process for pre-issuance review of discretionary federal awards would allow an Administration to reject federal funding proposals using criteria not authorized under federal law, thereby allowing political appointees to exclude certain grantees from consideration in an opaque manner. The proposal does not specify whether grantees would be notified if their proposal were rejected, or the reasons for the rejection, and federal agencies are not required to allow grantees to challenge or appeal such a determination. The DRRC strongly opposes this proposed change to the Uniform Guidance.

We are deeply concerned that this proposal would fundamentally alter the role of scientific peer review in federal grantmaking. For decades, federal agencies have relied on expert peer review and merit-based review processes to evaluate the scientific quality, feasibility, innovation, and public health significance of research proposals. The proposed rule would relegate these expert assessments to an advisory role while elevating the authority of senior political appointees to review and effectively override funding recommendations based on the quality of the research proposal. As a result, funding decisions would increasingly be based on shifting political priorities rather than scientific merit, public health need, high quality science, or the likelihood of advancing critical knowledge.

This proposed change is particularly troubling for disability and rehabilitation research, where meaningful scientific progress often requires sustained investments that extend well beyond a single presidential administration. From the DRRC’s perspective, disability and rehabilitation research priorities should be determined through transparent scientific processes and stakeholder/peer engagement, not through political review that may vary substantially from one administration to the next. By diminishing the role of independent scientific review, this proposal risks politicizing the federal research enterprise and undermining public confidence in the objectivity and integrity of federal research funding decisions. **The DRRC opposes this proposal to make peer review recommendations advisory while requiring review by political appointees as it would politicize and fundamentally alter the longstanding framework governing federal research awards.**

IV. Expanded Suspension and Termination Authority

The DRRC strongly opposes provisions that would substantially broaden federal agencies’ authority to suspend, withhold, or terminate discretionary awards. Under this proposal, agencies would be directed to include termination provisions in each federal award or to expressly incorporate these provisions by reference. If this proposal is finalized, federal awards could be terminated, in part or in the entirety, for noncompliance by the recipient or subrecipient if the agency or pass-through entity determines that a termination is in the interest of the federal agency or pass-through entity, including if a federal award “does not effectuate program goals, federal agency priorities, or the national interest as they exist at the time of the termination” to the extent permitted by law. In other words, this proposal would allow federal agencies to

terminate awards pursuant to any additional termination provisions included in the terms and conditions, leaving these funding decisions to the whim of the political appointees within funding agencies. The agencies would also not be required to allow for objections, hearings, or appeals related to any reasons for termination except termination for noncompliance.

This proposal attempts to expand agency authority to terminate grants that do not effectuate “the national interest.” In essence, this proposed rule would allow an Administration to terminate a grant without cause, if administration priorities shift. From the DRRC’s perspective, such uncertainty would be extraordinarily disruptive and unfair. Multi-year research projects often involve longitudinal studies, clinical investigations, technology development, workforce training programs, and extensive community partnerships. Abrupt termination of an award can result in the loss of years of work, interruption of participant engagement, abandonment of promising lines of inquiry, and waste of significant taxpayer investments. The absence of a meaningful appeal process further compounds these concerns. When combined with the proposal’s increased emphasis on political review of grant rewards, the expanded termination authority raises legitimate concerns that grants could be canceled because of changing political priorities rather than performance deficiencies, scientific shortcomings, or compliance failures.

V. Restrictions on Publication, Conference Participation, and Scientific Communication

The DRRC is also deeply concerned by the proposed limitations on certain costs that are essential to conducting, disseminating, and translating scientific research. Specifically, the proposed rule would restrict the allowability of publication costs and require explicit agency approval for conference attendance and related expenses through award-specific terms and conditions. While these expenditures may appear ancillary to the research process, they are, in fact, fundamental components of the federal research enterprise and are necessary to ensure that federally funded research generates meaningful public benefit and is conducted with meaningful public input.

Scientific research does not end when data collection is complete. The value of federally funded research is realized only when findings are subjected to rigorous peer review, published in reputable scientific journals, presented to the scientific and clinical communities, and translated into policies, practices, technologies, and interventions that improve lives. Publication costs, conference participation, scientific meetings, and professional exchanges are therefore not discretionary activities; they are integral components of the research lifecycle and are widely recognized as legitimate and necessary research expenses.

The proposed restrictions would create significant barriers to the dissemination of scientific knowledge. Researchers often rely on federal grant funding to help support publication fees, open-access dissemination, conference presentations, and participation in scientific meetings where findings are scrutinized, refined, and shared with other investigators. Limiting support for these activities would impede the ability of researchers to communicate results, foster collaboration, identify emerging research opportunities, and accelerate the adoption of evidence-based practices. Such restrictions would be particularly harmful to early-career investigators,

researchers at smaller institutions, and nonprofit research organizations that lack alternative funding sources to support these activities.

These concerns are especially acute in the field of disability and rehabilitation research, where timely dissemination of findings is critical to improving health outcomes and quality of life for individuals with disabilities. Rehabilitation research frequently focuses on interventions, assistive technologies, service delivery models, workforce development strategies, and community-based supports that can be rapidly translated into practice. Clinicians, rehabilitation providers, policymakers, disability organizations, and individuals with disabilities depend on access to current scientific evidence to inform decision-making and improve care. Scientific conferences and professional meetings also serve as important forums for engaging individuals with lived experience, fostering interdisciplinary collaboration, and promoting the adoption of innovations that can enhance independence, employment, community participation, and overall well-being.

Moreover, the proposed requirement for agency-specific approval of conference attendance costs would further create administrative burdens and uncertainty for researchers and institutions. Scientific conferences are often planned years in advance and serve as the primary venue for presenting preliminary findings, receiving peer feedback, establishing collaborations, and identifying opportunities for future research. Requiring case-by-case approval for participation in these activities risks creating unnecessary delays, discouraging scientific engagement, and limiting researchers' ability to contribute to their fields. The DRRC strongly believes that such restrictions would ultimately weaken the collaborative networks that drive scientific discovery and innovation.

Perhaps most importantly, these proposed limitations are inconsistent with the federal government's longstanding commitment to maximizing the public value of taxpayer-funded research. Federal investments in research are intended not only to generate knowledge but also to ensure that knowledge is disseminated broadly and translated into practical benefits. Restricting publication, scientific exchange, and professional engagement would reduce the visibility, impact, and utility of federally funded research while slowing the pace at which discoveries are translated into improved outcomes for patients, consumers, and communities. **For these reasons, the DRRC strongly urges OMB to withdraw the proposed restrictions on publication costs and conference participation. The dissemination and exchange of scientific knowledge are not peripheral activities; they are essential functions of the research enterprise and critical to ensuring that federal research investments achieve their intended purpose.**

VI. Restrictions on International Collaboration

The proposed rule would also impose additional requirements affecting international research collaborations. More specifically, OMB is proposing to require recipients to participate in the Department of Homeland Security's E-verify program to confirm the employment eligibility of all employees and contractors hired in or performing work in the United States under a federal award. In addition, the proposed rule would also remove agency discretion related to issuing or

translating awards or other documents in languages other than English. This change, if implemented, would prevent a wide range of qualified grantees from applying for or administering federal grants, particularly ones serving non-English speaking communities. Likewise, it would deny individuals who speak a language other than English the ability to engage on federal policy issues.

While the DRRC recognizes the importance of protecting research security and safeguarding taxpayer resources, these proposals would make international partnerships more difficult to establish and maintain. Disability and rehabilitation research increasingly depends upon collaboration among researchers across countries to study rare conditions, evaluate interventions, develop innovative technologies, and share best practices. The DRRC strongly believes that scientific progress benefits from the exchange of ideas and expertise across borders and that any additional compliance obligations and administrative hurdles could discourage valuable collaborations and isolate U.S. researchers from international scientific networks. Such barriers would ultimately weaken the quality and competitiveness of American research, limiting opportunities to recruit the best minds and leverage global expertise to improve outcomes for individuals living with disabilities and chronic medical conditions.

VII. Elimination of Fixed Amount Awards and Subawards

OMB is proposing to eliminate “fixed amount awards and subawards” and to remove the authority of federal agencies to issue such awards. The DRRC opposes this proposal as written as this change would significantly increase burden on smaller grantees. With fixed amount awards and subawards, federal agencies are permitted to apply less restrictive requirements on grantees, especially smaller grantees. These funding mechanisms have long provided flexibility for recipients and subrecipients while reducing unnecessary administrative burden. This proposal would replace these streamlined arrangements with more prescriptive documentation, monitoring, oversight, and reporting requirements that would significantly increase administrative costs for both prime recipients and collaborating organizations.

Disability and rehabilitation research frequently relies on complex partnerships among universities, nonprofit organizations, rehabilitation providers, consumer groups, and community-based organizations. Fixed amount subawards have often enabled these partnerships to operate efficiently while maintaining appropriate accountability for federal funds. Eliminating these mechanisms would disproportionately affect smaller nonprofit organizations that lack extensive grants management infrastructure. Rather than reducing administrative burden, the proposal would create new layers of compliance requirements that divert resources away from research activities and toward paperwork, monitoring, and reporting obligations. This outcome is directly contrary to longstanding bipartisan efforts to streamline federal grant administration and encourage participation by community-based organizations in federally funded research initiatives.

For the reasons described above, the DRRC strongly urges OMB to withdraw or substantially revise these provisions in the proposed rule. Collectively, the proposed changes would undermine merit-based research funding, increase political influence over scientific decision-

making, threaten the stability of federally funded research, impede dissemination of scientific findings, discourage international collaboration, and impose significant new administrative burdens on research institutions and community partners.

The federal research enterprise has long been built upon principles of scientific independence, peer review, transparency, and collaboration. These principles have enabled the United States to remain the global leader in scientific innovation and have generated substantial benefits for individuals with disabilities and society as a whole. This proposed rule risks weakening these foundations at a time when continued investment in evidence-based research is more important than ever.

Thank you for your consideration of these critical issues. If you have any questions or if the DRRC can assist you and your colleagues, please do not hesitate to contact Peter Thomas and Michael Barnett, DRRC Co-Coordination, at Peter.Thomas@PowersLaw.com and Michael.Barnett@PowersLaw.com, or call 202-349-4251.

Sincerely,

The Undersigned DRRC Members

Academy of Spinal Cord Injury Professionals
Alliance for NIDILRR Grantees*
American Academy of Orthotists & Prosthetists
American Academy of Physical Medicine & Rehabilitation
American Association on Health and Disability*
American Congress of Rehabilitation Medicine
American Medical Informatics Association (AMIA)
American Medical Rehabilitation Providers Association*
American Music Therapy Association
American Occupational Therapy Association*
American Physical Therapy Association*
American Spinal Injury Association
American Therapeutic Recreation Association
Association of Academic Physiatrists*
Association of Rehabilitation Nurses
Brain Injury Association of America*
Christopher & Dana Reeve Foundation
National Neurotrauma Society
Paralyzed Veterans of America
RESNA
Spina Bifida Association
United Spinal Association
VisionServe Alliance

****Indicates DRRC Steering Committee Member***