

July 13, 2026

The Honorable Russell Vought
Director
Office of Management and Budget
Washington, DC 20503

Re: OMB-2026-0034, Office of Management and Budget Regulation for Federal Financial Assistance

Dear Director Vought:

The American Association of Immunologists (AAI) thanks the White House Office of Management and Budget (OMB) for this opportunity to submit comments on the proposed rule on Federal Financial Assistance (OMB-2026-0034-0001). AAI is the nation's largest organization of immunologists and scientists in related disciplines, and AAI members rely heavily on federal funding from the National Institutes of Health (NIH) and other federal agencies to support their lifesaving immunological research. While AAI agrees with OMB's stated goals of increasing transparency, accountability, and oversight for federal awards, we believe this rule, if implemented, would move us further from accomplishing these goals, handing power to unnamed political appointees and shifting away from a longstanding, rigorous system in which appropriate experts judge merit and scientific opportunity to determine funding decisions. Below, AAI outlines multiple specific concerns with the proposed rule. Collectively, AAI believes that these proposed changes would do great harm to the U.S. scientific enterprise and we urge OMB to withdraw the rule in its entirety.

AAI also has significant concerns about process. A 45-day comment period is insufficient to comment on regulatory changes of this significance and scope. The proposed rule contains more than 120 substantive revisions, some of which would dramatically change the way federal grants are reviewed, awarded, and overseen. As such, AAI respectfully requested an extension of at least 45 days to file comments, a request that was denied. Similarly, AAI is deeply concerned by the proposed effective date of October 1, 2026. A final rule cannot be implemented until at least 30 days after it is published in the Federal Register according to the Administrative Procedures Act (APA). This leaves just 49 days between the comment period and when the Administration would need to publish a final rule. For major rules, the Congressional Review Act (which we believe should apply given the magnitude of the changes proposed) goes even further in requiring an effective date at least 60 days after the date the final rule is published in the Federal Register or received by Congress, whichever is later, giving the Administration just 19 days to publish a final rule. As of this writing, more than 290,000 comments have already been submitted on the proposed rule. Carefully reviewing and considering these comments, as required by the APA, and making changes based on the input, will take substantial time and effort. AAI does not believe that this can be done on such a contracted timeline.



[200.205] Establishing a new pre-issuance review process

AAI strongly believes that merit-based funding decisions, achieved through peer review conducted by scientific experts, should remain the gold standard at NIH and other scientific agencies.

AAI is especially concerned with several aspects of this proposed change:

- Designating senior political appointees to conduct pre-issuance reviews. AAI believes that this is a new and unnecessary burden that will result in significant delays to the grantmaking process. Pre-issuance reviews, to the extent that they are conducted, should be led by scientists who have the expertise to assess the rigor, quality, and feasibility of each proposal. We are concerned by language stating that peer review recommendations “should remain advisory,” and not be “ministerially ratified [or] routinely deferred to” by the senior political appointees. The recommendations made by expert scientists through NIH’s rigorous, two-tiered peer review system should not be discarded in favor of non-scientific and/or ideologically driven judgments. AAI believes that giving this vast authority to political appointees, whose selection process is unknown, runs counter to the Administration’s goal of increasing transparency.
- Ensuring proposals “demonstrably advance the President’s policy priorities.” While all U.S. Presidents have an opportunity to establish broad policy priorities, there is no practical way to measure whether all scientific awards advance any President’s policy priorities. Any attempt to do this would be incredibly burdensome and untransparent. In fact, foundational research projects, which aim to understand basic mechanisms of living systems, like many projects funded by NIH, are unlikely to directly advance any policy priority. Further, this requirement prioritizes political decisions over scientific merit, which will invariably erode public trust. And the time required to make these assessments would dramatically slow a grantmaking process that has already experienced severe delays in recent years.
- Incorporate benchmarks of measuring performance of Gold Standard Science. “Gold standard science” is a highly ambiguous phrase that is not defined in the proposed rule. Measuring performance through undefined or hard-to-define benchmarks would decrease consistency and predictability in grantmaking and reduce transparency.
- Preference for institutions with lower indirect cost rates. Indirect cost rates (IDCs) are set through regular, transparent negotiations between institutions and federal agencies. While AAI supports programs like the Institutional Development Award (IDeA) program, which broaden the geographic distribution of NIH funding, granting awards based on IDC rates risks compromising scientific excellence if awardee institutions are not well equipped to support the proposals. It is also unclear how a judgment of “all else being equal” can be made, or trusted, without transparency and solid metrics (e.g., paylines).



[200.340] Increased authority for award terminations and suspensions

Last year, NIH terminated ~2,300 grants and froze many others, actions that had a chilling effect on the immunological research community. These pauses delayed lifesaving clinical research, and in some cases, terminated projects relying on longitudinal patient cohorts, human tissue collections, and time-sensitive experimental windows. Taxpayers had already made significant investments in projects that could not be restarted. One study found that NIH grant terminations disrupted 3.5% of clinical trials, affecting more than 74,000 patients. Clinical trials are expensive, resource intensive, and often difficult or impossible to resume.

The majority of AAI members conduct foundational biomedical research. These grantees, too, were dramatically affected by grant terminations and freezes. Many scientific labs operate like small businesses, supporting teams made up of staff scientists, postdoctoral fellows, graduate students, undergraduate students and other roles. The stability of a lab is often contingent on whether a Principal Investigator (PI) can successfully compete for one or more federal grants. When a PI abruptly loses a grant, it can rapidly result in adverse effects, including eliminating positions for promising young researchers, further damaging the U.S. training pipeline. At scale, these disruptions threaten the United States' preeminence in biomedical research innovation.

AAI is deeply concerned by the proposed changes that would expand authority for award terminations and suspensions.

- Federal awards can be terminated if “in the interest of the Federal agency,” including where the award “does not effectuate program goals, Federal agency priorities, or the national interest as they exist at the time of termination.” AAI agrees that the federal government should preserve a termination process for grantees who commit fraud or otherwise fail to comply with the terms and conditions of award. The sweeping and broad nature of this proposed change, however, would allow agencies to terminate grants at almost any time for any reason, without reasonable justification, scientific or otherwise. This lack of transparency goes against OMB's stated goals and would create substantial uncertainty for researchers, undercut American taxpayer investment in science, and disincentivize promising research that could be viewed as politically sensitive.
- Temporary suspension authority. The proposed rule allows federal agencies to temporarily suspend federal awards for up to 90 days if in the interest of the agency. AAI believes that this authority is both broad and vague. Suspending awards interrupts research projects and destabilizes individual labs and institutions. It also threatens clinical trials that often cannot be restarted, placing trial participants at risk and wasting taxpayer investment.
- Lack of procedural protections. AAI is concerned about the absence of an appeals process for most grant terminations. The proposal states that “[t]he Federal agency is not required to allow for objections, hearings, and appeals related to any reasons for termination except termination for noncompliance.” Simultaneously making federal award terminations easier while weakening the appeals process may lead to continuous cycles of funding and de-



funding of research projects based on the then-current administration's priorities. This would exacerbate the destabilization of America's scientific workforce.

[200.461] Making most publication costs unallowable

The proposed rule would eliminate the use of grant funds for publishing in scientific journals, unless required by statute or approved on a case-by-case basis. It also asserts that "publication costs are not inherently necessary to carry out the core programmatic objectives of most Federal awards." AAI strongly disputes this premise. The broad dissemination of vetted research results is a core accountability mechanism and helps ensure that the taxpayers' investment in scientific research can reach its full potential. NIH argued as much when it implemented its 2024 Public Access Policy, which requires that peer-reviewed articles resulting from NIH funding be made publicly available on the date of publication. It is a fundamental contradiction to mandate open access publication while taking away the federal resources required to publish.

Additionally, publication is a primary way in which research results are seen by others who can build on the knowledge generated and incorporate it into their own work, underscoring the centrality of publication as core to scientific advancement. A survey conducted by AAI in June 2026 found that 84% of AAI members used federal funds to pay for scientific publications over the last five years, thereby significantly amplifying the government's investment in science and demonstrating how reliant immunologists are on federal funding to publish their work.

[200.432] Limiting conference attendance

Scientific conferences catalyze discovery by convening experts to share data, hypotheses, strategies, and receive feedback from their peers. They allow researchers to network and form fruitful collaborations that would not organically be made in other settings. Conferences can be an especially effective means of creating cross-disciplinary collaborations by bringing together researchers in adjacent fields, and sectors, that are working toward similar goals. They are vital for the next generation of scientists as an avenue to present their work, get feedback from scientists outside of their labs, and establish connections with other researchers in the field.

By requiring agency approval of conference attendance years in advance in the terms and conditions of the award, the proposed rule would hamstring investigators' ability to choose the right conference at the right time to best advance their research, thereby significantly decreasing the effectiveness of federal research dollars.

A survey conducted by AAI in June 2026 found that 75% of AAI members used federal funds to pay for scientific conference attendance over the past five years. Continuing to allow awardees to use federal funds to choose and attend conferences that align with their research findings and direction is essential to promote the broad dissemination of scientific research, foster collaborations, and provide early career researchers with opportunities to learn and grow in the profession.



[200.202(e)] Limiting international awards

The proposed rule creates a “domestic-first framework” under which federal agencies may not issue research & development (R&D) awards to foreign entities “except where expressly authorized by statute or where a compelling interest exists for the agency’s mission, the administration’s priorities, and for the United States, as determined by the agency’s senior appointee.” This vests significant power in a political appointee who may or may not have relevant scientific or agency expertise to determine when R&D awards are best given to trusted international collaborators. AAI is also concerned with the further emphasis on alignment with the Administration’s priorities; tying funding decisions to political appointees and any Administration’s priorities will inevitably impede scientific progress.

[200.220] Prohibition on select foreign collaborations

The proposed rule prohibits collaborations with “covered foreign countries” or “covered foreign entities.” The definition of “covered foreign countries” in particular is quite broad as it includes any country designated by statute, Executive Order, or federal law, as “a foreign adversary, a country of particular concern, or a country subject to sanctions and restrictions related to national security, defense, or intelligence activities.” Broad interpretations of these provisions could, in effect, unnecessarily block most international collaborations.

Creating new barriers to international collaborations will increasingly isolate the U.S. from scientific progress. To maintain our competitive edge, the U.S. should promote collaborations with innovative scientific leaders around the world who are utilizing new technologies and are on the cusp of exciting breakthroughs to ensure that the U.S. can accelerate progress and benefit from these advances.

Conclusion

AAI respectfully urges OMB to withdraw the proposed rule on Federal Financial Assistance. As previously stated, increasing transparency, accountability, and oversight are worthy goals and AAI stands ready to work with OMB, NIH, and other key stakeholders across the scientific community on alternate proposals that would advance these goals without doing harm to scientific progress and the broader U.S. scientific enterprise.

