

OMB Proposal Seeks to Overhaul Federal Grantmaking Process

The U.S. Office of Management and Budget (OMB) recently released a proposed rule, "[Regulation for Federal Financial Assistance](#)", that would change how federal agencies review and oversee grant awards. OMB's proposal would specifically revise [the Uniform Guidance \(2 CFR Part 200\)](#) — the government framework for administering federal grants — to a binding mandate that gives political appointees more authority in grantmaking decisions.

Of specific concern to the health and science communities is OMB's proposal to 1) limit peer review's role in funding; 2) give political appointees more authority in reviewing and terminating existing grants; 3) limit international collaboration; 4) restrict conference travel and journal fees with grant funds.

This proposal, if implemented, would have profound effects on NIH grantmaking, implementation, and oversight, which would undermine the stability, rigor, scientific integrity of research in the United States and beyond.

Specifics of the Proposal

Peer Review: the proposal would reclassify peer review from “determinative” to “advisory” and give political appointees final say in awarding a grant to ensure that it aligns with the issuing agency's administrative policies.

Canceling or Pausing Awards: the proposal would enable agencies to cancel or indefinitely pause a grant at any time during the grant's term if political appointees determine that it no longer aligns with the agency's policies.

Limiting International Collaboration: the proposal would prohibit funding for collaboration with any foreign entity deemed adversarial to the United States.



Limiting Conferences, Publications, & Professional Society Participation: the proposal would no longer treat conference attendance, association membership dues, journal subscriptions, and journal publication costs as allowable expenses.

Making Uniform Guidance Mandatory: the proposal would change the federal government's guidance for awarding federal dollars from non-binding to mandatory and diminish the autonomy agencies have in determining awards.

How to Respond

Reply Directly to OMB: OMB is [accepting comments](#) on its proposed Uniform Guidance changes through Monday, July 13, and plans to implement any finalized updates by October 1, 2026.

Contact your Congressional Representatives: Use ASTCT's constituent letter to contact your members of Congress with your concerns about this proposal. Simply send the letter as drafted or customize it to show how this proposal would specifically affect your work and your patients.

Congress' Potential Role

While Congress cannot directly stop OMB from finalizing the rule, it can limit or prohibit funding for its implementation. Congress could also pursue legislation to protect the federal grantmaking process, though this path would be difficult given the current composition of Congress and the executive branch. Even so, constituent outreach can help convey the seriousness of the proposal and encourage Congress—Republicans and Democrats—to preserve the federal grantmaking structure.

