

July 9, 2026

The Honorable Russell Vought
Director, Office of Management and Budget
Executive Office of the President

Re: Comment on “Regulation for Federal Financial Assistance” (OMB–2026–0034)

Submitted electronically via: www.regulations.gov

Dear Director Vought:

On behalf of the American Association for Dental, Oral, and Craniofacial Research (AADOOCR), we appreciate the opportunity to provide comments regarding the Office of Management and Budget’s (OMB’s) proposed rule to revise the Guidance for Federal Financial Assistance (OMB–2026–0034).

AADOOCR is the leading professional community for multidisciplinary scientists who advance dental, oral, and craniofacial research. Our members include basic, translational, and clinical scientists working across academic institutions, health systems, and interdisciplinary research settings.

As a principle, we strongly support appropriate oversight and accountability in the administration of federal grants. Ongoing evaluation of federal grantmaking contributes to the effectiveness of the United States research enterprise. However, numerous provisions within the proposed rule raise serious concerns regarding the future integrity, efficiency, and global competitiveness of federally funded scientific research.

The United States has led scientific innovation and biomedical discovery for decades because federal agencies have built rigorous merit-based systems that direct funding to the most promising research projects through independent expert peer review. This system has enabled groundbreaking advances in oral health research and the prevention, diagnosis, and treatment of oral diseases, as well as countless other areas that improve the health and well-being of Americans.

While the proposed rule is presented as an effort to improve accountability and stewardship of taxpayer dollars, many provisions would instead introduce significant inefficiencies into the grantmaking process, undermine appropriate peer-review processes, increase administrative burdens on researchers and institutions, reduce the dissemination of federally funded discoveries, and impede collaborations essential to modern science.

While each of the proposed revisions to the Uniform Guidance (2 CFR Part 200) raises important concerns individually, taken together they would fundamentally alter the

grantmaking environment and incentive structure for research. A more administratively driven federal grant system will increase uncertainty in project funding and discourage institutions from investing in innovative, interdisciplinary, and long-term research programs that require sustained federal support.

Over time, these changes would also weaken the biomedical research workforce by discouraging graduate students, postdoctoral fellows, and early-career investigators from pursuing research careers in an environment characterized by reduced funding stability and diminished confidence in the grantmaking system.

Below we detail our concerns regarding specific provisions of the proposed rule.

Fixed Amount Awards (§ 200.201)

The proposed rule eliminates fixed amount subawards completely, in favor of cost-reimbursement structures that OMB believes will improve financial transparency and oversight in subawards. This is a misguided approach.

Fixed amount awards have long served as an important tool for reducing administrative burden while maintaining appropriate accountability for federal funds. By focusing oversight on the successful completion of defined project milestones rather than detailed tracking of individual expenditures, these awards provide an efficient mechanism for administering federal grants while ensuring responsible stewardship of taxpayer dollars.

The current framework, which permits fixed amount awards and subawards with prior written approval from the federal awarding agency, already provides appropriate safeguards. Agencies have the discretion to determine when fixed amount awards are suitable based on project risk, complexity, and the ability to define measurable outcomes. This case-by-case approach has functioned effectively for years, and the rule provides no evidence demonstrating that it warrants elimination.

Eliminating fixed amount awards would also disproportionately affect smaller institutions with limited administrative capacity. Many smaller universities and community-based research partners rely on these awards because they are more manageable and allow scarce resources to be directed toward research rather than financial administration. If compliance requirements become more burdensome, smaller research laboratories and institutions may conclude that the cost of administering federal awards outweighs the benefits of participation, reducing the pool of qualified applicants for federal funding and weakening the nation's research enterprise.

AADOOCR urges OMB to retain fixed amount awards as an available funding mechanism to ensure institutions of all sizes are able to compete for and successfully administer federal awards.

Alignment with Administration Priorities (§ 200.202)

AADOCR is concerned that the proposed changes to § 200.202 would force agencies to place increased emphasis on alignment with evolving Administration priorities when making funding decisions. While federal agencies appropriately establish strategic priorities and research agendas, scientific funding decisions must remain grounded in scientific merit, technical excellence, and the potential to advance knowledge and improve public health.

For decades, the United States has maintained its position as the global leader in biomedical research because federal agencies have relied on rigorous, expert peer review systems to identify the most promising scientific opportunities. The proposed emphasis on alignment with Administration priorities risks shifting funding decisions away from scientific merit and toward criteria that may vary across Administrations or be influenced by non-scientific considerations.

Scientific discovery is inherently unpredictable. Many of the most important medical advances originated from investigator-initiated research, grounded in what is significant and impactful to move health science and patient care forward, not designed to advance a specific policy objective. Requiring researchers and institutions to demonstrate alignment with shifting priorities may discourage innovative, high-risk, high-reward science and create pressure to tailor research agendas to perceived administrative preferences.

Such a framework risks introducing variability into funding decisions that is not tied to scientific quality, methodological rigor, and potential impact. It may also create uncertainty for investigators pursuing long-term research that requires sustained investment and funding stability. Ultimately, OMB's approach risks weakening scientific independence and reducing public confidence that federal research funding decisions are based on objective scientific criteria.

AADOCR urges OMB to revise § 200.202 to ensure that scientific merit, expert peer review, and agency mission remain the primary determinants of funding decisions.

“Gold Standard Science” (§ 200.202)

AADOCR is concerned by the proposed rule's reference to compliance with “gold standard science” as a criterion for federal financial assistance decisions. While the goal of promoting rigor and reproducibility in federally funded research is appropriate, the term is not defined in the Uniform Guidance or other established federal grant regulations and does not have a consistent or universally accepted meaning across disciplines or funding contexts.

This lack of definition creates significant ambiguity regarding how the standard would be interpreted and applied, increasing the risk of inconsistent or arbitrary implementation across agencies and programs. It also introduces potential legal and administrative risk for the federal government, as unclear or subjective eligibility and evaluation standards may be more vulnerable to challenges under administrative law principles, including claims that funding decisions are insufficiently transparent, justified, or inconsistently applied.

In addition, Executive Order 14303 on “Restoring Gold Standard Science” (2025) sets forth nine core tenets of scientific integrity, including that federally supported science should be “conducted in a manner that is...subject to unbiased peer review”. The proposed rule appears to be in tension with that principle by introducing non-scientific considerations into decisions regarding which science is funded, conducted, or disseminated. Such considerations are contradictory to the requirement for “unbiased peer review” by introducing inherent bias into a process that is intended to be governed by independent expert evaluation.

This internal inconsistency further underscores the need for clear regulatory definitions and constraints. Without such clarity, the term could be applied in ways that extend beyond established peer review standards such as scientific merit, methodological rigor, feasibility, and impact—standards that are critical to investment in the most innovative and beneficial research. AADOCR urges OMB to clearly define any standard used to grant or deny awards to ensure funding decisions remain grounded in transparent, objective, and consistently applied peer review criteria under 2 CFR Part 200.

Multi-Year Awards (§ 200.202)

The proposed rule encourages federal agencies to expand the use of multi-year awards to reduce administrative burden and lower the frequency of re-applications. While multi-year awards are appropriate for many research programs, agencies should retain the flexibility to determine the appropriate funding structure based on the scientific objectives of each program rather than being encouraged to make longer budget periods a matter of policy.

In an era of constrained federal research budgets, expanded use of forward-funded, multi-year awards reduces the funding available for new and competing awards in future fiscal years. As a greater share of appropriated funds is committed to existing awards, fewer resources remain available to support new investigators and emerging scientific opportunities. Over time, this approach can depress funding rates, reduce the number of competitive grant awards, and decrease the frequency of funding opportunities, limiting agencies' ability to support promising new science through open competition.

These effects fall disproportionately on new and early-career investigators. Established investigators with ongoing awards are more likely to maintain continuous funding, while scientists seeking their first independent grant have fewer opportunities to compete as

available funds become increasingly committed to existing awards. Delaying entry into the federal research enterprise discourages promising investigators from pursuing research careers and weakens the nation's biomedical research workforce.

AADOCR urges OMB to revise § 200.202 to preserve agency flexibility in determining award durations without creating a regulatory preference for longer budget periods. Federal grant policy should maximize opportunities for new and competing awards, sustain a robust pipeline of early-career investigators, and preserve the regular competitive review of research portfolios. This important mechanism strengthens accountability and ensures that federal research funding supports the highest-priority and most promising science.

Grantee and Proposal Selection (§ 200.205)

AADOCR is similarly concerned that the proposed revisions to § 200.205 could undermine the integrity of the merit-based grant review process that has served as the foundation of U.S. scientific leadership for decades. The federal research enterprise relies on independent peer review by subject-matter experts to evaluate scientific merit, technical feasibility, investigator qualifications, and potential impact. This process remains the most rigorous and widely accepted mechanism for allocating federal research funding and is what made U.S. biomedical research the global standard.

The proposed rule requires discretionary awards to undergo pre-issuance review by senior political appointees and directs that peer review be treated as advisory rather than determinative. While agencies should retain appropriate flexibility to manage research portfolios, funding decisions must continue to be guided principally by peer-review outcomes and expert scientific assessment. Deviations from the current merit-based system should remain limited, transparent, and justified by clearly defined programmatic or statutory considerations.

Expanding the role of subjective or non-scientific considerations in proposal selection risks creating the perception—and potential reality—that federal funding decisions are influenced by extraneous factors rather than objective scientific evaluation. Such a shift would undermine confidence in the grantmaking process and discourage investigators from pursuing innovative or potentially controversial lines of research.

Research establishing the role of human papillomavirus (HPV) in cancer initially challenged prevailing scientific assumptions but ultimately transformed cancer prevention through the development of HPV vaccines and improved understanding of HPV-associated oropharyngeal cancers. Protecting objective peer review helps ensure that similar paradigm-shifting discoveries can continue to emerge without political interference.

At a time when global competitors are increasing investments in research and innovation, the United States should strengthen—not weaken—the merit-based peer

review system that has enabled generations of scientific breakthroughs. AADOCR therefore urges OMB to revise § 200.205 accordingly.

Indirect Cost Rates (§ 200.205)

AADOCR is strongly concerned that the proposed revisions to § 200.205 could allow indirect cost rates to be considered in the evaluation or selection of applications. This approach is inconsistent with the long-standing federal recognition that Facilities and Administrative (F&A) costs are essential to sustaining the research enterprise and are not a measure of institutional efficiency, performance, or scientific merit.

F&A costs are a necessary and integral component of every federally funded research award. They support the infrastructure required to conduct research, including laboratory facilities, compliance systems, data security, research administration, utilities, and other institutional resources that make research possible. These costs are rigorously negotiated and subject to federal review and audit under established cost principles to ensure they are allowable, allocable, and reasonable. As such, indirect cost rates reflect real and necessary differences in institutional infrastructure and research capacity, not discretionary spending.

Any consideration of indirect cost rates in funding decisions risks undermining the integrity of the merit-based system and would be inconsistent with the principles that have supported the success of the U.S. research enterprise. Prioritizing applications based on lower negotiated rates could disadvantage institutions that have made substantial investments in the infrastructure required to conduct complex biomedical and clinical research, ultimately weakening the nation's overall scientific capacity.

AADOCR urges OMB to ensure that indirect cost rates remain separate from scientific merit review and are not used as a factor in proposal evaluation or award selection decisions.

Disparate Impact and Restrictions on Health Equity Research (§§ 200.205, 200.218)

The provisions in the rule that require federal agencies to eliminate the use of disparate-impact liability risk introduces viewpoint-based and topic-based screening into the federal research enterprise. Health disparities research—including the study of differences in oral and craniofacial disease burden across race and ethnicity, income, geography, disability status, and minority populations—is a core component of the NIH mission.

The scientific study of disparities is not an endorsement of legal theories or policy preferences; rather, it is the empirical foundation necessary to identify unmet health needs, understand disease burden, and develop effective, evidence-based interventions that improve health outcomes.

The rule as written could be interpreted to discourage or constrain research that measures, analyzes, or reports differences in health outcomes across populations, even when such analyses are essential to enhancing our understanding of disease and improving care delivery.

For example, research on early childhood caries, or dental decay, demonstrates the importance of studying differences in disease burden across populations. Children living in rural communities and underserved populations experience substantially higher rates of untreated dental disease. Understanding these disparities is essential to developing effective prevention strategies, improving access to care, and reducing our nation's overall healthcare costs. Research that measures these differences is not about promoting a DEI agenda, it's fundamental public health science.

Further, screening grant applications through undefined or ideological criteria risks introducing ambiguity into peer review and funding decisions, thereby discouraging investigators from pursuing important lines of inquiry and leading institutions to avoid research areas even if they address unmet oral and overall health needs.

Finally, conditioning eligibility for federal funding on adherence to controversial policy viewpoints raises concerns about academic freedom and the independence of the scientific enterprise. It risks creating legal uncertainty for agencies, particularly where funding decisions appear to be based on which groups might benefit from a particular study rather than the study's scientific merit, rigor, and public health needs.

Consistent with long-standing principles of federal research funding, AADOCR urges OMB to ensure that eligibility and evaluation criteria remain grounded in scientific quality rather than ideological viewpoints or topic-based screening standards.

We urge OMB to remove or substantially revise provisions in the rule that could be interpreted to restrict or discourage health disparities research, and to affirm that federally funded research decisions should be based on merit and peer review, consistent with the principles of 2 CFR Part 200.

Administrative Burden

(§§ 200.205, 200.305, 200.318, 200.332, 200.339, 200.340, 200.344, 200.346)

The rule states that a key objective is to reduce administrative burden on recipients. Yet many of the proposed provisions would substantially increase administrative workload, including new requirements related to documentation, certifications, approvals, monitoring, and reporting, all of which will increase administrative costs and burden for both grant recipients and federal agencies.

For example, the rule requires a justification for every payment request under §200.305, more procurement paperwork under §200.318, and a new layer of (political appointee) review under §200.205. These requirements will necessitate additional compliance staff,

systems, and oversight mechanisms, diverting resources away from research activities. For investigators, the cumulative effect of an increased administrative workload will be reduced time available for conducting research, training the next generation of scientists, and disseminating findings.

Moreover, uncertainty regarding how to tailor grant applications to meet subjective or non-scientific considerations will increase administrative burden as applicants attempt to adapt to evolving selection priorities. Researchers may be compelled to devote additional time to aligning proposals with perceived administrative preferences rather than focusing on the scientific merit of their project.

AADOCR urges OMB to remove provisions from the proposed rule that increase administrative burden without demonstrably improving accountability, allowing investigators to devote their time and resources to conducting scientific research.

Ability to Terminate or Suspend Funds

(§§ 200.211, 200.339, 200.340, 200.341, 200.342, 200.343, 200.346)

The proposed expansion of agency authority to modify, suspend, or terminate awards creates substantial uncertainty for institutions and investigators engaged in long-term research projects. In particular, the rule appears to permit termination of awards at any time based on determinations that a project no longer aligns with “agency priorities” or the “national interest” as defined at a given moment, while also removing or limiting recipients’ ability to seek meaningful review, including hearing or appeal rights for such discretionary actions.

Biomedical research often requires years of planning, infrastructure development, participant recruitment, and workforce training. Institutions hire staff, establish cohorts, and commit trainees’ careers based on the expectation that federal awards will be honored over the full project period. The ability to cancel awards at will on shifting or undefined grounds, without a clear opportunity for grantees to respond or seek review, undermines the stability on which the research enterprise depends and introduces significant financial and scientific risk across all federally funded projects.

The early termination of an award also stymies scientific progress and wastes taxpayer dollars by prematurely ending federally funded projects before they can deliver the scientific knowledge and public health benefits those investments were intended to produce.

Federal agencies currently have the authority to suspend or terminate awards when there are legitimate concerns regarding compliance, performance, misuse of funds, or research integrity. Such action must continue to be based on clearly defined standards, supported by documented evidence, and implemented through a transparent review process that affords recipients an opportunity to respond to identified concerns before final action is taken.

Decisions to terminate awards should, where appropriate, incorporate input from qualified subject-matter experts capable of assessing the scientific and public health implications of such actions. Ensuring that termination decisions are grounded in objective review and adequate justification is essential to maintaining fairness, accountability, and confidence in the federal grantmaking system.

Perhaps most concerning, increased uncertainty regarding the continuity of federal support may create a chilling effect within the research community. Investigators may become reluctant to pursue innovative or long-term research agendas if funding commitments are perceived as subject to discretionary termination unrelated to scientific merit, project performance, or documented compliance concerns. The U.S. became the global leader in biomedical research in part because federal funding has been administered through stable, predictable, and merit-based systems; weakening those principles erodes that foundation and weakens American innovation.

International Collaboration

(§§ 200.220, 200.331, 200.332, 200.334, 200.450)

The proposed rule's heightened requirements for foreign collaborations, subawards, ownership disclosures, and monitoring obligations would significantly impede or limit international partnerships upon which modern biomedical research depends.

Dental, oral, and craniofacial research, for example, increasingly relies on multinational clinical trials, epidemiological datasets, and global research consortia that provide access to populations, expertise, and infrastructure not available within a single institution or country. Many of these collaborations are also essential to addressing diseases that are inherently global in nature and cannot be effectively studied within national boundaries alone.

Certain rare diseases affecting Americans need to be studied in adequate numbers and in different populations so that appropriate preventive strategies and treatment can be developed. International partnerships are essential to studying these diseases and for making progress in their prevention, diagnosis, and treatment.

The proposed requirements would also create substantial administrative barriers that will discourage collaboration without providing commensurate scientific benefits or national security protections. Researchers may avoid otherwise valuable partnerships due to uncertainty regarding restrictions on subawards and foreign collaboration, and compliance obligations.

Finally, at a time when China and other nations are making substantial investments in biomedical research and expanding their global scientific partnerships, the U.S. should not be pursuing policies that weaken its position as the world's leading destination for scientific innovation. While appropriate safeguards to protect national security and research integrity are essential, imposing broad restrictions and administrative barriers on international collaboration risks making our nation a less attractive partner for high-

impact research. Such an outcome would reduce opportunities for American researchers to lead transformative international research initiatives, limit access to unique global expertise, patient populations, and datasets, and ultimately erode the nation's scientific competitiveness in areas critical to improving public health.

Scientific Dissemination and Professional Engagement

(§§ 200.432, 200.454, 200.460, 200.461, 200.462, 200.472)

AADOOCR is concerned that the proposed rule would make publication costs, including article processing charges and open-access fees, as well as costs associated with conference attendance, unallowable unless specifically required by statute or approved by the awarding agency on a case-by-case basis. This represents a significant departure from the long-standing treatment of reasonable dissemination expenses as allowable and necessary costs of conducting federally funded research.

Scientific dissemination is not ancillary to the research enterprise; it is the mechanism through which publicly funded knowledge is shared, validated, and translated into improvements in health. In dental, oral, and craniofacial research, a substantial proportion of peer-reviewed journals are open access and require article processing charges (APCs). Restricting the use of federal funds for these costs would effectively limit researchers' ability to publish in leading journals in their field or would shift these costs to institutions and investigators, thereby reducing the accessibility and impact of federally funded discoveries.

The proposed restriction on publication costs is also inconsistent with the Office of Science and Technology Policy's (OSTP) public access policy (2022 "Nelson Memo") requiring federally funded research to be made immediately and freely available to the public. For many journals, compliance with this policy requires authors to pay APCs but the proposed rule would prevent federally funded investigators from using grant funds to comply with these open access requirements. The conflicting policies will therefore have the effect of limiting public access to taxpayer-funded research.

AADOOCR is also concerned about the provision in the rule that requires case-by-case approval for conference participation. Scientific society annual meetings are planned far in advance on fixed cycles that do not align with award timelines. These meetings are essential for the dissemination of findings and cross-institutional collaborations, and are particularly beneficial to early-career investigators, offering them opportunities to build their professional networks, engage with researchers in their field, and gain exposure to emerging science that supports their career development. Requiring prior approval for conference attendance is impractical and will create unnecessary administrative barriers that will prevent investigators from participating in critical scientific meetings.

In addition, the proposed restrictions on the allowability of professional association membership dues would reverse established federal policy recognizing these costs as allowable and necessary expenses of conducting research. The Uniform Guidance acknowledges that memberships in technical and professional organizations support the

advancement of scientific research by providing access to scientific journals, professional networks, and opportunities for collaboration.

Investigators rely on scientific societies for access to the latest scientific literature, opportunities to present and discuss their research, and engage with the scientific community. Restricting the allowability of membership dues would weaken these essential functions and ultimately diminish the impact of the federal government's investment in research.

Scientific integrity depends not only on rigorous research, but also on the ability of findings to be openly scrutinized, replicated, and debated. Restrictions on publication and scientific exchange are difficult to reconcile with the Administration's stated commitment to rigorous and transparent science. AADOCR strongly urges OMB to restore publication, conference, and professional association membership costs as allowable expenses under the Uniform Guidance to ensure that federally funded research can be effectively disseminated and translated into scientific advances that improve public health.

Conclusion

AADOCR urges OMB to withdraw or substantially revise the provisions identified above. The federal grantmaking system is widely regarded as the global gold standard because it relies on expert peer review, scientific merit, and transparency. The proposed rule would move the system away from those principles by introducing new barriers to research funding decisions, collaboration and dissemination, increasing administrative burden, and reducing stability in federally funded research.

At a time when oral diseases remain among the most common chronic health conditions affecting Americans and biomedical advances offer unprecedented opportunities to improve health outcomes, federal policy should strengthen—not weaken—the nation's scientific enterprise. We respectfully urge OMB to preserve the principles that have made the United States the world leader in scientific discovery and innovation.

Thank you for the opportunity to provide comments on the proposed rule.

Respectfully submitted,



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