AMERICAN COLLEGE of RHEUMATOLOGY
Empowering Rheumatology Professionals

Empowering rheumatology professionals to excel in their specialty

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July 13, 2026

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

cc: The Honorable Bill Cassidy, The Honorable Bernie Sanders, The Honorable Rand Paul, The Honorable Gary Peters, The Honorable Brett Guthrie, The Honorable Frank Pallone, The Honorable James Comer, The Honorable Robert Garcia

Sent electronically via regulations.gov

RE: Regulation for Federal Financial Assistance (OMB-2026-0034-0001)

Dear Director Vought:

The American College of Rheumatology (ACR), representing over 10,400 rheumatologists and rheumatology interprofessional team members, appreciates the opportunity to respond to revised OMB guidance governing federal grants and cooperative agreements, *Regulation Codifying Policies on Federal Financial Assistance*, Revisions to 2 CFR 91 Fed. Reg. 32198 (May 29, 2026).

The ACR is extremely concerned that the proposed guidance would harm the competitiveness of the U.S. research enterprise and the nation's ability to advance scientific discovery and public health, while wasting taxpayer resources. Additionally, research centers around the country are economic engines for their regions. Interruptions in funding risk significant economic disruption. Furthermore, abruptly terminating time and cost-intensive research projects squanders the taxpayer dollars already invested in these projects, without any return or public benefit.

The ACR is concerned that these new requirements would result in determinations by individuals unqualified to understand the details of the science, outside of existing programmatic oversight. The ACR strongly supports the scientific peer-review process as the decisive factor in research-related grantmaking, provided that those peer reviewers are sufficiently experienced in the science under review. In addition to funding the best possible science, the work funded by the NIH and other federal funding has downstream economic implications. Basic science discoveries driven by this research has led to important scientific advances that are eventually utilized by the pharmaceutical industry to drive innovative therapies. A strong and vibrant domestic pharmaceutical industry is in the national interest, and there are numerous example of this in rheumatology, including TNF inhibitors, which were discovered through NIH research and are the most broadly used class of biologic therapies for the 50 million Americans with rheumatic disease. Reducing disability in these patients itself has economic benefits, the downstream implications of interrupting that economic pipeline are profound.

In addition to introducing new monitoring and review requirements for grantmaking decisions, the guidance also changes what can be charged to a federal grant, limiting or eliminating the ability of researchers to use federal grant awards to finance publication costs (even while open-access publications are a requirement of NIH-funded research), association membership dues (also required to attend and present at conferences), periodical subscriptions, "issue advocacy or public messaging" and conference attendance. Some of these categories are defined so loosely (i.e. "issue advocacy or public messaging") that researchers may not know what they are able to charge to federal grants. Others (such as publication costs and conference attendance) are critical to competent, high-level scientific research.

The ACR offers comments below on these two components of the guidance:

- Changes to award administration (mid-award termination, additional requirements for review and monitoring by senior political appointees)
- Changes to cost principles (new restrictions on what grantees can charge to their awards)

Changes to award administration

The new guidance allows agencies to terminate discretionary awards at any time, if they are found to no longer align with agency priorities or the "public interest." Furthermore, all awards will be subject to a "pre-issuance review" by a senior political appointee to determine whether the awards align with Presidential policy priorities. The guidance also requires that grant decisions be subjected to a new pre-issuance review process conducted by senior political appointees. Research collaborations with scientists outside of the US will also require sign-off by political appointees.

The ACR strongly opposes these changes because rheumatology researchers depend on funding from the National Institutes of Health (NIH) and other federal agencies to conduct critical research, with 40% of scientific research in the United States funded by the federal government as of 2022.[i] For decades, federal programs authorized by Congress have been successfully implemented and managed by career staff and subject matter experts. Federal agencies already have the tools and authority to responsibly manage grantmaking and to reallocate funding, if needed, to reflect shifting program priorities. By opening the door to mid-award terminations without any opportunity for appeal and by subjecting award decisions to additional layers of political oversight, this guidance will discourage critical biomedical research.

Previous grant regulations offered grant recipients who were found to be noncompliant with agency priorities or federal regulations the opportunity to course correct and accomplish grant objectives. **The ACR urges OMB to revise the guidance to ensure that grantees whose awards are terminated receive:**

- At least 90 days of advance notice prior to grant termination
- A corrective action period during which grantees can work with agency leadership to realign the grant with agency priorities
- Detailed information regarding the reasons for termination
- Opportunity for appeal for grants that are terminated

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These provisions will ensure that time and cost-intensive research projects are not terminated abruptly. Enabling agencies to conclude research grants mid-award for political reasons threatens the integrity of science, wastes taxpayer resources, and undermines commitments made by research participants.

The NIH is the single largest public funder of biomedical research in the world.[ii] Researchers require academic independence and access to reliable, apolitical funding to make the medical breakthroughs that keep American science competitive in the global economy.

Changes to cost principles

In addition to changes to award administration, the new guidance limits what grantees can charge to federal awards. Federal research funds cannot be used for publication charges or journal subscriptions, unless they are approved in advance by the agency on a case-by-case basis. Similar restrictions are put into place for conference attendance and association membership costs. **The ACR strongly opposes these changes because publication in academic journals and conference attendance are key metrics of funded work and allow research discoveries to be translated into clinical practice.** Excluding these costs will introduce new delays in the translation of research evidence into care and may reduce the returns on federal investments in biomedical research.

Federal research funding can only benefit public health when discoveries are made available to clinicians, health systems and policymakers. Publication and engagement with the larger research community through conference attendance and professional society membership, is the essential mechanism through which investments in research generate improvements in health.

Please contact Sweta Haldar, MSPH, ACR Manager of Regulatory Affairs, at shaldar@rheumatology.org or (202) 807-5262 should you have any questions or if we can provide additional assistance.

Sincerely,

William F. Harvey, MD, MSc, FACR
President, American College of Rheumatology

[i] https://ncses.nsf.gov/pubs/nsf24332
[ii] https://www.nih.gov/about-nih/organization/budget