AMA
AMERICAN MEDICAL ASSOCIATION

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

Re: OMB-2026-0034, Proposed Revisions to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

Dear Director Vought:

On behalf of the physician and medical student members of the American Medical Association (AMA), I appreciate the opportunity to comment on the Office of Management and Budget's (OMB) Notice of Proposed Rulemaking (NPRM) concerning the Uniform Guidance governing federal grants. The revisions under consideration will reach every corner of medicine: from the foundational research behind new treatments, to the programs that train the nation's physicians, to the public health and health services research that improves the quality and affordability of care. Federal investment in these areas has delivered extraordinary returns to the American people—driving scientific breakthroughs, improved health outcomes, economic growth, and sustained global leadership in biomedical innovation.

The AMA shares the Administration's commitment to protecting and building on those returns, and we agree with the strategy the Agency has put forth to do so: directing federal funding toward the research and programs with the greatest merit and public benefit; expanding access to funding opportunities and reducing recipient burden; strengthening transparency, oversight, and accountability; and maximizing the return on taxpayer dollars. However, we are concerned that, as written, several provisions of the proposed rule would undermine these goals. Accordingly, we offer the following recommendations to help the Administration achieve its objectives of creating a stronger, more rigorous, and more transparent grantmaking infrastructure for Americans.

For further information on the recommendations provided in the executive summary please refer to the AMA's complete comments that follow.

Executive Summary

1. Direct federal dollars toward the research and programs with the greatest merit and public benefit

- **Strengthen evidence-based program design** by requiring agencies to document the evidence base, evaluation plan, performance measures, and expected public benefit for new federal programs, instead of requiring agencies to design programs to align with current Administration priorities.

- **Replace the proposed political-appointee pre-issuance review of discretionary grants with reviewer-qualification standards and objective merit review criteria**, including statutory alignment, significance of the need addressed, potential impact, technical merit, and implementation feasibility.
- **Preserve merit-based award selection** grounded in objective statutory, scientific, and technical criteria, and remove both the proposed presidential-alignment mandate and the broad ideological and subject-matter restrictions that accompany it.
- **Protect the evidence base** needed to understand how conditions, treatments, and interventions affect different populations by withdrawing the proposed restriction on work that supports disparate-impact liability theories.
- **Preserve scientifically necessary international collaboration** by adopting an objective, risk-based framework that allows agencies to support collaborations that advance program objectives, protect U.S. interests, satisfy appropriate research-security and oversight safeguards, and avoid exposing protected federal interests.

2. Expand access to funding opportunities and reduce unnecessary recipient burden

- **Expand access to grant opportunities** by requiring agencies to post opportunities on Grants.gov, write notices in plain language with standardized summaries, clear eligibility criteria, accessible agency contacts, and uniform application instructions, make pre-application assistance available to all potential applicants, and use Statements of Interest where appropriate to help qualified applicants identify relevant opportunities and reduce unnecessary application burden.
- **Reduce administrative burden and support long-term planning** by encouraging agencies to use multi-year awards where sustained funding would give recipients greater stability and reduce repeated application, renewal, and reporting cycles.
- **Preserve fixed amount awards and subawards** and address oversight concerns through targeted safeguards, including stronger reporting for larger awards, milestone-based payment structures, and randomized post-award audits.

3. Strengthen transparency, accountability, and oversight of federal grantmaking

- **Retain rigorous pre-award risk review** grounded in objective indicators of financial, managerial, and programmatic capacity, and withdraw the proposed conduct- and affiliation-based risk-review criteria.
- **Strengthen implementation of existing post-award oversight requirements**, including procedures for tracking overdue financial and progress reports, resolving unused award balances, and documenting follow-up on single audit findings.
- **Require recipients and subrecipients to disclose potential conflicts of interest** through agency award-integrity processes and report credible evidence of fraud, bribery, gratuity violations, or False Claims Act violations to the relevant agency Office of Inspector General.

4. Maximize return on taxpayer investment

- **Protect taxpayer investment in ongoing federally funded research and programs** by withdrawing the proposed expansion of discretionary termination authority and new stop-work authority, which would risk disrupting ongoing work, losing research participants and partnerships, and creating irreparable gaps in data that undermine prior federal investment.
- **Support dissemination of federally funded knowledge** by allowing recipients to use award funds for reasonable publication and open-access costs, journal and periodical subscriptions, and

conference participation, ensuring findings reach the clinicians, researchers, and policymakers positioned to translate them into policy and practice.

- **Strengthen the public return on federally funded research** by requiring agencies to ensure recipients report all results and share supporting data, methods, and code in an accessible format, while holding recipients to their promised replication and validation commitments.

The AMA appreciates the opportunity to comment on these proposed revisions and shares the Administration's commitment to ensuring that federal grant dollars are well spent, rigorously reviewed, and directed to the research and programs most likely to deliver measurable benefits for the American people. The recommendations above are offered in that spirit: to strengthen the evidence, expertise, and transparency on which sound stewardship depends, while avoiding new requirements that would inject instability, delay, and political considerations into decisions that should rest on merit. We welcome the opportunity to serve as a resource to OMB as it finalizes this rule. Please reach out to me directly at 312-464-5288 or John.Whyte@ama-assn.org if you have questions or need further information.

Sincerely,

John Whyte, MD, MPH

Comments

1) Directing federal dollars toward the research and programs with the greatest merit and public benefit.

Federal grantmaking delivers the greatest return when funding decisions are anchored in evidence, statutory purpose, and expected public value. The NPRM seeks to apply those standards at every stage of grantmaking, from program design and application review, to applicant risk assessment and award selection. However, several of its proposals may weaken the role of evidence, expertise, and legal authority in identifying the most promising proposals. In the recommendations that follow, we offer revisions to the proposed language and additional approaches that would more effectively strengthen merit review.

[§ 200.202(a)] Requiring program design to align with Administration priorities

- **Recommendation:** Withdraw the proposed requirement that agencies design programs to align with current Administration priorities and instead require that new programs meet more rigorous evidence, evaluation, and performance-measurement standards.

Existing regulations require agencies to design federal programs with "clear goals and objectives that provide meaningful results," are "consistent with the Federal authorizing legislation," and "measure performance based on the goals and objectives developed during program planning and design." OMB now proposes two significant changes to those standards.

First, OMB would replace the requirement that program goals be consistent with Federal authorizing legislation with a broader requirement that goals be consistent with the "public purpose" of the program as authorized by law. The AMA urges OMB to reconsider this change. The current standard appropriately anchors program design in the statute Congress enacted. Replacing that standard with the broader concept of "public purpose" introduces interpretive flexibility that could allow agencies to characterize a statute's purpose more broadly than Congress intended. If OMB retains the proposed wording, it should define "public purpose" by direct reference to the purposes identified in the authorizing legislation, so that the standard remains anchored to congressional intent.

Second, and more consequentially, this proposed rule would add a new requirement that agencies design programs to align with current administration policies and priorities. In justifying this change, the Agency cites programs it describes as ineffective, stating that political or ideological considerations shaped funding decisions or award conditions in ways that bore little connection to the core purpose of the federal award. The AMA does not dispute that federal programs have too often failed to deliver results commensurate with their public investment. What we dispute is why those failures occurred.

The Government Accountability Office (GAO) has consistently found that the primary driver of poor program performance is not ideological motivation but the absence of rigorous design, evidence-based planning, and evaluation infrastructure. When evaluating employment programs, for example, the GAO found that nine federal agencies spent approximately $18 billion in fiscal year 2009 to administer training programs, but only five of those programs had ever been subject to rigorous impact evaluation. As a result, after years of federal investment, agencies still lacked reliable evidence about which programs helped participants secure employment—not because ideology had corrupted the funding process, but because evaluation had never been built into program design in the first place.

GAO has also found that agencies do not consistently use evidence even when it is available. In a 2020 survey of nearly 4,000 federal managers across 24 major agencies, GAO found that although an estimated 95 percent of managers reported having at least one type of evidence available for their programs, only about half to two-thirds reported using that evidence in decision-making activities such as resource allocation, and only about one-third reported using evidence to inform the public about a program's performance. A subsequent 2024 GAO review found limited progress. When agencies were required to assess their own capacity to build and use evidence, most struggled to do so effectively: of the 23 agencies GAO reviewed, 18 had difficulty interpreting the guidance or conducting the required assessments, and agencies used inconsistent methods that limited the usefulness of the results.

These findings identify the real weakness in federal program performance: agencies too often design and administer programs without the rigor, evidence base, and evaluation capacity needed to justify and sustain public investment. Requiring agencies to align program design with Administration priorities would only exacerbate that weakness by shifting agency attention toward political agendas and away from the methodological rigor and evidence-based planning necessary for effective program design.

The proposed Administration-alignment requirement would also be exceedingly difficult to operationalize. OMB has not defined what it means for a program to "advance and align" with administration priorities, nor has it established a process for communicating those priorities to agencies or notifying them when they change. It is unclear whether agencies would receive formal written notice, *ad hoc* direction from political leadership, or be expected to infer priorities from budget proposals, public statements, press conferences, or legal actions. It is also unclear how agencies should respond when a shift in executive priorities renders a program potentially noncompliant mid-design, or how the government would enforce this standard. These uncertainties would force agencies to devote substantial staff time and resources to monitoring policy developments, reviewing programs under development, and documenting compliance—or risk litigation and funding losses in future budget cycles. The resulting friction and decision paralysis would waste taxpayer dollars and leave agencies even less capable of fulfilling their statutory mandate to achieve meaningful results.

The practical consequences are predictable. Consider a situation in which Congress authorizes the U.S. Department of Agriculture and U.S. Department of Health and Human Services (HHS) to test strategies to reduce childhood obesity. Based on the Administration's announced priorities of improving school nutrition and supporting domestic food production, the agencies design a program that pairs more nutritious school meals with nutrition education. Over the next several months, the agencies enter partnerships with school districts, develop a curriculum in coordination with the U.S. Department of Education (DOE), procure contracts with regional food suppliers, establish performance measures, and complete extensive legal and financial review.

Now suppose that as the agencies near completion, the President announces a new strategic focus on youth physical activity and reducing sedentary behavior. Both the school-based nutrition model and the physical activity agenda fit comfortably within Congress's objective of reducing childhood obesity. The Administration's preferred mechanism, however, has changed. Under proposed § 200.202(a), the agencies could face immediate pressure to halt or redesign the nutrition program to align with the newly announced priority. Schools and food vendors that made long-term commitments based on the expectation that the federal program would proceed would be left in limbo. New standards, compliance frameworks, partnerships, cost estimates, evaluation metrics, and implementation plans would need to be developed from scratch. Resources would be wasted, implementation would be delayed, and a program already positioned to advance a congressionally mandated goal would be displaced. The NPRM's administration-alignment requirement would replicate this disruption across the entire federal grantmaking enterprise.

Proven models for strengthening program design already exist. In 2010, for example, the U.S. Department of Labor (DOL) established a Chief Evaluation Office and adopted an evaluation policy requiring that discretionary grant funding announcements include evidence provisions specifying how activities will be evaluated, and that successful applicants cooperate with and participate in those evaluations as a condition of award. That policy produced a documented chain of results: when DOL required grantees to participate in randomized controlled trials of its Reemployment and Eligibility Assessment program, the resulting evidence showed that the program substantially reduced unemployment insurance duration, increased employment rates, and increased participant earnings—findings that directly informed Congress's decision to extend reemployment services to all Emergency Unemployment Compensation claimants. Evaluation built into program design from the start generated evidence that improved the program and changed federal law.

Other agencies have moved in the same direction. The DOE's Investing in Innovation program structured its grant tiers so that the strength of the evidence behind a proposed approach determined the size of the award, with the largest grants reserved for programs supported by randomized controlled trials and smaller development grants available for promising but less-tested approaches—each tier carrying a built-in evaluation requirement so that grantees could build toward stronger evidence over time. The Department of the Interior similarly adopted a policy requiring officials to document the rationale for each award decision, including written justification whenever a selecting official departs from the merit review panel's recommendation.

If the Administration's goal is to strengthen program performance, OMB should extend similar standards across government agencies. Specifically, OMB should require agencies to:

1. **Document the evidence base for program design**, identifying the data, research, and prior program experience on which it rests, ensuring that the design reflects the weight of the available evidence, and explaining how the design is expected to achieve the program's statutory purpose;
2. **Specify the program's intended outcomes**, the measures by which progress will be judged, and the evaluation plan, including predefined checkpoints at which continued funding depends on demonstrated progress against those measures;
3. **Verify that the agency possesses the data systems, analytic capacity, and personnel necessary to execute the program's evaluation plan**, and where capacity falls short, incorporate a plan to close that gap into the program itself; and
4. **Subject program design to independent review by qualified subject-matter experts**—defined as individuals with relevant scientific, technical, clinical, programmatic, evaluation, and implementation expertise before funds are committed.

Holding program design to these standards would ensure that federal investments are grounded in evidence, capable of delivering results, and worthy of the patients and taxpayers who ultimately bear their cost.

[§ 200.205] Requiring political-appointee review of discretionary award decisions

- **Recommendation:** Withdraw the proposal to require political-appointee pre-issuance review of discretionary grants and instead strengthen the rigor, independence, and transparency of expert-driven merit review.

Proposed § 200.205 would require agencies to designate a political appointee to conduct pre-issuance review of discretionary award decisions as part of the merit review process. The AMA strongly urges OMB to reconsider this change.

Political appointees lack the technical expertise to evaluate scientific merit.

The proposed rule establishes no qualification requirements for the designated political appointee yet expressly gives that person authority to override expert peer review. This arrangement raises serious concerns because evaluating whether a proposal is likely to achieve its objective and produce useful knowledge requires familiarity with the relevant scientific field, the existing evidence base, and the methodological demands of the proposed design. A proposal may appear fully aligned with Administration priorities while relying on outcome measures too crude to detect meaningful effects, comparison groups too dissimilar to support valid inference, or analytic plans incapable of answering the question posed. Those flaws live in technical detail that peer reviewers are trained to find. When agencies overlook them, taxpayer dollars can flow to ineffective, poorly designed projects, directly undermining the Administration's stated commitment to responsible stewardship of public funds.

The National Children's Study demonstrates why expert review is necessary for responsible stewardship of taxpayer dollars. Congress authorized the National Institutes of Health (NIH) to conduct a national longitudinal study of environmental influences on children's health and development, and NIH planned to follow approximately 100,000 children from before birth or birth into adulthood. After years of planning and approximately $1.3 billion in federal investment, an NIH working group concluded that technical and methodological problems in the study design would limit its ability to produce useful evidence. The aims and scope were too broad, the sampling strategy was overly complex, the study lacked a detailed and executable protocol, and the management structure was poorly suited to a research effort of that size and duration. Expert reviewers assessing feasibility, study design, sampling strategy, and implementation plans would have been positioned to identify those flaws years earlier; a political appointee would likely have not.

The Administration's own emphasis on "Gold Standard Science" (GSS) underscores the need for expert review. GSS is science that is reproducible, transparent, communicative of error and uncertainty, collaborative and interdisciplinary, skeptical of its findings and assumptions, structured to test falsifiable hypotheses, subject to unbiased peer review, accepting of negative results as meaningful scientific outcomes, and free from conflicts of interest. Determining whether a proposed study will meet those standards requires scientific, technical, methodological, and programmatic expertise. The Administration has correctly recognized that departures from these principles have contributed to the reproducibility crisis, and the data bear that out: an analysis published in *PLOS Biology* estimated that more than half of all U.S. preclinical research cannot be reproduced, representing approximately $28 billion in annual federal and private investment spent on findings that do not hold up. Independent replication exercises reached similarly troubling conclusions, finding that only 11 percent and 25 percent of landmark studies, respectively, could be confirmed. Substituting the judgments of political appointees for those of experts will not address this crisis; it will eliminate the mechanism most capable of solving it.

Rapid appointee turnover creates institutional instability that chills long-term investment.

Finally, political appointees turn over rapidly—often multiple times within a single grant cycle—and every transition effectively resets the standards and priorities governing pre-issuance review. Research institutions, health systems, community organizations, and funders that co-invest alongside federal programs cannot build long-term commitments around a moving target. The predictable response is to deprioritize long-horizon, complex projects capable of generating the greatest breakthroughs in favor of shorter-term work with faster returns and lower exposure to political and financial risk.

- **Recommendation:** Withdraw the proposal to require political-appointee pre-issuance review of discretionary awards and instead strengthen merit review by requiring agencies to establish standards governing reviewer qualifications, independence, and panel composition.

The Uniform Guidance currently requires agencies to design and execute a merit review process and to specify the number of reviewers. To strengthen merit review, OMB should require agencies to establish qualification standards for merit reviewers. In developing those standards, agencies should consider criteria such as relevant domain expertise in the field or subfield under review; methodological expertise appropriate to the proposed design, evaluation strategy, and analytic approach; breadth of knowledge sufficient to assess broader impacts and real-world applicability, particularly for proposals that are large, complex, or multidisciplinary; and freedom from disqualifying conflicts of interest, including financial interests, prior employment or contractual relationships with the applicant, and recent co-authorship, mentorship, or institutional affiliation.

For proposals reviewed by panels, agencies should also consider panel composition criteria such as complementary expertise across the range of issues raised by the application; balanced representation across institution type, practice setting, and geography; and input from affected patients, communities, and stakeholders where those perspectives are necessary to evaluate feasibility or real-world impact.

- **Recommendation**: Strengthen § 200.205 by requiring agencies' written standards for merit review to identify the objective criteria reviewers will apply when evaluating discretionary award applications, such as statutory alignment, the importance of the problem or need addressed, expected results or public benefit, technical merit, and implementation feasibility, as appropriate to the program and funding opportunity.

Section 200.205 of the Uniform Guidance states that merit review is "an objective process of evaluating Federal award applications in accordance with the written standards of the Federal agency." OMB should strengthen that framework by requiring agencies' written standards for merit review to identify the objective criteria reviewers will apply to evaluate the substantive merit of applications, such as the following, as appropriate to the program and funding opportunity:

1. **Alignment with statutory purpose and program objectives.** The proposal's consistency with the agency's statutory authority, the public purpose authorized by law, and the objectives of the funding opportunity.
2. **Significance of the problem, need, or knowledge gap addressed.** The scope and magnitude of the issue the proposal seeks to address, including evidence of the scale of the problem or need; the populations, communities, systems, or fields affected; the consequences of leaving the issue unaddressed; and, where relevant, the extent of the gap in existing knowledge or quality of current approaches.
3. **Potential impact.** The likelihood that the project will achieve program objectives, generate new knowledge, improve outcomes, and contribute to the broader field.
4. **Technical merit.** The extent to which the proposal is designed to produce reliable, valid, and useful evidence, evaluated against the following sub-elements as applicable:

    - Clarity and testability of the research question, hypothesis, or theory of change;
    - Strength of the study or program design, including whether it can credibly assess the effect of the intervention or program;
    - Appropriateness of the sample, target population, and setting;
    - Adequacy of the sample size, statistical power, and analytic plan;
    - Appropriateness of proposed outcome measures, benchmarks, and milestones;

- Feasibility of measuring proposed outcomes, including access to necessary data or established data-collection methods;
- Accuracy of the proposal's synthesis of the existing evidence base and clarity about the literature, evidence, or implementation gap it would fill; and
- Identification of major risks of bias, confounding, or implementation failure and strategies to mitigate them.

5. **Implementation feasibility.** Whether the applicant has the personnel, facilities, partnerships, and budget necessary to carry out the project successfully.

Agencies should retain flexibility to tailor criteria to the governing statute, program objectives, and type of award.

- **Recommendation:** If OMB proceeds with political appointee pre-issuance review, it should adopt safeguards to prevent conflicts of interest, promote transparency and accountability, and ensure that expert peer review remains a substantive input into funding decisions rather than an advisory formality.

Should OMB finalize the pre-issuance review requirement, it should establish protections to ensure that political review is conducted transparently and does not displace expert judgment. Specifically, OMB should expressly require that:

1. **Political appointees follow strict conflict-of-interest policies,** including written disclosure of financial interests above a defined threshold and prior employment, contractual relationships, and institutional affiliations that may affect decision-making, with any such disclosure triggering mandatory disqualification.
2. **Political appointees publicly document their rationale when their decisions diverge from those of merit reviewers.** Specifically, appointees should state their final decision, identify the peer-review recommendation they declined to follow, and cite the statutory, regulatory, or notice of funding opportunity (NOFO) criterion that supports the departure.
3. **Agencies establish a formal dispute resolution process governing disagreements between expert merit reviewers and pre-issuance reviewers**, modeled on the U.S. Food and Drug Administration's (FDA) Scientific Dispute Resolution program. Under such a process, the expert reviewer would have a structured opportunity to respond to the political appointee's concerns before a final determination is made; the disagreement would be documented and elevated to a designated senior official outside the political reviewer's chain of command; and the final resolution would be recorded in the award file.

[§ 200.205(b)(1)] Requiring discretionary awards to advance the President's priorities

- **Recommendation:** Withdraw the proposed requirement for senior appointees to consider alignment with the President's policy priorities during the pre-issuance review process and require agencies to evaluate discretionary award applications based on objective, program-specific merit criteria.

Proposed § 200.205(b)(1) would require senior appointees, during pre-issuance review, to consider whether discretionary awards demonstrably advance the President's policy priorities. The AMA strongly opposes making presidential alignment a condition of discretionary award selection. This proposal would carry political priority review from program design into individual award decisions, allowing senior

appointees to reject otherwise meritorious applications based on whether they advance the agenda of the current Administration.

That standard is poorly suited to federal grantmaking. Presidential priorities often reflect the time horizons of a single administration and the political pressure to produce visible, easily attributable results. Yet many of the most impactful federally supported programs, services, and research efforts operate on timelines that extend far beyond an election cycle.

For example, health services and public health programs often take decades to produce measurable improvements in health outcomes, reductions in cost, or broader societal benefit. In many cases, success is measured entirely by harms averted: the child spared from lead poisoning, the disease outbreak contained, and the cancers prevented by large-scale screening efforts. These gains are real and measurable, but they are often delayed, diffuse, and difficult to attribute to any single administration. A review process centered on the priorities of the sitting President risks systematically underfunding this kind of long-horizon work, squandering the federal dollars most likely to generate lasting returns.

Requiring discretionary awards to advance the President's priorities would also disproportionately disadvantage basic or early-stage research, which often produces transformative discoveries in ways that are impossible to predict at the time of funding decisions. GLP-1 drugs, now among the most consequential innovations of the last generation, are a case in point.

In the 1980s, researchers at the Department of Veterans Affairs (VA) and NIH grew curious about how the Gila monster, a venomous lizard that eats only a few times a year, holds its blood sugar steady through months of fasting. In the years that followed, scientists pursued the slow, uncertain work of collecting and analyzing samples. By the 1990s, that work culminated in a crucial discovery: a peptide from the lizard's venom that closely resembled a human hormone involved in insulin release but resisted rapid breakdown. That finding led to the first GLP-1 receptor agonist in 2005, establishing a drug class that has not only transformed the treatment of diabetes and obesity, but is now being studied, with government funding, for the potential to treat many of our most debilitating neurodegenerative diseases. What began five decades ago as a question about lizard saliva has fundamentally changed how we care for millions of patients worldwide.

The GLP-1 story reflects a broader pattern: federal investment sustains the earliest and riskiest phases of scientific discovery, when a question's immediate application remains uncertain, while private capital typically follows once a path to profit has emerged. An average of 32 years elapse between the identification of a molecular target and the approval of the first drug acting on it, an interval sustained almost entirely by federal investment. The returns on that investment are well documented. NIH-supported research contributed to every one of the 84 first-in-class drugs approved between 2010 and 2016, and to 354 of the 356 drugs approved across that decade.

The most consequential advances in modern medicine have followed precisely this path. NIH-supported retrovirus research in the 1960s laid the scientific groundwork for the Reagan administration's push to develop antiretroviral therapies during the HIV/AIDS epidemic. Decades of federally funded mRNA research positioned the U.S. to deliver on Operation Warp Speed, long before the Trump Administration knew they would need to bring COVID-19 vaccines to Americans at an unprecedented speed, preventing millions of hospitalizations and deaths. Across administrations and budget cycles, federal science has followed evidence wherever it led, compounding returns that no single presidency could have predicted.

Finally, extending presidential influence over individual award decisions would further erode trust in federal agencies, scientific institutions, and the integrity of the grantmaking process. Public confidence in

federal research and programs depends on the expectation that agencies award funds through neutral criteria, impartial review, and expert judgment. Requiring political appointees to approve funding based on whether an application advances the President's priorities would weaken that expectation by making awards appear contingent on political alignment. That perception would cast doubt on the projects selected for funding and on the evidence, findings, and recommendations those projects produce. **The AMA thus urges OMB to withdraw the proposal to add presidential alignment as a criterion for evaluating discretionary awards, protecting public trust and sustaining the long-term investments that generate transformative public benefit.**

[§ 200.205(b)(2), § 200.300] Using topic-based restrictions to override merit-based award selection and administration

- **Recommendation:** Withdraw the proposals to subject award selection and administration to broad ideological and topic-based restrictions and preserve agencies' obligations to evaluate applications and administer awards through objective, program-specific criteria.

Proposed §§ 200.205(b)(2) and 200.300(b) would impose sweeping content-based restrictions across the full federal grants lifecycle. Section 200.205(b)(2) would require political appointees to consider whether a proposal would fund, promote, encourage, subsidize, or facilitate specified prohibited categories: racial preferences, denial of the sex binary, illegal immigration, initiatives that compromise public safety, or "anti-American values." Section 200.300(b) extends those restrictions downstream, requiring agencies and pass-through entities to ensure that active grants and subawards are not used to support diversity, equity, and inclusion or diversity, equity, inclusion, and accessibility practices, gender ideology, or transition-related care for minors.

These provisions would interfere with agencies' ability to direct federal dollars toward the research and programs with the greatest merit and public benefit by allowing otherwise meritorious awards to be rejected or terminated because the work concerns a disfavored topic, addresses a politically contested field, or serves a population with greater documented need.

Merit review has long directed federal funding toward research and programs that private markets ignore.

Sickle cell disease (SCD) illustrates why federal grants must be able to direct public dollars toward documented need, even when a condition disproportionately affects a particular population. SCD is characterized by the sickling of red blood cells, causing severe pain crises, repeated hospitalizations, stroke, organ damage, and shortened life expectancy. The disease affects nearly 100,000 Americans, more than 90 percent of whom are Black—roughly 2.5 times as many patients as cystic fibrosis (CF), a condition with a majority-white patient population. SCD also costs the health system an estimated $3 billion each year, compared with an inflation-adjusted $485 million for CF.

For decades, however, SCD research received disproportionately little investment relative to the disease's burden. Private industry directed far more funding toward conditions viewed as more commercially attractive. Between 2013 and 2016, private funding for CF was 971-fold greater than for SCD, and philanthropic spending was approximately $7,690 per person for CF compared with $102 per person for SCD. For patients with SCD, that underinvestment meant fewer disease-modifying options, fewer clinical advances, and no cure for a debilitating and costly disease.

Federal funding helped change that trajectory. In 1995, scientists funded by the National Heart, Lung, and Blood Institute (NHLBI) identified hydroxyurea as the first effective drug therapy for SCD, reducing pain

crises by 50 percent in adults with severe disease. NIH later launched the Cure Sickle Cell Initiative to accelerate gene-based therapies, leading to the 2023 approval of the first two curative gene treatments in the disease's history.

Those investments produced significant clinical and economic benefits. Median survival for people with SCD increased from roughly 44 years in 1994 to 58 years by 2014, and life expectancy increased by another decade by 2022. Beyond gaining years of life, these advances have also reduced healthcare costs and increased workforce participation. In 2016 alone, researchers estimated $811 million in inpatient spending due to SCD and $1.5 billion in annual lost wages and productivity. By dramatically reducing hospitalization rates and lengths of hospital stays, hydroxyurea lowered the costliest component of SCD care and produced economic benefits for patients, employers, and public programs alike. A rule that restricts funding for research on conditions that disproportionately affect one racial group would jeopardize the same kind of targeted federal investment that turned decades of underfunding into measurable gains in survival, costs, and public benefit.

Workforce programs would also be at risk—not because they lack merit but based on the demographics of the communities they serve. More than 100 million people today lack adequate access to primary care, and Health Resources and Services Administration (HRSA) grants help expand access by funding clinical training opportunities in communities with documented shortages. Under the proposed provision, agencies could characterize HRSA grants that serve communities with large Black, Hispanic, immigrant, or Tribal populations as promoting racial preferences, unlawful equity practices, illegal immigration, or "anti-American values." Agencies could then reject, narrow, or terminate HRSA grants, reducing training opportunities, weakening the workforce in shortage areas, and increasing downstream healthcare costs due to preventable illness and avoidable hospitalizations.

Broad ideological and topic-based funding restrictions would chill entire fields of inquiry and evidence-based programs, regardless of merit or public need.

The proposed restrictions would discourage applicants from pursuing research questions or activities across a wide swath of subject areas that may be considered politically disfavored. The chilling effect would extend well beyond individual grants to the research, education, and clinical training infrastructure that federal funding helps sustain, shaping the questions scientists pursue, the curricula medical schools develop, the faculty universities hire, and the training pathways residency programs offer. Over time, institutions would have strong incentives to redirect resources away from entire fields of study and program areas, even where those areas respond to documented health needs and reflect strong scientific or programmatic merit.

The proposed provisions would be difficult for agencies to implement consistently, creating administrative burden and undermining merit review.

The NPRM uses vague, undefined, and subjective terms to describe prohibited areas, leaving agencies without objective standards for determining what constitutes "anti-American values," what activities "compromise public safety," or when a proposal "promotes," "encourages," "subsidizes," or "facilitates" a prohibited concept. Those terms invite shifting interpretations across reviewers, agencies, and administrations, creating uncertainty that compromises the objectivity and consistency on which merit review relies. They would also require agencies to dedicate additional funds to legal review before acting on potentially sensitive submissions, while providing rejected applicants with strong grounds to challenge decisions that appear to rest on subjective or inconsistently applied criteria. The practical result would be slower grantmaking, wasted resources, and greater administrative burdens, undermining the Administration's goals of creating a streamlined, efficient grantmaking system.

[§ 200.218] Prohibiting federal awards from supporting disparate-impact liability

- **Recommendation:** Withdraw the proposed prohibition on disparate-impact liability theories, which reaches far beyond the stated objective of preventing federal funds from subsidizing unlawful discrimination.

Proposed § 200.218 would establish a government-wide prohibition on using federal awards to promote or support theories of disparate-impact liability—the legal framework under which facially neutral policies or practices may be challenged when they produce different outcomes across race, sex, or other protected groups. The AMA agrees that federal award funds should never subsidize unlawful discrimination and should comply with civil rights laws, constitutional requirements, and their statutory purpose. As drafted, however, the proposed provision reaches far beyond that objective.

The central problem is that the proposal does not clearly distinguish between imposing liability and generating evidence. Agencies and grantees routinely use federal funds to evaluate whether programs, policies, and interventions work safely and effectively across populations. That work often requires measuring differences in outcomes. Measuring those differences does not impose liability, require unequal treatment, or establish unlawful discrimination. It is basic oversight and, in many contexts, basic science. Proposed § 200.218 would make that ordinary evidence-generating work more difficult to propose, review, and fund.

Recent research on pulse oximeters illustrates the stakes. Pulse oximeters were developed and calibrated in populations that were not racially diverse, then used for decades across hospitals, emergency departments, and intensive care units nationwide. During the COVID-19 pandemic, physicians caring for critically ill patients noticed a recurring discrepancy between pulse oximeter readings and direct arterial blood gas measurements in Black patients. That observation prompted a landmark NIH-funded and U.S. Department of Veteran's Affairs-funded study analyzing tens of thousands of paired measurements from intensive care unit patients across 178 hospitals nationwide.

The findings were unambiguous. Black patients experienced occult hypoxemia—dangerously low oxygen levels that the device failed to detect—at nearly three times the rate of white patients. In other words, the device was registering adequate oxygenation in patients who were, in fact, oxygen-deprived. That error obscured impending respiratory failure, delayed treatment, and likely contributed to preventable deaths. The study changed clinical guidance and treatment for millions of patients, and it could only have been conducted by examining whether a widely used device performed differently across patient populations.

Federally funded research that compares outcomes across populations serves another critical purpose: it can test whether long-standing racial assumptions in medicine are scientifically valid and remove those assumptions from clinical practice when they are not. Kidney-function estimation provides a clear example. For more than two decades, the standard equation used to estimate kidney function included a race coefficient that assigned higher values to Black patients based on the assumption that they had systematically higher creatinine levels. Researchers funded by the National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK) helped show that this was an inaccurate assumption with serious clinical consequences. The race coefficient caused clinicians to underestimate kidney disease severity in many Black patients, delaying specialist referral, dialysis planning, and transplant evaluation. NIDDK-funded researchers then helped develop race-free kidney-function equations by comparing estimates across Black and non-Black patients to build a more accurate measure. That research did exactly what federal medical research should do: test assumptions, improve clinical tools, and give physicians better evidence for patient care. The NPRM's disparate-impact liability language would make that kind of correction harder to fund, harder to conduct, and slower to reach clinical practice.

[§ 200.202(e)] Requiring domestic-first review for research and development awards with foreign participation

- **Recommendation:** Retain objective criteria for evaluating international elements in research and development (R&D) awards, while clarifying that scientifically necessary international collaboration may proceed when it advances program objectives, protects U.S. interests, and satisfies appropriate research-security and oversight safeguards.

Proposed § 200.202(e) would generally limit R&D awards to U.S.-organized entities, allow direct foreign awards only when authorized by statute or justified by a compelling interest, and require agencies to review foreign participation under a domestic-first framework. The AMA supports the Administration's goal of ensuring that federally funded research advances U.S. interests, protects taxpayer investments, and addresses legitimate research-security and oversight risks. We also agree that scientific necessity, access to unique expertise or resources, benefit to the U.S. scientific enterprise, and adequacy of foreign-site capacity are appropriate criteria for evaluating international elements of federally funded research.

OMB should ensure, however, that the domestic-first framework preserves pathways for scientifically necessary collaboration. Medical and public health research often requires access to foreign study populations, international clinical sites, emerging infectious disease data, rare disease cohorts, unique biological specimens, specialized facilities, or expertise unavailable in the United States. In those circumstances, international collaboration can advance American scientific leadership, protect Americans from health threats, and improve the evidence available to physicians and patients.

To ensure decisions about international collaboration are grounded in evidence and informed by appropriate expertise, OMB should replace the proposed political-appointee review with review by officials who have relevant scientific, programmatic, grants-management, and research-security expertise. Assessing whether comparable U.S. data exist, whether a foreign study population is scientifically necessary, whether an international site has adequate clinical or laboratory capacity, or whether a collaboration strengthens U.S. scientific capacity requires field-specific knowledge of the methodology, research landscape, and technical context. Requiring that expertise would improve oversight, reduce arbitrary decision-making, and ensure that agencies protect U.S. interests without disrupting collaborations essential to federally funded medical and public health research.

[§ 200.220] Prohibiting federal grant funds from supporting covered foreign collaborations

- **Recommendation:** Replace the categorical prohibition on foreign collaboration with a risk-based framework that permits collaborations involving covered foreign countries or entities when the collaboration serves a legitimate scientific, public health, or programmatic purpose and does not expose classified information, sensitive data, proprietary information, dual-use biological materials, or other protected federal interests.

Proposed § 200.220 would prohibit recipients and subrecipients from using federal funds for any bilateral or multilateral collaboration with a covered foreign country or covered foreign entity, unless expressly authorized by statute or the agency approves an exception, without requiring any finding that the specific collaboration implicates sensitive information, controlled technology, protected data, regulated materials, or another identifiable federal interest.

Medical and public health research often depends on international data, samples, clinical experience, surveillance systems, specialized facilities, or expertise unavailable in the United States. Public health surveillance, epidemiology, infectious disease detection, antimicrobial resistance monitoring, rare disease

research, environmental exposure studies, and multinational clinical trials may all require collaboration across national borders. When those collaborations do not expose protected federal interests, a categorical rule would block scientifically valuable work for reasons unrelated to the project's merit, feasibility, or expected public benefit.

The concern is especially clear in public health preparedness. Infectious disease threats, antimicrobial resistance, food-borne illness, environmental exposures, and other public health risks may emerge abroad before they affect Americans. In those cases, federal agencies may need access to foreign data, specimens, surveillance networks, clinical sites, or scientific expertise to detect a threat early, understand its spread, and develop an effective response. A categorical limit on collaboration would limit the government's ability to support work that helps protect U.S. patients and communities.

OMB should require agencies to evaluate covered foreign collaborations based on the specific activity and the federal interests at stake. Relevant factors should include whether the project involves classified information, export-controlled technology, sensitive personal or genomic data, proprietary information, controlled biological materials, dual-use research, or institutions subject to foreign-government control. Agencies should also consider whether existing authorities, including export controls, sanctions, data-security requirements, biosafety rules, human-subjects protections, and research-security review, already address the relevant risk.

A risk-based approach would preserve appropriate safeguards for collaborations involving sensitive information while allowing agencies to support scientifically necessary work that strengthens biomedical research, public health preparedness, and American interests.

2) Expanding access to funding opportunities and reducing recipient burden

Federal grantmaking should be transparent, predictable, and accessible to qualified applicants, while avoiding unnecessary burdens that favor institutions with extensive grants-management infrastructure. The provisions addressed in this section would help applicants find and apply for federal awards and would help recipients carry out funded work without unnecessary administrative burden. Where OMB proposes changes that would increase burden or reduce flexibility, the AMA recommends targeted safeguards that preserve accountability without narrowing the pool of capable recipients.

[§ 200.204] Simplifying and streamlining notices of funding opportunities

- **Recommendation:** Finalize the proposed changes to **notices of funding opportunities** (NOFOs), which would make funding opportunities easier to find, understand, and navigate, while reducing unnecessary applicant and recipient burden.

Posting on Grants.gov. The AMA supports requiring agencies to post every discretionary funding opportunity on Grants.gov. A single, centralized posting point reduces the fragmentation that now forces applicants to monitor dozens of agency sites, and it helps agencies reach a broader, more competitive applicant pool—including qualified organizations that lack longstanding agency relationships or large grants-management offices.

Applying through Grants.gov. The AMA supports requiring applicants to apply through Grants.gov unless a program-specific exception is authorized by statute or approved by the agency head, which keeps the application pathway as consolidated and predictable as the posting process and spares applicants from learning a different submission system for each opportunity.

Posting plain-language notices. The AMA strongly supports requiring NOFOs to be written in plain language, to limit length and complexity, and to include only the information necessary to communicate program objectives. We particularly welcome the provision that agencies must not require applicants to hire technical or legal consultants to complete an application, and the direction that notices be drafted so that all applicants can compete against institutions that have received consecutive awards in prior years.

Identifying eligible applicants. The AMA supports requiring agencies to make every effort to identify all eligible applicants in the notice. Clear eligibility information lets qualified organizations recognize opportunities that fit their expertise and mission and avoids wasted effort by applicants who would ultimately be found ineligible.

Providing pre-application technical assistance. The AMA supports requiring that any pre-application technical assistance or clarifying information an agency offers be made accessible to all potential applicants rather than shared selectively. Equal access to technical assistance is essential to a fair and competitive process and guards against the perception or reality that incumbents enjoy an informational advantage.

Utilizing Statements of Interest (SOI). The AMA supports encouraging agencies to use SOIs when anticipating high proposal volume or particularly complex submissions. A short initial submission lets applicants assess fit before investing in a full proposal and helps agencies identify competitive candidates early. The safeguard that agencies may not compare an SOI against a full proposal, and may invite only SOI-selected applicants to submit one, is essential and should be retained.

Displaying summary information. The AMA supports requiring each notice to display standardized summary information, including agency name, opportunity title, announcement type, funding details, key dates, agency contact information, and a plain-language executive summary. Standardized, clear summaries allow applicants to quickly assess whether an opportunity is relevant before committing time and resources to applications that were never likely to succeed—reducing burden on applicants and agencies alike.

[Appendix I] Standardizing application instructions

- **Recommendation:** Standardize application instructions across agencies—including page and word limits, formatting and registration requirements, submission procedures, and the treatment of pre-applications, letters of intent, and SOIs. Uniform instructions reduce avoidable errors and the burden of reformatting materials for each agency, broadening the pool of capable competitors.

[§ 200.202(f)] Encouraging agencies to grant multi-year awards

- **Recommendation:** Encourage agencies to make greater use of multi-year federal awards where sustained funding would reduce administrative burden and support long-term planning and partnerships.

The AMA supports the Administration's encouragement of multi-year awards. Many of the most transformative advances in medicine and public health require years of data collection, analysis, and follow-up before yielding meaningful results. Multi-year awards provide the funding stability needed to support these ambitious, long-term initiatives and encourage recipients to invest in high-impact projects that may not be achievable within a single funding cycle. Multi-year awards also reduce administrative burden by eliminating repeated application, renewal, and reporting cycles, allowing recipients to spend

more time and resources on conducting research, implementing programs, and delivering results for American patients and communities.

[§§ 200.201(b), 200.333] Eliminating fixed amount awards and subawards

- **Recommendation:** Withdraw the proposal to eliminate fixed amount awards and subawards and instead address its oversight concerns through targeted safeguards, including stronger financial reporting for larger awards, milestone-based payment structures, and randomized post-award audits.

OMB proposes to prohibit fixed amount awards unless expressly authorized by statute and to eliminate fixed amount subawards entirely. The stated rationale is that the structure of fixed amount awards limits agency visibility into how funds are spent. Unlike cost-reimbursement awards, fixed amount awards provide recipients with a lump sum for accomplishing defined results or completing a project, without requiring documentation of every individual cost incurred. OMB argues that this makes it harder for agencies to verify whether expenditures satisfy federal cost principles and are being used appropriately.

The AMA shares the Administration'' commitment to ensuring that federal funds are used responsibly and with appropriate oversight; however, we do not believe that eliminating fixed amount awards is the most effective way to accomplish that goal. Fixed amount awards are among the federal government's most powerful tools for cutting bureaucratic red tape, driving innovation, and rewarding results over paperwork. By tying payment to pre-defined milestones rather than burdensome cost-documentation requirements, they embody the Administration's own efficiency-driven, outcomes-focused approach.

They also level the playing field by enabling small businesses, community health organizations, early-stage researchers, and other less established entities to compete for federal funding on the strength of their ideas and performance rather than the size of their compliance offices. Eliminating fixed awards would fall heaviest on these organizations, resulting in greater concentration of federal funding among large institutions with extensive compliance infrastructure and undermining the Administration's goal of expanding access to federal awards and reducing bureaucratic burden for recipients.

Moreover, existing regulations already provide oversight, transparency, and accountability for fixed amount awards. Agencies may use these awards only in limited circumstances: projects must have measurable goals and objectives, along with sufficient cost, historical, or unit-pricing data to establish a reasonable award amount. Payment is tied to agreed-upon activities, milestones, or deliverables and may be reduced when recipients fail to meet their obligations. Recipients must also retain records and remain subject to federal audit. Accountability is therefore built into the structure of fixed amount awards and subawards from the outset.

For these reasons, the AMA recommends that OMB withdraw the proposal to eliminate fixed amount awards and subawards. If OMB concludes that additional oversight is warranted, it should strengthen agency visibility into higher-risk fixed amount awards through targeted interventions, including:

- **Requiring periodic performance reporting for fixed amount awards above a specified dollar threshold,** giving agencies greater visibility into awardees' progress toward established goals while avoiding unnecessary burden on smaller awards.
- **Requiring milestone-based or unit-based payment structures for larger fixed awards**, allowing agencies to verify progress before funds are disbursed in full.

- **Directing agencies to conduct periodic risk-based or randomized post-award audits** of completed fixed amount awards.

These measures would improve visibility into higher-risk awards, strengthen accountability, and identify where risk is concentrated before imposing broader requirements on all recipients.

3) Strengthening transparency, accountability, and oversight

Federal grant oversight works best when agencies rely on clear disclosure obligations, documented records, and established processes to identify risk, investigate misconduct, and hold recipients accountable. The recommendations below support reforms that surface conflicts, fraud, misconduct, and unreliable research earlier in the grant lifecycle, while grounding oversight in objective evidence, enforceable award conditions, and existing accountability mechanisms.

[§ 200.206] Authorizing agencies to consider applicant conduct and affiliations in pre-award risk review

- **Recommendation:** Retain rigorous pre-award review grounded in objective indicators of financial, managerial, and programmatic capacity, and withdraw the proposed conduct- and affiliation-based criteria that would require awarding agencies to make misconduct, civil-rights, religious-liberty, national-security, and law-enforcement determinations through ordinary grant review.

The AMA supports the Administration's commitment to ensuring that federal funds are awarded only to applicants with the capacity and integrity to manage them responsibly. Rigorous pre-award risk assessment is central to achieving that goal. Existing regulations require agencies to evaluate risk based on an applicant's financial stability, management systems, performance history, audit findings, and ability to implement award requirements. It also requires agencies to consult government-wide eligibility and financial-integrity information before making awards, including SAM.gov exclusions, the Federal Awardee Performance and Integrity Information System (FAPIIS), audit findings, and suspension and debarment (S&D) programs.

That infrastructure has delivered real returns for taxpayers. The HHS Office of Inspector General's January 2022 evaluation of HHS' S&D program found that 86 percent of referrals to the Office of Recipient Integrity Coordination from fiscal years 2015 through 2019 resulted in suspension, debarment, or another protective administrative action. GAO's April 2025 review of NIH extramural research oversight found that research misconduct accounted for the single largest category of recovered costs at NIH across fiscal years 2021 through 2023, totaling $8.0 million across 12 cases. These outcomes reflect the value of formal processes that produce documented findings, official records, and legal remedies strong enough to withstand scrutiny.

The proposed rule would substitute a materially weaker standard. It authorizes agencies to consider an applicant's "history of questionable practices" based on "publicly available and verifiable information," including plagiarism, "discredited or non-replicable studies," and activities allegedly inconsistent with federal civil rights or religious liberty laws. That standard requires no formal investigation, no adjudicated finding, and no procedural protection for the applicant. Applied as written, it could allow agencies to deny funding based on media reports, disputed scientific claims, or retractions attributable to honest error—none of which would meet the evidentiary threshold required by the suspension and debarment process, the research misconduct process, or any other established integrity mechanism. The result is grants-

management staff making consequential integrity determinations that agencies with dedicated investigative authority and legal expertise are specifically designed to make.

The proposed memberships and affiliations factor raises the same concern. The rule does not define "affiliation," leaving agencies to determine whether the term reaches formal membership, subcontracting relationships, shared governance, research collaboration, or participation in a broader coalition. Agencies would then be expected to assess whether an affiliated organization has violated federal law, undermined public safety, endangered national security, or advocated the overthrow of the United States Government—determinations that ordinarily require criminal investigations, sanctions proceedings, or national security reviews conducted under statutory frameworks, with specialized legal expertise and due-process protections that grant review does not provide. Applying that standard through § 200.206 review risks inconsistent decisions across agencies, litigation exposure, and administrative friction that slows legitimate awards without advancing the Administration's goal of protecting taxpayer funds.

HHS-OIG's evaluation and GAO's review offered specific, actionable recommendations that fall within OMB's existing regulatory authority. The AMA encourages OMB to advance two of them in this rulemaking:

1. **Strengthen implementation of existing post-award oversight requirements in the Uniform Grants Regulation.** GAO identified gaps in NIH's implementation of existing post-award oversight requirements, including delinquent final financial and progress reports, untracked unused award balances, and unresolved single audit findings. OMB should address these gaps by directing agencies to adopt written procedures for tracking overdue financial and progress reports, escalating delinquent closeout materials, identifying and resolving unused award balances, and documenting follow-up on single audit findings.
2. **Build agency capacity to implement the existing non-procurement suspension-and-debarment framework.** OMB should revise 2 CFR Part 180 to require each federal awarding agency to designate a senior official responsible for coordinating suspension and debarment referrals, maintaining referral-development and case-tracking procedures, and reporting periodically to OMB on staffing, referral volume, processing timelines, and unresolved capacity constraints. HHS-OIG found that vacancies, senior leadership turnover, limited case tracking, and incomplete referral guidance contributed to delays and inconsistent outcomes in HHS' suspension and debarment program. A government-wide reporting requirement would give OMB visibility into agency capacity gaps that may weaken the referral pipelines supporting pre-award screening, while remaining within OMB's existing role in administering the nonprocurement suspension-and-debarment framework.

Together, these reforms address documented gaps that can weaken pre-award screening by improving the post-award oversight systems that identify recipient compliance risks and the suspension and debarment programs that act on substantiated integrity concerns.

[§§ 200.112, 200.113] Disclosing conflicts of interest and misconduct

- **Recommendation:** Require agencies to ensure that recipients and subrecipients disclose potential conflicts of interest through the agency's designated award-integrity process and report credible evidence of fraud, bribery, or False Claims Act violations to the relevant agency Office of Inspector General.

The AMA supports requiring recipients and subrecipients to identify potential conflicts of interest, including recent employment by the awarding agency, and to report credible evidence of fraud, bribery,

gratuity violations, or False Claims Act violations to the appropriate oversight entities. Disclosure obligations of this kind protect the integrity of federal awards at the point where risk is easiest to contain—before a conflict shapes a funding decision or a fraudulent claim is paid. Surfacing recent agency employment is particularly valuable, since even the appearance of preferential treatment erodes confidence that awards are won on merit rather than relationships. When recipients route reports of fraud and bribery to the relevant Office of Inspector General, credible allegations reach the entities best equipped to investigate them and recover misspent funds. Together, these provisions help agencies catch problems earlier, hold bad actors accountable, and safeguard the taxpayer dollars entrusted to the grantmaking process.

4) Maximizing return on taxpayer investment

Maximizing return on taxpayer investment is a central objective of this rulemaking—and a goal the AMA shares. The following section contains recommendations that maximize taxpayer dollars by protecting ongoing federally funded work from avoidable disruption, ensuring findings are disseminated so they can inform policy and practice, and directing future investments toward research and programs that address the needs and questions most important to agencies and taxpayers.

[§ 200.340] Expanding discretionary termination authority and creating stop-work authority

- **Recommendation:** Withdraw the proposed expansion of discretionary termination authority and the new 90-day stop-work authority and preserve termination only for reasons of noncompliance with pre-specified award conditions. If OMB proceeds, it should require written justification, a research and program impact assessment, appeal rights, reimbursement of reasonable wind-down costs, and public tracking of all discretionary terminations and stop-work orders.

Among the most consequential provisions in this proposed rule is its expansion of agencies' authority to terminate awards at will. Current regulations permit termination for noncompliance, by mutual agreement, at the recipient's request, or where an award no longer effectuates program goals or agency priorities—but only where that authority was disclosed in the award's original terms and conditions. The proposed rule removes that safeguard and goes considerably further, allowing an agency or pass-through entity to terminate whenever it decides that doing so serves the agency's interest, including when an award no longer advances program goals, agency priorities, or the national interest as those priorities exist *at the moment of* termination. In substance, the provision imports the "termination for convenience" standard of the Federal Acquisition Regulation into federal financial assistance, letting the government end a funded project for virtually any reason or none at all.

The rule pairs that nearly unlimited authority with the removal of the protections that have allowed recipients to contest wrongful terminations. An agency would no longer need to demonstrate noncompliance or fraud; it would need only supply a brief summary of why termination serves the federal interest, and it would not be required to offer objections, hearings, or appeals except in cases of noncompliance. The 2025 disruption of hundreds of active grants illustrates the risks of allowing agencies to halt federally funded work already underway without notice, a developed record, and an opportunity to contest the action.

Between late February and early April 2025, NIH terminated 694 grants worth $1.81 billion, nearly a third of which—roughly $544 million—had not yet been spent on work that was already underway. A subsequent peer-reviewed analysis identified 383 active clinical trials that lost their funding, about one of every 30 NIH-funded trials then in progress, and more than 74,000 patients who had already enrolled in studies that were mid-course when the money stopped. The terminations swept in 118 cancer trials and

140 studies testing new treatments. Federal courts that reviewed this wave ultimately found the terminations unlawful and ordered the funding restored.

However, reinstatement could not undo what the disruption had already destroyed. By the time funding returned, enrollment had stopped, participants had withdrawn, cohorts had scattered, data series carried gaps that could not be filled, and research staff had been laid off. The Adolescent Medicine Trials Network for HIV/AIDS Interventions is a representative case: its work halted when $18 million in grants was terminated in early 2025, participants in an active prevention study had to be taken off the protocol, and the research did not resume for roughly six months—after the cohort had already been lost. The taxpayer thus paid for the original research, paid again to litigate its cancellation, and paid a third time to restart what could be restarted, all while receiving less science than the first investment would have produced had it simply been allowed to run its course. A termination authority that manufactures litigation and rework on this scale does not eliminate waste; it generates it, along with the very administrative burden this rulemaking is meant to reduce.

Research cannot be stopped and restarted without loss. When enrollment halts partway through a clinical trial, the study is left underpowered, and the data already gathered from every participant enrolled to that point can no longer answer the question the trial was designed to answer. In longitudinal and cohort studies, missing a follow-up visit at its scheduled interval can never be recaptured. For participants receiving an active intervention, the harm can be even more direct. A sudden funding cutoff may interrupt access to the treatment or therapy they enrolled to receive, or eliminate the monitoring and follow-up needed to manage adverse effects. Those disruptions breach the basic ethics of human-subjects research, damage trust between patients and researchers, and discourage participation in future studies.

OMB defends the expanded authority by analogy to federal procurement, but the analogy does not hold. Procurement allows the government to buy goods and services for its own use, and termination for convenience simply returns an unneeded purchase to the seller. Federal financial assistance does something different—it funds congressionally authorized public purposes carried out for the benefit of patients, trainees, communities, and the broader public, and recipients make multi-year staffing, infrastructure, and enrollment commitments in reliance on the government's word. Importing a procurement-style convenience standard without comparable process, transparency, or protection for those interests would let agencies unwind ongoing public-purpose work in ways whose damage, as the record above demonstrates, reaches far beyond the recipient.

The proposed 90-day stop-work authority compounds the same problem from another direction, permitting an agency to freeze active work for an extended period without terminating the award outright. For the long-horizon research that yields the greatest returns, a three-month halt can be nearly as destructive as outright termination: trials lose participants, time-sensitive data collection lapses, and teams begin to disband even while the award nominally remains in place.

Beyond any individual termination, the mere prospect of at-will cancellation suppresses the sustained investment on which scientific progress depends. Research on investment under uncertainty shows that instability itself, apart from any actual cut, leads investors to delay or abandon long-term commitments, to the point that moving from low to high uncertainty can cut the first-year investment response roughly in half. Funding uncertainty also damages the scientific pipeline: funding interruptions have been found to raise the probability that affected personnel leave the United States by about 40 percent, reduce their subsequent publication output by roughly 90 percent, and lower the earnings of those who remain by about 20 percent—effects that persisted even after funding resumed.

The AMA urges OMB to withdraw the proposed expansion of discretionary termination authority and the proposed 90-day stop-work authority. If OMB proceeds, it should adopt the following safeguards:

- **Written termination justification.** Every discretionary termination or stop-work order should be accompanied by a justification letter that describes the legal authority for the action, the specific basis for the decision, the evidence considered, allowable wind-down costs, and appeal or reconsideration rights.
- **Agency-wide reporting and tracking.** Agencies should publicly report every discretionary termination and stop-work order in a standardized format, including the award amount, remaining unobligated balance, statutory program authority, stated basis for the action, and a plain-language description of the project's subject matter or program area.
- **Government-wide dashboard.** OMB should establish a public dashboard tracking discretionary terminations and stop-work orders by agency, program area, project subject matter, and broad reason for termination, such as financial mismanagement, administrative deficiencies, failure to meet programmatic objectives, or agency or administration policy realignment. This would allow the public to identify whether termination authority is being concentrated in particular fields, populations, services, or research areas.
- **Appeal or reconsideration rights.** OMB should revise the proposed language limiting hearing and appeal rights for recipients whose funding is terminated under expanded discretionary authority and instead require agencies to provide recipients with a pathway to contest and appeal termination decisions.
- **Reimbursement of reasonable wind-down costs.** Recipients should remain eligible for reimbursement of allowable, reasonable, and non-avoidable costs incurred in good-faith reliance on the active award, including costs necessary for orderly close-out and wind-down.

[§ 200.454] Restricting allowable costs for journal and periodical subscriptions

- **Recommendation:** Withdraw the proposed categorical prohibition on charging professional, academic, and technical periodical subscriptions to federal awards, and should preserve the allowability of reasonable journal and periodical subscription costs when those costs directly support the award's purpose.

The AMA supports OMB's goal of preventing recipients from charging unrelated or excessive costs to federal awards. However, subscriptions to professional, academic, and technical periodicals should not be treated as unrelated or excessive charges when they directly support federally funded work. These resources are part of the evidence infrastructure for research and clinical translation, helping recipients design sound projects, avoid duplicating completed work, interpret findings in light of current evidence, and apply new knowledge in ways that improve patient care and public health.

A journal network such as *JAMA* illustrates the role these resources play. *JAMA* gives universities, investigators, clinicians, and trainees access to newly published findings, critical commentary, corrections and retractions, and a deep archive of medical evidence. Treating such subscriptions as categorically unallowable would make federally supported work less efficient, limit access to the evidence base on which high-quality research depends, and weaken the return on the underlying federal investment.

Federal policy should preserve the channels through which discoveries are tested, challenged, corrected, replicated, and applied. OMB does not need a categorical bar on subscription costs to ensure federal funds are used responsibly because these costs are already governed by the same cost principles that apply to other expenses charged to an award. Under existing reasonableness, allocability, and documentation

requirements, an agency can decline to reimburse charges that are excessive, unrelated to the funded work, or inadequately supported. Preserving that framework would maintain accountability and keep federally supported work connected to the evidence base needed to generate public return.

[§ 200.461] Restricting allowable costs for publication and open-access fees

- **Recommendation:** Withdraw the proposed restriction on charging publication costs to federal awards absent statutory authorization or case-by-case agency approval, and allow recipients to budget reasonable publication costs, including page charges, article-processing charges, and open-access fees, when those costs directly support dissemination of award-funded work.

Proposed § 200.461 would make publication costs unallowable unless a statute specifically authorizes them or an agency approves them case by case. The proposed rule also states that a general requirement to make results publicly available does not, by itself, authorize recipients to charge publication costs to the award. The AMA opposes this restriction because publication is the mechanism through which federally funded research becomes available for use in practice, policy, and future research. Dissemination often requires page charges, article-processing charges, open-access fees, or related publication costs. When federal policy requires or encourages recipients to make federally funded findings publicly available, recipients should be able to include the reasonable costs of doing so in their award budgets.

The proposed restriction would create uncertainty when applicants design projects, develop dissemination plans, and prepare budgets. It would also require agencies to make case-by-case approval decisions for costs that ordinary cost principles can already evaluate. Trainees, early-career investigators, and recipients at less-resourced institutions would face the greatest disadvantage because they often lack alternative funds for publication fees, giving larger institutions an advantage in publishing federally supported work.

OMB can protect federal funds without treating publication costs as categorically unallowable. Recipients should be permitted to budget reasonable anticipated publication costs at the application stage, and agencies should review those costs under ordinary standards for reasonableness, allocability, documentation, and relationship to the award's purpose. That approach would preserve accountability while ensuring that federally funded findings reach the audiences needed to produce public benefit.

[§ 200.432] Requiring advance agency approval for conference attendance costs

- **Recommendation:** Permit recipients to budget for conference participation as a general category at the time of application, with specific costs subject to reasonableness review, rather than requiring agency-specific pre-approval of each conference in the award's terms and conditions.

Section 200.432 would require recipients to obtain prior agency approval before using federal funds for conference attendance costs, adding a new approval step for travel and participation in professional meetings. The AMA appreciates the purpose of this provision, which is to ensure that federal funds are used only for reasonable, necessary, and award-related conference costs. However, requiring recipients to identify and obtain approval for specific future conference attendance at the time of award is disconnected from the reality of how research and federally funded projects operate.

Grant applications are often submitted years before investigators know what they will find, when results will be ready to share, or which professional meetings will provide the most appropriate audience for dissemination. Conferences are a primary channel for sharing federally funded findings with clinicians, researchers, policymakers, and other stakeholders. Restricting conference participation would reduce the

public return on federal investment by limiting the uptake of the very findings the award was intended to produce.

The burden would fall hardest on trainees, early-career investigators, and recipients at less-resourced institutions, who are least likely to have alternative sources of support for registration, travel, and presentation costs. Agencies can preserve accountability through less disruptive means. Applicants should be permitted to budget conference attendance as a general category of anticipated award-related costs, with a certification that funds will be used only for reasonable, allocable, and directly related expenses, such as registration, travel, lodging, and presentation costs. Those costs would remain subject to ordinary agency review, documentation requirements, and audit standards. This approach would protect federal funds while preserving the dissemination activities necessary for federally supported work to achieve its public benefit.

[§§ 200.202(c); 200.450] Restricting use of federal award funds for voter registration, issue advocacy, and public messaging

- **Recommendation:** Prohibit recipients from using federal award funds for voter registration activities, except where those activities directly advance the objectives of the award, and withdraw the proposed restrictions on "issue advocacy," "public messaging," and attempts to influence State executive-branch agencies.

The AMA supports the Administration's goal of ensuring that recipients use federal funds only for authorized purposes and do not divert taxpayer dollars to lobbying or political activity. Federal law and the Uniform Guidance already impose substantial restrictions in this area. To the extent OMB has identified a gap that warrants additional clarity, the AMA supports expressly prohibiting recipients from using federal funds for voter registration activities, except where those activities directly serve the objectives of the award.

We are concerned, however, about the proposal to extend existing restrictions to "issue advocacy or public messaging that promotes or opposes a particular social, political, or public policy position" or "attempts to influence State executive branch agencies." Unlike existing lobbying restrictions, these activities are not defined in law or regulation, leaving recipients without a clear distinction between prohibited activity and routine, expected scientific communication.

These new terms would also unsettle an important protection already built into the Uniform Guidance. Section 200.450(c)(2)(iv) excludes nonpartisan analysis, study, or research reports examining broad social, economic, or similar problems from lobbying restrictions, allowing federally funded researchers to evaluate evidence, analyze policy implications, and inform decision-makers without risking that their work will be classified as lobbying. However, because the new prohibitions operate outside the established lobbying framework, it is unclear whether they are still protected by the safe harbor. A recipient could reasonably wonder whether presenting federally funded findings to a state health official, publishing evaluation results that question an existing program's effectiveness, or briefing policymakers on the results of a federally funded study would be considered forbidden "issue advocacy" or "public messaging."

This would discourage recipients from communicating taxpayer-funded knowledge and pursuing policy-relevant questions that inform sound regulatory and legislative decision-making. The American public would bear the loss: less evidence to inform decisions, weaker signals about which programs to cut and which to scale, and diminished accountability for the very dollars these provisions are meant to protect.

We urge OMB to withdraw language prohibiting new types of undefined activity. If OMB retains those restrictions, however, the Agency should expressly extend the existing safe harbor for nonpartisan analysis, study, and research to any new restrictions on issue advocacy, public messaging, or communications with State executive-branch agencies.

[§§ 200.211, 200.315, 200.329, 200.344, and 200.461] Requiring public reporting of federally funded results and supporting data

- **Recommendation:** Require agencies, as a standard condition of relevant research, evaluation, demonstration, and evidence-building awards, to require recipients to publicly report results and, consistent with applicable law and appropriate safeguards, make supporting data, methods, analytic code, and metadata available in a timely, accessible, and reusable format.

Federally supported research and evaluation produce the greatest return on taxpayer investment when results enter the public evidence base and can be tested, replicated, synthesized, and applied. When federally funded findings remain unpublished, inaccessible, or separated from the data and methods needed to interpret them, taxpayers lose the full value of the work they funded. Researchers may repeat completed studies, evidence reviews may overstate favorable findings, and agencies, clinicians, policymakers, and the public may make decisions from an incomplete record.

OMB has authority to advance this goal through the Uniform Guidance. Section 200.211 already requires federal awards to include performance goals, indicators, targets, baseline data where applicable, and terms describing how performance will be assessed. Section 200.329 governs performance reporting, and § 200.344 requires recipients to submit financial, performance, and other reports required by the award at closeout. Most importantly, § 200.315 already recognizes federal rights in data produced under federal awards and directs agencies to work with recipients to maximize public access to federally funded research results and data while protecting confidentiality, privacy, and security.

OMB should build on those provisions by making public reporting and responsible data sharing a standard condition of relevant awards. Agencies should require recipients to report results regardless of whether findings are positive, negative, null, or inconclusive, and to make supporting data, methods, analytic code, and metadata available through public or controlled-access mechanisms, as appropriate. The requirement should preserve protections for personally identifiable information, human-subjects data, confidential commercial information, trade secrets, proprietary interests, national security, research security, and other legally protected information.

Public reporting and responsible access to supporting materials would allow future researchers to verify results, avoid duplicative work, synthesize the full evidence base, and build on prior federal investments. This would advance the Administration's goal of maximizing return on taxpayer investment by ensuring that federally funded findings continue to generate value beyond the life of a single award.

[§§ 200.208, 200.211, 200.329, 200.339, and 200.340] Enforcing completion of promised evidence-building milestones

- **Recommendation:** Require agencies, when recipients make confirmatory-study, replication, validation, or other evidence-building commitments, to identify those commitments as material award conditions, track recipient compliance, publicly report completion status where appropriate, and use available remedies when recipients fail to meet those conditions.

When recipients seek federal support based on a commitment to complete confirmatory research, replication, validation, follow-up evaluation, or other evidence-building work, agencies should treat that commitment as a material part of the award. These commitments can affect the project's merit, expected public value, and likelihood of producing reliable evidence. Agencies therefore need clear award terms that define what recipients promised to complete and how agencies will assess compliance.

OMB should require agencies to identify material evidence-building commitments in the NOFO and award terms, including milestones, timelines, reporting obligations, and consequences for noncompliance. Recipients would know these obligations before accepting federal funds, and agencies would have an objective basis for monitoring performance during the award.

The Uniform Guidance already gives agencies tools to enforce award conditions. Agencies may establish performance expectations, require performance reporting, impose specific award conditions, and use available remedies when recipients fail to comply with material terms. OMB should build on those authorities by requiring agencies to track completion of promised confirmatory studies, replication efforts, validation work, and related milestones, and to report completion status where appropriate.

This requirement would strengthen accountability for taxpayer-funded research and evaluation. Federal dollars should support work that produces the evidence promised in the application and relied on during award review. When recipients fail to complete material evidence-building commitments, agencies should use available remedies, including additional reporting requirements, specific award conditions, withholding of further support for the project or program, suspension, termination, or other legally available actions.

[§§ 200.202 and 200.301] Measuring whether federal grant portfolios generate evidence about what works

- **Recommendation:** Require agencies to report the share of relevant discretionary federal financial assistance awards and dollars that support comparative or impact evaluations, replication or reproducibility studies, and program evaluation, and encourage agencies to use that data during program planning, NOFO development, and portfolio review to address documented evidence gaps.

Federal financial assistance maximizes return on taxpayer investment when it builds the evidence base that clinicians, policymakers, program administrators, and other decision-makers need to determine what works, what works best compared with available alternatives, which findings withstand replication, and which programs achieve their intended results. These evidence-building activities are neither consistently funded nor consistently tracked. Agencies may support comparative studies, replication efforts, and program evaluations through individual awards, yet the federal government lacks sufficient portfolio-level reporting to assess whether grantmaking systematically addresses documented evidence gaps or generates actionable knowledge about effectiveness, implementation, outcomes, and cost. Requiring public reporting on portfolio composition would give agencies, Congress, and taxpayers greater visibility into whether federal financial assistance is generating valuable comparative and evaluative knowledge and help agencies direct future awards toward areas where stronger evidence would most improve public benefit.

Technical corrections

[§ 200.202(e)(1)] Placement of the foreign-entity review provision

- **Recommendation:** Relocate § 200.202(e)(1), which governs review of foreign recipients, to the sections of the Uniform Guidance addressing applicant eligibility, merit review, or Federal agency review of applicants.

Section 200.202 addresses program planning and design. Proposed § 200.202(e)(1), however, concerns the review of individual foreign recipients. Placing this requirement in § 200.202 could create confusion about when the provision applies and how it should be implemented. OMB should relocate the provision to the sections governing applicant eligibility and applicant review.