



Submitted Electronically via regulations.gov

July 13, 2026

Russell Vought
Director
Office of Management and Budget
Executive Office of the President

Re: Comments on *Proposed Regulation for Federal Financial Assistance* (OMB-2026-0034)

Dear Director Vought:

United for Medical Research (UMR) is a coalition of leading research institutions, patient and health advocacy organizations, and private industry partners dedicated to securing steady, sustainable increases in federal funding for the National Institutes of Health (NIH) to achieve the proven promise of this important federal agency: improving the health of Americans, driving scientific breakthroughs, strengthening our nation's economy, and ensuring the global competitiveness of the United States in biomedical research and technologies.

UMR's membership reflects the U.S. biomedical innovation ecosystem and the symbiotic relationship between patients, researchers, and industries it has nurtured. As such, UMR brings a unique perspective and appreciates the opportunity to comment on key aspects of the Proposed Regulation for Federal Financial Assistance (OMB-2026-0034) governing federal research grants, referred to throughout these comments as "Uniform Guidance."

Our comments focus on two key areas of proposed changes – federal agency merit review, and termination and suspension authority. UMR supports OMB's goals of improving transparency, accountability, and oversight for use of federal taxpayer dollars and reducing recipient burden. However, we are concerned that the proposed changes would inject uncertainty and instability into our grant-making system and jeopardize our nation's highly successful biomedical innovation ecosystem at a time of increasing global competition in the life sciences from China and other countries.

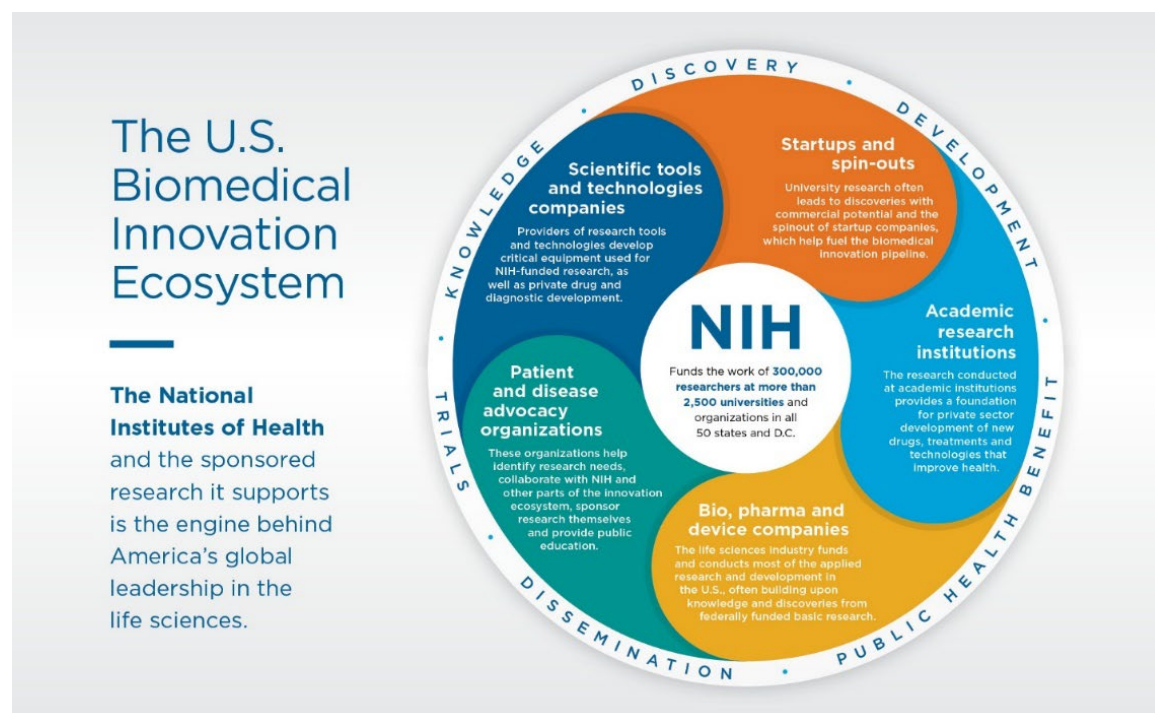
1. **§200.205 - Federal agency merit review of proposal.** The proposed expansion of pre-issuance review for discretionary awards by senior political appointees or their designee, would create significant uncertainty in a system that has ensured a transparent and reliable grant review process for more than 75 years. UMR requests that OMB preserve

merit review as the cornerstone of federal research funding decisions and not prioritize political review over this proven effective process.

- 2. §200.340 - Termination and suspension.** UMR agrees that federal funding agencies must have the authority to terminate and suspend grants for cause. However, UMR believes that to ensure a transparent, accountable and stable research environment, this authority must be limited to instances when grant recipients “fail to comply with the terms and conditions of the Federal award,” and not expanded to include undefined and subjective criteria such as the proposed “Federal agency priorities” or “national interest.” UMR requests that OMB limit termination and suspension authority to clearly defined, objective and transparent criteria.

DETAILED COMMENTS

The United States is today the unquestioned world leader in producing the highest quality scientific research and in driving innovation that benefits American citizens and businesses. Over the past century, the United States has intentionally grown and carefully maintained a unique and distinctive biomedical research ecosystem with a hallmark extramural grant model at its core. Under this model, external research partners housed at academic and medical institutions conduct fundamental research on behalf of the nation, and the nation in turn, reaps the benefits of leaps in understanding of biology and related fields. Without the benefits of this model, America would not have been the nation that launched the modern biotechnology industry, led the effort to map the human genome, or paved the way for gene therapies that are turning deadly diseases into treatable ones. This uniquely American research model is why the United States has more Nobel Prize recipients for Medicine and Physiology than any other nation.



The Uniform Guidance governing federal research grants is one piece of the current infrastructure apparatus that allows this ecosystem to flourish.

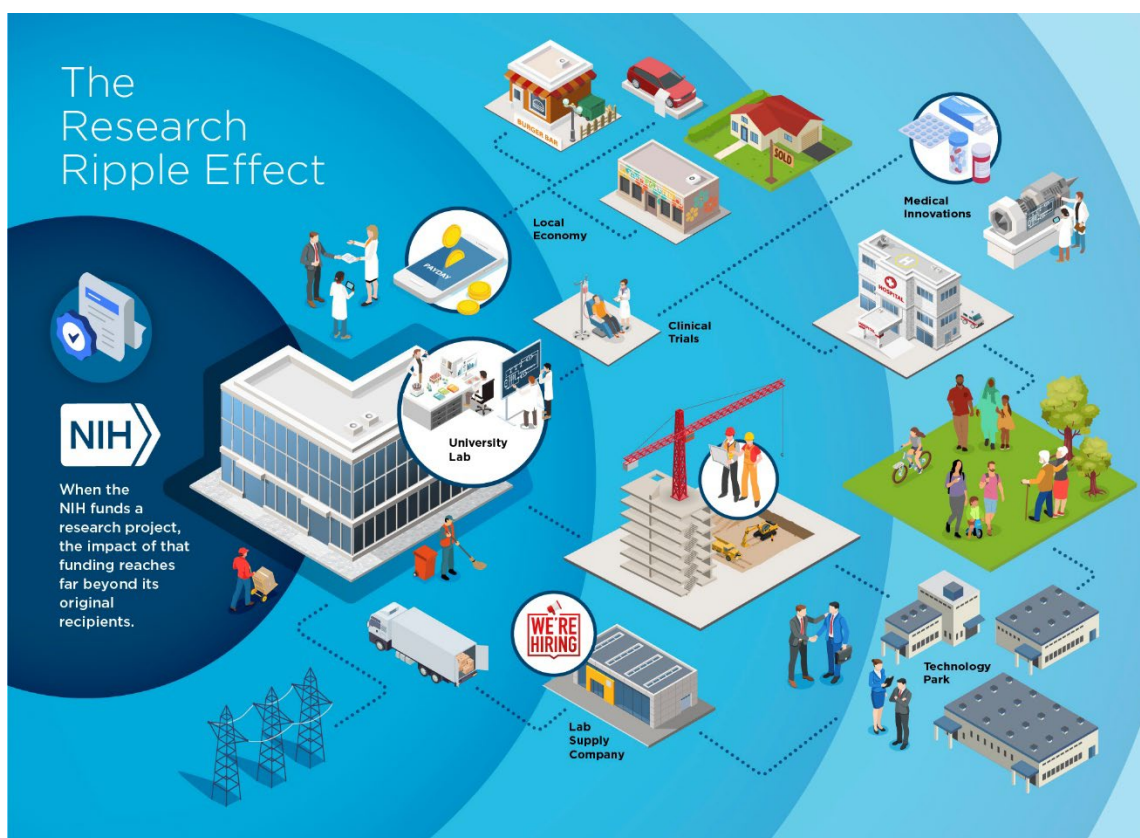
United for Medical Research believes that executing significant regulatory changes to the existing, proven research grant model risks upending the highly successful health and economic engine that is the federally funded biomedical research system. Given the highly interconnected relationship between public research, private innovation, patient health, and the U.S. economy, the consequences would be substantial and far-reaching.

NIH RESEARCH FUNDING DELIVERS SIGNIFICANT BENEFITS BEYOND PUBLIC HEALTH

The mission of the National Institutes of Health is to improve health and save lives through support for biomedical research and discovery. NIH-supported research has contributed to breakthrough treatments, improved survival rates for countless diseases, and produced advances that have transformed patient care and quality of life for all Americans. In doing so, the NIH also is an economic engine supporting local communities and the U.S. economy. UMR generates analyses and reports that quantify the economic impacts of federal investments in biomedical research.

The data released in UMR's annual analysis, *NIH's Role in Sustaining the U.S. Economy*, consistently demonstrates that extramural NIH funding delivers a 250 percent return to the U.S. economy: every \$1 invested in NIH research generates about \$2.50 in economic activity. In Fiscal Year 2025, the NIH awarded \$36.58 billion in research grants to organizations in the 50 states and the District of Columbia, and according to UMR's analysis, this research funding supported 390,863 jobs and produced \$94.15 billion in new economic activity nationwide in 2025. Over the past 10 years, NIH research funding has driven more than \$822 billion in economic activity and supported more than 3.7 million jobs nationwide.

The economic impacts are found in direct jobs and spending on research-related tools, equipment, and services, but also have a ripple effect of indirect jobs and spending in local communities in every state, supporting local businesses and creating new jobs and economic activity. The positive economic impact continues as research leads to new technologies, treatments, and industries – and improved quality of life.



Significantly, these benefits are not limited to states and areas with major biomedical research hubs. A [2023 UMR report](#) looked at seven of the 10 most rural U.S. states and found that NIH research funding has an outsized impact in these areas. The UMR analysis showed that from 2016-2022 each of the seven states examined benefited from an average total of more than \$2.2 billion of new economic activity and the addition of more than 14,500 jobs. It also found that had the NIH budget remained flat rather than grown during that period, much of this benefit would have been lost, with a detrimental impact on research, innovation, public health, and local economies.

UNCERTAINTY AND INSTABILITY IN THE GRANT-MAKING PROCESS WOULD THREATEN THE ECONOMIC BENEFITS AND DOWNSTREAM INNOVATION PRODUCED BY NIH RESEARCH

UMR's economic analyses find that the stability of our nation's biomedical research enterprise is an important factor in the consistent nature of the economic impact generated by this federal investment. Moreover, the relatively steady economic returns of NIH funding in each year's snapshot suggest that stable, predictable federal funding that is spent in the fiscal year it is appropriated is critical in generating the anticipated economic benefits.

Given this, United for Medical Research is concerned about the following provisions of OMB-2026-0034:

§200.205 - Federal agency merit review of proposals.

Merit review is the cornerstone of the U.S. research ecosystem, and for more than 75 years, has been ensuring a transparent and reliable process. The expansion of pre-issuance review for discretionary awards by senior political appointees or their designee on a routine basis would inject uncertainty and add another level of bureaucracy to an already complex review process, destabilizing a grant-making system that has a long record of ensuring:

- Review of grant applications by scientists who are expert in their fields and bound by strict conflict-of-interest rules;
- Grant decisions based on scientific merit and their potential to significantly advance knowledge;
- Allocation of taxpayer resources to the highest quality and most scientifically promising proposals; and
- The avoidance of decisions based on political or personal bias.

Innovative leaps in human health and combatting disease are based on a foundation of basic research developed over many years, regardless of the administration in office. Expanded political review that doesn't meet the principles above infuses uncertainty and potential biases into the scientific process – a process that thrives on stability from year to year and administration to administration. Disruptions in the grant-making process disrupt life-saving research and the lives of people who depend on that research. UMR's economic analyses additionally underscore the importance of research funding stability on our economy.

UMR requests that OMB preserve merit review as the cornerstone of federal research funding decisions and not prioritize political review over this proven effective process.

§200.340 - Termination and suspension.

Termination and suspension of all or part of awards in instances where recipients “fail to comply with the terms and conditions of the Federal award” is a necessary and appropriate part of the federal grant and contracting process. However, UMR believes that to ensure a transparent, accountable, and stable research environment, this authority must be limited to these clearly defined terms and conditions and not expanded to include undefined and subjective criteria such as the proposed, “interest of the Federal agency or pass-through entity, including if a Federal award does not effectuate program goals, Federal agency priorities, or the national interest as they exist at the time of the termination.”

UMR is concerned that the proposed changes to the way grants can be terminated and suspended would:

- Dramatically increase the likelihood of lost taxpayer investments in instances where research projects are cancelled prior to the reporting of results;
- Risk the loss of benefit to patients, technological innovation, and economic returns that could have resulted from terminated research;
- Disrupt the treatments of patients in clinical trials if grants can be cancelled at any time for any reason. These patients – who are often receiving the most cutting-edge care

available for their disease – would be left mid-treatment without their ongoing research study; and

- Negatively and materially impact businesses that serve research labs, whose products might not be purchased due to uncertainty whether the full grant award will be realized.

UMR requests that OMB limit termination and suspension authority to clearly defined, objective and transparent criteria.

CHANGES MUST NOT HARM AMERICA'S BIOMEDICAL INNOVATION ENGINE

UMR recognizes the importance of agency decision making and applauds current and former NIH leadership for their demonstrated strategic stewardship of the world's foremost scientific research funding agency. It is critical that NIH leadership retains the authority to make the best decisions for this complex federal agency. One such example is the use of multi-year funding awards, which NIH has utilized in a limited capacity for certain types of grants for decades. The suggestion in **§200.202 - Program planning and design** to expand multi-year funded awards does not reflect the nuance necessary to appropriately apply this funding model to our nation's biomedical research enterprise. In Fiscal Year 2025, when NIH increased the use of multi-year funding, its funding rate – a measure of how many researchers seeking support were successful – dropped to about 17%, the lowest level in nearly 30 years. UMR encourages OMB to empower funding agencies to make the right decision for their funding portfolio, so that no unintended consequences are felt.

United for Medical Research supports OMB's goals of improving transparency, accountability, and oversight for use of federal taxpayer dollars and reducing recipient burden. However, it is critical that changes to the rules governing federal research assistance do not inject uncertainty and instability into the research grant funding model. Because that model lies at the center of America's highly successful biomedical innovation ecosystem, the consequences would be substantial and far-reaching – negatively impacting American's health and America's economy.

The changes to the proposed provisions recommended in this comment letter would maintain stability in the federal research partnership without hindering scientific discovery, health benefits for patients, technological innovation, or the economic benefits of biomedical research.