NATIONAL GRAPE RESEARCH ALLIANCE

July 11, 2026

Russell T. Vought
Director, Office of Management and Budget
Executive Office of the President
725 17th Street NW
Washington, DC 20503

Re: Comments on the Proposed Rule, Regulation for Federal Financial Assistance
Docket No. OMB-2026-0034

Dear Director Vought:

I am writing on behalf of the members of the National Grape Research Alliance (NGRA), a 501(c)(3) voluntary membership organization that initiates research to maximize the productivity, sustainability and competitiveness of the U.S. grape industries, including wine, grape juice, table grapes and raisins. We leverage public funds to achieve scientific innovations to advance the grape and wine industry. Federal grants for research are critical to our forward momentum.

We are alarmed at and strongly opposed to the proposed regulation for federal financial assistance.

As the Office of Management and Budget (OMB) seeks to revise the rules whereby federal grants for scientific research are administered, you disregard the mechanisms by which we—industry representatives—are assured that research projects meet our needs and reach our stakeholders. Among the changes we contest are:

- **Pre-issuance review of grant awards by political appointees.** § 200.205
  Our grape stakeholders actively participate in industry relevance review panels for federal grant programs to ensure research projects are aimed at solving priority problems. We look to our academic colleagues to serve as scientific merit reviewers, verifying that projects are based on sound science and likely to deliver their intended results. The pre-issuance review in this proposed rule undermines these standard industry relevance and scientific merit review processes, and will undoubtedly slow the administration of monies awarded. It is highly unlikely that federal appointees understand agricultural or, in our case, viticultural concerns addressed by research better than we do, or that lay office-holders can accurately judge the scientific merit of a project more astutely than subject matter experts from the academic community. This change introduces a political aspect to the distribution of funding and adds a layer of bureaucracy to the grant-making process that will undoubtedly slow, if not stop, the wheels of scientific progress.

- **Discretionary termination authority.** § 200.340
  Introducing the possibility that grants may be terminated at any time and without cause creates uncertainty for scientists. When their funding sources are perceived to be unstable, researchers may be reluctant to hire post-doctoral and graduate students, and lab technicians. In turn, these early-career scientists risk losing valuable income and experience when their topics of study or academic institutions come under arbitrary scrutiny, and their funding unceremoniously cut. Indeed, they may lose the desire to pursue research at all, and a generation of promising young scientists could be lost. The research enterprise cannot endure under the threat that grant awards and federal agreements (contracts!) may be withheld or rescinded on a whim.

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- **Publication costs and conference travel costs unallowable.** § 200.405 and § 200.432
  Speaking at conferences and publishing articles in journals are the primary avenues by which scientists learn about and connect with potential collaborators, and industry hears about new discoveries and meets the people bringing them to life. These extension, education and outreach activities are the final step in the complete research project cycle. They ensure that taxpayer dollars aren't wasted on research that sits dusty and useless on a shelf.

Lastly, there is the matter of the structural change in the proposed Regulation for Federal Financial Assistance, **transforming the longstanding Uniform Guidance from an advisory policy framework to binding federal regulation.** It is difficult to overstate the significance of this change alone. The research institutions that depend on federal funding have built their compliance systems around the flexibility that guidance allows. Replacing that flexibility with rigid regulatory requirements will impose costs that few organizations can afford. Implementing the proposed change will divert much-needed funding from fueling scientific research to building new systems to accommodate bureaucratic red tape.

As of the date of this writing, more than 100,000 comments have been submitted on this proposed rule. Many note, and we agree, that the 45-day comment period is too short for a good-faith effort at generating public input. Also, the effective date of the final rule—October 1, 2026, less than three months from the close of the comment period on July 13, 2026—is too little runway to consider the public's input and make such sweeping changes, both within government funding agencies and at non-federal grant-seeking entities. In short, there is insufficient time for OMB to respond and for institutions to prepare. If OMB is committed to reforming the administration of federal financial assistance, that reform should be pursued through a deliberate, transparent and consultative process.

History tells us that science is the engine of our nation's cultural advancement and economic prosperity. And recent events have shown that suspicions of government fraud and waste have been disastrously overblown. We don't doubt that there are efficiencies to be gained in federal processes and that grant dollars could be stretched further and do more good if thoughtfully applied. But the changes proposed endanger the American scientific enterprise and threaten our ability to generate new knowledge to advance the industries—like grape-growing and wine- and juice-making—that fuel the U.S. economy.

We call on OMB to withdraw this proposed rule.

Sincerely,

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President

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