National Rural Health Association

July 13, 2026

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

RE: Comments on Proposed Revisions to the Guidance for Federal Financial Assistance (2 CFR Parts 1, 25, 170, 175, 180, 182, 183, 184, 200)

Submitted electronically via regulations.gov.

Dear Secretary Vought,

The National Rural Health Association (NRHA) appreciates the opportunity to comment on the Office of Management and Budget (OMB) proposed rule for the revisions on Guidance for Federal Financial Assistance. While we support OMB's stated goals of increasing transparency, accountability, and burden reduction, NRHA has significant concerns about the potential impact of the proposed changes on federal funding assistance necessary to information and maintain access to vital health care services in rural communities.

NRHA is a non-profit membership organization with more than 21,000 members nationwide that provides leadership on rural health issues. Our membership includes nearly every component of rural America's health care, including rural community hospitals, critical access hospitals, doctors, nurses, patients, academic institutions, and researchers. We work to improve rural America's health needs through government advocacy, communications, education, and research. NRHA appreciates the Administration's continued commitment to the needs of the more than 60 million Americans that reside in rural areas, and we look forward to our continued collaboration to improve health care access throughout rural America.

Rural health providers, academic institutions, and community-based organizations rely on transparent, predictable, and scientifically rigorous federal grant processes to recruit staff, conduct research, sustain long-term partnerships, and improve health outcomes. Rural organizations frequently operate with limited administrative capacity and fewer alternative funding sources than their urban counterparts. As a result, changes that increase uncertainty, delay awards, or disrupt ongoing projects may disproportionately affect rural communities. The proposed changes to the Uniform Guidance at 2 Code of Federal Regulation (CFR) Part 200 apply to the universal legal framework governing every federal grant, cooperative agreement, and subaward to recipients across the federal government and therefore have potential widespread impacts on rural health care.

NRHA strongly encourages OMB to consider how the new proposed rule will impact the availability of high-quality grant programs to inform solutions to the most pressing challenges in rural health. We respectfully submit the following comments for your consideration.

Section 200.204- Grant Competitions Can Be Hidden from Public View

Under related proposed revisions to Section 200.204, agency heads are permitted to exempt specific grant competitions from public notice, allowing the issuance of awards on a non-competitive or limited competition basis under certain conditions. NRHA is concerned that allowing agencies to exempt funding opportunities from public posting on Grants.gov under a broad "national interest"

exception would further disadvantage rural communities that already face well-documented barriers to accessing federal grants. Research shows that rural nonprofits operate with significantly fewer staff and less grant writing capacity than their urban counterparts, and many lack dedicated personnel to monitor multiple federal portals for funding opportunities.[1] GAO has found that rural communities often struggle to identify and apply for federal grants due to limited administrative resources and complex application processes, while recent analyses show rural applicants win a disproportionately small share of competitive federal awards even when they apply.[2] If agencies can withhold notice of grant competitions, rural hospitals, clinics, local governments, and community organizations may not even know a funding opportunity exists until it is closed—effectively shutting them out of programs intended to support underserved areas.

NRHA urges OMB to require full public posting of all competitive grant opportunities and to narrow the national-interest exemption to ensure transparency, equity, and meaningful access for rural communities.

Section 200.205- 200.206 — Federal agency review of merit of proposals and risk evaluation.

The proposal for Administration pre-issuance review and expanded risk review raises significant concerns for health care providers, community organizations, and the research community. While appropriate risk management is an important goal, NRHA is concerned that these requirements will significantly increase administrative burden, extend award timelines and deter organizations – particularly rural providers and community organizations – from applying for federal assistance.
NRHA has concerns about the impact of the pre-issuance review process on rural health research. Changes to the broader merit review process, such as giving senior appointees the discretion to override scientific peer review, will have significant impacts on rural health services research and the health care it informs. The peer review process led by scientific and content experts is crucial for examining geographically isolated regions like rural areas. Peer reviewers possess the technical expertise necessary to evaluate methodological rigor, feasibility, and scientific merit, including the unique considerations associated with conducting research in rural and geographically isolated communities, such as how to define what "rural" means. Experts knowledgeable about the rural health care environment, rural definitions, or other issues at hand, should remain the primary mechanism for evaluating scientific merit and informing funding decisions of this nature.

The proposed rule gives appointees the authority to reject research proposals that do not align with presidential goals and values, adhering to the "Gold Standard of Science" laid out by President Trump's Executive Order 14303.[3] NRHA is concerned that allowing political appointees to override established scientific peer review may reduce the consistency, transparency, and scientific integrity of federal funding decisions affecting rural health care. The proposed rule states that peer review should remain advisory, however, the proposed rule would still allow political appointees to exercise their independent judgement when evaluating federal award proposal. While NRHA recognizes the

[1]Newstead B, Wu P. Nonprofits in rural America: overcoming the resource gap. Bridgespan Group. Published July 2009. Accessed July 13, 2026. https://www.bridgespan.org/insights/nonprofits-in-rural-america-overcoming-the-resourc
[2] U.S. Government Accountability Office. Communities rely on federal grants but may have challenges accessing them. GAO WatchBlog. Published June 7, 2023. Accessed July 13, 2026. https://www.gao.gov/blog/communities-rely-federal-grants-may-have-challenges-accessing-them
[3] Fact Sheet: President Donald J. Trump is Restoring Gold Standard Science in America. (2025, May 23). The White House. https://www.whitehouse.gov/fact-sheets/2025/05/fact-sheet-president-donald-j-trump-is-restoring-gold-standard-science-in-america/ https://www.whitehouse.gov/fact-sheets/2025/05/fact-sheet-president-donald-j-trump-is-restoring-gold-standard-science-in-america/

role of government leadership in ensuring federal investments align with priorities, scientific merit should continue to be determined primarily through independent expert peer review as the primary process for delegating awards.

It is critical for scientific research to use appropriate, rigorous methods driven by unanswered research questions, study population, feasibility, ethics, and other factors. The use of "gold standard science" without an indication of context, research question, or study population constrains the potential for studies to address the most pressing questions. This is especially critical for rural health research, in which populations are smaller, more isolated and have less opportunities to participate in research studies. A review process driven by the priorities of the administration has the risk of leading young researchers to pivot from their original research tracks. This also has the risk of driving senior researchers to pursue non-federal funded sources of funding, which will also lead scholars to pursue more narrow research to meet the specific goals of their funders. The impact of this will limit the scope of rural health research, leaving various pressing rural health research understudied. The current system allows the integration of investigator-initiated research alongside work that responds to the needs of the use of funding opportunities by an incumbent administration.

Rural communities will be vulnerable to the impact of pre-issuance review changes. While evidence suggests that rural residents are equally willing to participate in medical research in comparison to those living in urban areas, they are significantly underrepresented in biomedical research,[4,5] in part due to workforce shortages, geographic barriers, and limited research infrastructure. Policies that introduce additional uncertainty into the funding process may further reduce investment in rural research capacity. The standards set by this proposed ruling would allow for certain grantees to be included or excluded based on their alignment with current administration's interests, rather than prioritizing research needs. This has the potential to create duplication, gaps in knowledge, or incomplete efforts, ultimately resulting in waste to the taxpayer. This is especially significant because rural health departments rely heavily on federal funding to carry out essential public health functions to address the needs of its rural populations. [9]

To protect rural health research, NRHA recommends OMB maintain scientific peer review as the primary determinant of research merit while preserving appropriate administrative oversight consistent with federal grant management requirements. Further, we ask OMB to define clear, objective and publicly available risk criteria and establish firm timelines so entities can anticipate and prepare for pre-award review.

Section 200.208 New Terms and Conditions

The proposed new terms and conditions would allow federal agencies to add, modify, or remove award requirements after a grant has already been issued, creating significant instability for rural health providers and community organizations. Rural hospitals, clinics, and local partners rely on multi-year awards to hire staff, maintain services, and plan care delivery; the ability to change conditions mid-award introduces financial risk that many rural entities simply cannot absorb. If an award is changed from advance payment to reimbursement during the grant period, the organization

[4] Kim, S. H., Tanner, A., Friedman, D. B., Foster, C., & Bergeron, C. D. (2014). Barriers to clinical trial participation: a comparison of rural and urban communities in South Carolina. *Journal of community health*, *39*(3), 562–571. https://doi.org/10.1007/s10900-013-9798-2 https://pubmed.ncbi.nlm.nih.gov/24310703/

[5] Graves, J. M., Beese, S. R., Abshire, D. A., & Bennett, K. J. (2024). How rural is All of Us? Comparing characteristics of rural participants in the National Institute of Health's All of Us Research Program to other national data sources. *The Journal of rural health: official journal of the American Rural Health Association and the National Rural Health Care Association*, *40*(4), 745–751. https://doi.org/10.1111/jrh.12840 https://pmc.ncbi.nlm.nih.gov/articles/PMC11502281/

may be required to cover costs upfront while waiting for federal reimbursement. For rural hospitals and smaller organizations, bearing this type of final risk could create real cash flow challenges and make participation in federal grant programs more difficult. When paired with expanded termination authority elsewhere in the rule, § 200.208 undermines the predictability and integrity of federal grantmaking and could deter rural organizations from participating in federal programs altogether.

NRHA urges OMB to remove or substantially narrow this provision and establish clear safeguards to ensure that award conditions remain stable, transparent, and insulated from shifting agency or political priorities.

Section 200.331- Subrecipients

As a national organization representing the interests of the broad stakeholders engaged in rural health, NRHA often provides subawards from the federal grants we administer, distributing funds to small rural providers, community organizations, and other rural health stakeholders. The proposed rule would expand pass-through entity oversight obligations in several areas, including subaward reporting to SAM.gov, subrecipient monitoring and compliance with new policy conditions. The proposed requirement that pass-through entities ensure subrecipients do not take actions that "could significantly damage the reputation" of the pass-through entity, the awarding agency, or the Federal Government is unworkable as written and poses unacceptable legal and financial risk. Like many non-profit organizations, NRHA lacks the infrastructure to absorb these requirements without reducing the amount of subawards we can provide. If this occurred, rural health providers and stakeholders would be limited in collaborating with external partners. Collaboration is crucial to strengthening rural health work because it allows our rural stakeholders to share best practices at local, state, or national levels, widening the scope of impact that their work has on rural populations.

To protect NRHA's ability to support smaller rural health providers, organizations, and stakeholders, we urge the Administration to clarify that pass-through entity liability does not extend to subrecipient activities beyond the scope of the federal award. Should the provision take effect, we ask the OMB to allow adequate transition time – at least 12 months from the final rule's effective date – to update subaward agreements, as well as provide implementation guidance and technical assistance before new pass-through requirements take effect.

Section 200.340-200.343 —Termination and suspension and related actions

The termination of federal awards based on whether they are actively meeting the goals and interests outlined by the current administration, rather than needs of the rural community, could disrupt multi-year research and service programs that require sustained funding commitments. This operates against the traditional standard of federal award terminations, which occur when research studies or programs are not meeting the benchmark for performance or condition of their awards. The premature termination of ongoing studies may create undue administrative burden, reduce continuity in program and research efforts, diminish return on prior federal investments, and ultimately have negative impacts rural providers and patients.

NRHA is concerned that the proposed expansion of discretionary termination may undermine the stability necessary to support long-term rural health research and demonstration projects. These initiatives frequently require sustained partnerships between rural health care providers, academic institutions, and local communities that develop over multiple years. Increased uncertainty surrounding award continuation may discourage investment in rural research and health care infrastructure and weaken participation in future federally funded initiatives. Abrupt grant termination may also disrupt rural workforce and the broader health care and public health

infrastructure. Many federally funded rural research and demonstration projects support nurses, care coordinators, community health workers, data analysts, and research personnel whose positions depend upon stable federal funding.

As previously mentioned, rural communities have had historically low participation in clinical studies due to lack of proximity to larger, well-funded medical centers or schools.[6] The participation of rural residents in clinical studies is not just important for having diverse research samples, but to also connect rural residents to care innovations that address access barriers. Sustained federal investment enables rural providers to build lasting capacity, develop trusted community partnerships, and participate successfully in nationally significant research and program initiatives. Furthermore, the evidence that is collected in clinical and health services research programs further inform targeted, effective, and cost-efficient investments for rural communities.

NRHA believes that maintaining stable federal investments in meritorious research and program efforts represents responsible stewardship of taxpayer resources. Premature termination of projects after significant investments have already been made may reduce the overall return on federal investments. For rural communities, 'termination of convenience' is especially harmful because of the limited resource to support rural health.

NRHA urges OMB to retain clear, objective criteria governing award continuation and termination as currently in the Uniform Guidance while preserving appropriate oversight mechanisms that protect taxpayer investments.

Section 200.407-200.454 — Prior written approval; Memberships, subscriptions, and professional activity costs.

The proposed rule would remove existing language that permits federal awards to cover the cost of membership dues in professional, civic or community organizations, and would require prior written approval from appointees for membership and subscriptions to organizations. NRHA is concerned about the potential impacts of the restricting and prior written approval of membership and subscription fees under federal awards. Further, the proposal to extend the current restrictions on lobbying to "issue advocacy" is not explicitly defined creating challenges in implementation and interpretation.

Membership dues and subscription fees support the crucial collaboration that broadens the work that our rural stakeholders do by expanding their reach across different partners. This collaboration also enables rural organizations to share best practices at the local, state, and national level, in support of federal partnerships. The proposed rule limits the fostering of public and private partnerships and diminishes the amount of support and technical assistance that is integral to strengthening rural health innovation and programming. Many rural stakeholders rely on membership and subscriptions to collaborate and successfully build and implement rural health projects. Rural communities are particularly vulnerable to less rural health innovation due to geographic isolation and limited administrative capacity, so the collaboration from joining memberships and participating in subscriptions yields more resources for rural stakeholders to

[6] Kedar, E., Dandachi, D., Bryant, A., Anstrom, K. J., & Powderly, W. (2025). Development of clinical research networks in rural America: Our experience from the Accelerating COVID-19 Therapeutic Interventions and Vaccines-1 trialau. *Journal of clinical and translational science*, *9*(1), e280. https://doi.org/10.1017/cts.2025.10208 https://pmc.ncbi.nlm.nih.gov/articles/PMC12722068/

advance the work they do. Restricting these costs would create barriers to filling in the gaps that memberships and subscriptions provide to support rural communities.

NRHA asks OMB to explicitly permit reasonable membership and subscription costs as allowable expenses, ensure that approval processes are transparent and non-political, and provide clear definitions to avoid chilling legitimate rural health collaboration and innovation.

Section 200.432- 200.461 — Conference, publication and printing costs

NRHA is concerned by the impact of the proposal to modify cost principles in a manner that no longer allows use of federal funds for conference attendance and publication costs, which are two activities vital to the scientific process and rural health research. Research studies focused on rural and geographically isolated communities are crucial to sharing significant health information and informing evidence-based solutions. Not only do these studies serve as critical sources of information, but public access to these findings through written and oral dissemination methods allows rural providers, policymakers, and community organizations to implement evidence-based practices without barriers created by subscription-based journals. Adding additional expenses or burdens on grantees' ability to use funding would delay the translation of findings into treatments, cures, and clinical practice, as well as counter to the goal of improving transparency.

Publicly available sources are crucial for rural communities because many rural areas lack connection to universities or academic areas that would grant them institutional access to research. For those areas without academic partnerships, access is difficult unless made publicly available online.[4] Currently researchers are required to make any research finding publicly available if their research included federal funding; policy widely supported as way to ensure federal research funding benefits the American public. If federal awards no longer allowed open access fees to cover publication costs, essential groups, like rural health providers, would lose access to evidence-based information to inform healthcare practices.

Conference participation and dissemination of research findings are essential components of the scientific process. Rural investigators often have fewer opportunities for in-person collaboration than researchers affiliated with large academic medical centers. Professional meetings facilitate mentorship, collaboration, dissemination of best practices, increase transparency of research activities, and translation of research findings into clinical care. Researchers typically do not know which meetings and conferences they will attend during outyears of a multi-year grant, especially given the under-resourced settings they may be working in. Limiting reimbursement for publication and dissemination activities may disproportionately affect rural investigators and reduce opportunities to share innovations that improve healthcare delivery in rural communities. Career development for young professionals may also be stifled. In addition to restricting participation in conferences, career development opportunities may impacted by narrowing the scope in which young researchers can network, find opportunities for critical review of research in progress, and engage in research discourse, having the immediate impact of slowing career development and the long-term impact of scientific review strengthening research in the field.

The proposed rule would disallow use of funding for journal publication, which is a key vehicle for researchers to disseminate their findings to their peers and the general public. Peer-reviewed journal publications become a part of the evidence base that informs future practice in healthcare, policy, and academic teachings. Publication for rural health research is especially vital to restoring the underrepresentation of rural health research to scientific communities. Without the use of funding to

support publication costs, the scientific community may lose access to valuable evidence-based solutions that would improve the health outcomes and services available in rural communities. Federal awards for publication contribute to the vast field of timely and compelling research for informing policy and protecting rural health.

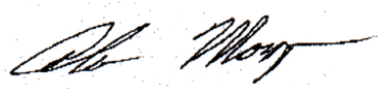
NRHA recommends OMB continue allowing publication costs, conference travel, open access fees as allowable expenses under federal research awards ensuring federally funded research remains accessible to the rural providers and communities it is intended to benefit.

Protecting Rural Health Investments

Federal funding is foundational to the stability and vitality of rural communities, and changes to the Uniform Grants Regulation must reflect that reality. According to the Congressional Research Service, the federal government provided $1.1 trillion in grants to state and local governments in FY 2024, representing roughly 36 cents of every dollar states spend.[7] Rural America depends even more heavily on federal investment: approximately 66 million people—about 20% of the U.S. population—live in rural areas, where median incomes are lower and administrative capacity is more limited than in urban regions. Protecting research is vital to supporting rural communities. Research bridges the opportunity for technological innovation, access to care, and informing evidence-based solutions that strengthen rural health. As OMB considers revisions to the Uniform Grants Regulation, it is essential that the final rule strengthen—not weaken—rural communities' ability to access, manage, and benefit from federal awards. NRHA urges OMB to adopt a framework that preserves transparency, protects collaboration, and ensures that rural providers and local organizations can continue delivering critical services supported by federal funding.

Thank you for the chance to offer comments on this proposed rule and for your consideration of our comments. If you would like additional information, please contact Carrie Cochran-McClain, NRHA's Chief Policy Officer, at ccochran@ruralhealth.us.

Sincerely,



Alan Morgan
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[7] Congressional Research Service. Federal Grants to State and Local Governments: Trends and Issues. Updated June 26, 2025. R40638. https://crsreports.congress.gov/product/pdf/R/R40638