

Proposed Regulation for Federal Financial Assistance

June 16, 2026 | Comment Deadline: July 13, 2026

Purpose: These talking points are intended to help GSA staff quickly brief members on the proposed OMB rule revising 2 CFR Part 200 (the Uniform Guidance) and encourage their engagement before the July 13 comment deadline. Section citations refer to the proposed rule as published in the Federal Register on May 29, 2026 (Docket OMB-2026-0034). They are not a substitute for members reviewing the full proposed rule or consulting their own grants compliance counsel.

The Big Picture

- On May 29, 2026, the Office of Management and Budget (OMB) published a proposed rule that would be the largest overhaul of federal grant regulations since 2013.
- The rule would rename and reframe 2 CFR Part 200 as the Uniform Grants Regulation (UGR), and would govern every federal grant and cooperative agreement across all agencies, including NIH, NIA, CDC, and ACL.
- If finalized as proposed, the rule would take effect October 1, 2026, covering all new awards made in fiscal year 2027 and beyond.
- The public comment period is only 45 days. Comments must be submitted to OMB docket OMB-2026-0034 at Regulations.gov by **July 13, 2026**.

What the Proposed Rule Would Do

Political Review of All Grant Awards

- A senior political appointee would be required to review and approve every discretionary grant announcement before it is issued and every award decision before it is made. *[Proposed §200.205(b)]*
- Peer review panels would continue to exist but only in an advisory role. Peer review scores would be explicitly non-binding, meaning a political appointee could override the scientific judgment of a peer review panel. *[Proposed §200.205(b); EO 14332]*
- This is a fundamental change to how agencies like NIH and NIA have funded research for decades.

At-Will Grant Termination

- Agencies could terminate a grant at any time if it no longer aligns with current federal priorities or the national interest. This standard currently applies to procurement contracts; it has not previously applied to grants government-wide. *[Proposed §200.340]*
- Active grants, including multi-year studies, longitudinal cohort research, and clinical trials, could be ended mid-stream without a scientific basis for doing so. *[Proposed §200.340]*

Publication and Conference Costs Would No Longer Be Reimbursable

- Article processing charges (APCs) for open-access journal publication would be unallowable as direct costs on new grants starting October 1, 2026. *[Proposed §200.461]*
- Conference travel would similarly be unallowable. Researchers could no longer charge travel to present federally funded findings. *[Proposed §200.432]*
- This conflicts directly with the federal open-access policy, which requires federally funded research to be publicly available but would eliminate the funding mechanism researchers use to comply with that mandate.

DEI-Related Activities Prohibited

- Federal award funds could not be used to fund, promote, or facilitate diversity, equity, and inclusion policies. Research on health disparities and programs that support diverse research workforces could face allowability challenges. *[Proposed §200.300(b)]*

Other Changes

- Fixed-amount grants and subawards would be eliminated. All awards would shift to cost-reimbursable models, adding administrative burden. *[Proposed §200.201]*
- E-Verify requirements, currently limited to federal contractors, would extend to all grant recipients and subrecipients. *[Proposed §200.303(f)]*

What This Means for GSA Members

- Researchers at member institutions who hold NIH, NIA, or other federal grants should assess their current and pending awards against these proposed changes.
- Multi-year studies and ongoing longitudinal research are at heightened risk if at-will termination authority is finalized.
- Members who routinely charge APCs or conference travel to federal grants should begin planning now for the potential loss of those cost categories.
- Members whose research touches on health disparities, workforce diversity, or related areas should review the DEI-related prohibitions carefully with their grants compliance offices.
- Institutions that serve as subaward recipients should be aware that E-Verify and other requirements would extend to them as subrecipients.

How Members Can Engage

- Submit individual comments to OMB at [Regulations.gov](https://www.regulations.gov), docket OMB-2026-0034, by July 13, 2026. Even brief, targeted comments from individual researchers carry weight.
- Focus comments on specific impacts: the effect on ongoing multi-year studies; the conflict between unallowable publication costs and open-access mandates; the risk of politicizing peer-reviewed funding decisions in aging research.
- Work through your institution's sponsored research or grants compliance office, which may be organizing an institutional comment and can provide member-specific context.
- Watch for a coordinated scientific society coalition comment. GSA will submit comments and join coalition efforts.
- Contact your congressional representatives, particularly members of the [Senate HELP Committee](#) and [House appropriations subcommittees](#) with jurisdiction over NIH and aging programs, to raise concerns.

Key Facts to Have at Hand

- **Rule citation:** Proposed revision of 2 CFR Part 200 (Uniform Grants Regulation), Federal Register, May 29, 2026.
- **Docket for comments:** OMB-2026-0034 at [Regulations.gov](https://www.regulations.gov).
- **Comment deadline:** July 13, 2026.
- **Proposed effective date:** October 1, 2026 (for awards made in FY 2027 and beyond).
- **Underlying authority:** Executive Order 14332, Improving Oversight of Federal Grantmaking (August 7, 2025).
- **Governing agencies:** OMB, in coordination with all federal grantmaking agencies.