July 13, 2026

Russell T. Vought, Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503
Submitted via www.regulations.gov

Subject: Response to the Proposed Regulation for Federal Financial Assistance (Docket No. OMB-2026-0034)

Dear Director Vought,

On behalf of Trust for America's Health (TFAH), thank you for the opportunity to respond to the Office of Management and Budget's (OMB) request for comments on the proposed revisions to Title 2 of the Code of Federal Regulations (the "Uniform Guidance"). TFAH is a non-profit, nonpartisan public health policy, research, and advocacy organization that promotes optimal health for every person and community and makes the prevention of illness and injury a national priority.

TFAH acknowledges the importance of accountability and transparency regarding stewardship of taxpayer dollars. However, the proposed rule would undermine those goals by creating new uncertainty for multiyear grants, restricting lawful and evidence-based efforts to promote health and address health disparities, adding a broad political review layer to grantmaking, and limiting scientific and public health collaboration. These changes would create instability across all sectors, including public health and health research. While TFAH does not accept federal financial assistance, many state, tribal, territorial and local health agencies, non-profit organizations, community-based organizations, and research institutions rely on federal grants to support essential public health services in communities across the country and fund research to improve the health of the American public.

For these reasons, TFAH strongly urges OMB to withdraw the proposed rule. Our concerns are detailed below.

The Importance of Federal Grants to Public Health Infrastructure

Federal programs provide vital support for public health agencies, community organizations, and research institutions to implement public health priorities as directed by Congress. These investments yield concrete results in improving the health of communities across the country and bolstering America's ability to respond to ongoing and emerging health crises. Congress and federal agencies use grants as the mechanism for grantees to deliver essential public health services.

Numerous examples of programs administered by the Department of Health and Human Services (HHS) illustrate the importance and the impact of federal grant funding:

- The Centers for Disease Control and Prevention (CDC) administers funding mechanisms like the Epidemiology Laboratory Capacity (ELC) cooperative agreement[1] and dedicated HIV/STI National Strategic Plan funding[2] to directly equip state and local health departments. These grants help fund the laboratory networks, data surveillance systems and containment teams needed to track and mitigate outbreaks.[3]

- The Hospital Preparedness Program (HPP) administered by the Administration for Strategic Preparedness and Response is the primary federal funding source for healthcare system readiness during disasters and emergencies. HPP funds regional healthcare coalitions that create partnerships between hospitals, emergency management and public health to manage medical surge capacity, coordinate alternate care sites and stockpile vital trauma and medical supplies.[4]

- The CDC's Public Health Infrastructure Grant (PHIG) provides 5-year funding to modernize workforce capacity, foundational systems, and data services across state, local, and territorial health departments.[5] PHIG funding has supported recruitment and hiring for 6,255 health department positions, with 57% of hires at smaller, local, and rural health departments to address localized clinical and community shortages.[6]

- The Section 317 Immunization Program provides public health grants to support vaccine infrastructure, manage disease outbreaks, and provide essential immunizations to uninsured and underinsured adults.[7] One analysis found that from 1997 to 2003, every $10 increase in per-capita Section 317 funding was associated with a 1.6 percentage-point increase in vaccination coverage.[8]

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[1] Centers for Disease Control and Prevention. Grants and Funding. National Center for Emerging and Zoonotic Infectious Diseases (NCEZID). Published November 14, 2024. https://www.cdc.gov/ncezid/budget-funding/index.html

[2] Grants.gov. Opportunity Listing - Controlling and Preventing STIs in US Health Departments (CAP-STIs). Grants.gov. Published 2026. Accessed June 17, 2026. https://simpler.grants.gov/opportunity/0ff3ace3-70fb-4ef7-b6ba-b93a899a2707

[3] KFF. CDC's Funding for State and Local Public Health: How Much and Where Does it Go? | KFF. KFF. Published April 7, 2025. https://www.kff.org/other-health/cdcs-funding-for-state-and-local-public-health-how-much-and-where-does-it-go/

[4] Administration of Strategic Preparedness and Response. Home. aspr.hhs.gov. https://aspr.hhs.gov/HealthCareReadiness/HPP/Pages/default.aspx

[5] Centers for Disease Control and Prevention. Public Health Infrastructure Grant. Public Health Infrastructure Grant. Published May 16, 2024. https://www.cdc.gov/infrastructure-phig/about/index.html

[6] Chung CL, Carter MW, Rocha L, et al. The Centers for Disease Control and Prevention's Public Health Infrastructure Grant: Early Evidence of How It Bolsters Health Departments' Efforts to Recruit, Hire, and Retain Our Nation's Public Health Workforce. *Journal of Public Health Management & Practice*. 2026;32(4):547-558. doi:https://doi.org/10.1097/phh.0000000000002369

[7] Jarris P, Dolen V. Section 317 Immunization Program: Protecting a National Asset. *Public Health Reports*. 2013;128(2):96-98. doi: https://doi.org/10.1177/003335491312800204

[8] Rein D, Honeycutt A, L Rojas-Smith, Hersey J. Impact of the CDC's Section 317 Immunization Grants Program funding on childhood vaccination coverage. Rti.org. Published September 2006. Accessed June 23, 2026.

Potential Public Health Implications of the Proposed Changes
200.205 – Federal Agency Review of Merit of Proposals
200.340 - Termination and Suspension
200.341 - Notification of Termination Requirement
200.342 - Opportunities To Object, Hearings, and Appeals

The breadth and impact of federally funded health programs underscore the importance of maintaining a stable and reliable grant funding process. Unfortunately, the proposed revisions would disrupt this process in multiple ways:

Uncertainty and Instability for Grant Recipients

The proposed revisions would create significant uncertainty for discretionary grant recipients by expanding federal agencies' authority to modify, suspend, or terminate awards during the grant period. Unlike compliance-based terminations, discretionary terminations would not trigger noncompliance reporting or the same Section objection, hearing, and appeal procedures outlined in section 200.342. In other words, although proposed Section 200.341 would require written notice and a brief reasoned summary, the proposed rule would create a pathway for broad discretionary termination with very few procedural protections for recipients. Such changes would increase financial and operational instability for organizations that provide vital public health services. In turn, these disruptions would affect the continuity of programs and services that communities rely upon.

The proposal would allow agencies to terminate a discretionary grant award if they determine that it no longer advances program goals, agency priorities, or the national interest as they exist at the time of the termination.[9] This could create particular uncertainty for multi-year projects as funding decisions may be influenced by changing priorities during the life of the award.[10] Because the proposed standard looks to agency priorities and the national interest "as they exist at the time of the termination," it could allow changes in political leadership or policy emphasis to disrupt scientific, preparedness, or prevention projects that were lawfully awarded and are progressing toward their original objectives.

The harms to public health services are not simply budgetary. Mid-cycle disruptions can delay implementation, interrupt contracts and hiring, weaken evaluation, disrupt longitudinal research and surveillance, and make it harder to determine whether federally funded interventions are working. Awardees of federal grants often develop multi-year plans, with staff, contracts, and

https://www.rti.org/publication/impact-cdc-section-317-immunization-grants-program-funding-childhood-vaccination-coverage

[9] Office of Management and Budget. Regulation for Federal Financial Assistance. Federal Register. Published May 29, 2026. https://www.federalregister.gov/documents/2026/05/29/2026-10817/regulation-for-federal-financial-assistance

[10] Barnes M, Roberts CS, Ravelo CA, et al. OMB Proposed Revisions to the Uniform Guidance: Key Takeaways for Award Recipient Organizations. Ropesgray.com. Published June 2, 2026. Accessed June 18, 2026. https://www.ropesgray.com/en/insights/alerts/2026/06/omb-proposed-revisions-to-the-uniform-guidance-key-takeaways-for-award-recipient-organizations

infrastructure projects underway. Sudden, unpredictable disruptions do not give jurisdictions time to absorb budget shortfalls. They put operations, contracts, and staffing at risk, while impacting the health of communities they serve.

In addition, the proposed agency authority to pause awards while determining whether termination is appropriate would create potential disruptions and delays to ongoing programs and services. By increasing financial, legal, and administrative uncertainty, the proposed revisions may jeopardize health research and hinder the delivery of essential public health services.[11]

Many public health services are delivered through public agencies and community-based partners because they are not readily sustained by private entities. Many community-based organizations and local health departments also operate with narrow funding margins, making them particularly vulnerable to changes in grant requirements or funding conditions.[12] The proposed revisions would place additional administrative burdens on discretionary award recipients and create instability regarding eligibility and compliance expectation.

The nation has already seen the impact of public health funding disruptions. For example, in March 2025, HHS abruptly cancelled more than $11 billion in CDC funding to states, including an estimated $550-700 million to Texas. As a result, Dallas County laid off 21 full- and part-time public health workers and cancelled more than 50 essential childhood immunization and infectious disease surveillance clinics as the state struggled to address a significant measles outbreak. This reduced the community's capacity to deliver essential public health services and monitor emerging health threats.[13]

Restrictions on efforts to reduce health disparities
Section 200.205 - Federal agency merit review of proposals

TFAH is also concerned that the proposed restrictions on funding activities perceived to be associated with "diversity, equity, and inclusion," as stated in the proposed rule, will harm vital programs designed to reduce health disparities and promote optimal health for all.

These restrictions signal the potential codification of an approach to federal grantmaking that would significantly hamper efforts to promote optimal health for all. Many federally funded public health initiatives, including community-based chronic disease prevention, maternal and child health programs, and efforts to improve access to care among underserved populations, rely on strategies tailored to the needs of specific communities and the populations and geographic areas that have a higher risk for negative health outcomes. Limiting support for programs that

[11] Barnes M, Roberts CS, Ravelo CA, et al. OMB Proposed Revisions to the Uniform Guidance: Key Takeaways for Award Recipient Organizations. Ropesgray.com. Published June 2, 2026. Accessed June 18, 2026. https://www.ropesgray.com/en/insights/alerts/2026/06/omb-proposed-revisions-to-the-uniform-guidance-key-takeaways-for-award-recipient-organizations

[12] Nonprofit Finance Fund. Survey: US Nonprofits at Critical Point as Funding for Community Needs Falters - Nonprofit Finance Fund. Nonprofit Finance Fund. Published June 17, 2025. https://nff.org/insights/survey-us-nonprofits-at-critical-point-as-funding-for-community-needs-falters/

[13] Barna M. Cuts to Public Health Funding Hurting State, Local Programs. *The Nation's Health*. 2025;55(4):11-11. https://www.thenationshealth.org/content/55/4/11.1

reduce disparities will hinder efforts to improve outcomes among populations that continue to experience disproportionate burdens of disease.[14] Pulling back support for addressing health disparities will not make them go away – it will only exacerbate them. In addition, some programs are directed by statutory language to address specific populations, such as tribal populations or people living in rural and frontier areas, and the language proposed in the Uniform Guidance could subvert such congressional intent.

TFAH agrees that federal funds should not support unlawful discrimination. But the proposed language is broad and ambiguous enough to chill lawful, evidence-based public health activities that use data to identify populations at higher risk of poor health outcomes and tailor interventions accordingly.

Political interference with the peer review process
Section 200.205 Federal agency merit review of proposals

America's health and public health infrastructure has been supported by robust federal funding of scientific research. Evidence-based peer review is at the heart of the grantmaking process, ensuring that awards are made based on expert understanding of the existing science and of the potential of proposed work. While the peer review process has never been legally binding, political officials were not required to apply a political review to all awards. The proposed rule would undermine decades of merit-based best practices in allocation of funds.

The proposed rule would specify that senior political officials must approve all discretionary grant awards, ensuring that they "advance the President's policy priorities." This unprecedented level of politicization, combined with the overall uncertainty described above, will hobble America's biomedical and public health research fields, shifting from true scientific expertise to political expediency. Moreover, establishing such a framework could create a lasting precedent whereby future administrations exercise increasing influence over grantmaking decisions that have historically relied on non-partisan expert evaluation.

Limitations on International Collaboration
Section 200.220 - Prohibition of Using Federal Funds for Covered Foreign Collaborations

The proposed rule would also hinder international collaboration, prohibiting the use of federal funds "to support a bilateral or multilateral collaboration, agreement, program, or activity with a covered foreign country or covered foreign entity," unless authorized by statute or explicit agency approval. This provision threatens the effectiveness of public health preparedness efforts. Communicable disease does not respect borders, and meaningfully monitoring and preparing for new or changing outbreaks relies on information and expertise shared with other countries. The proposal does not include any approval pathways for public health surveillance, outbreak response, laboratory coordination, or other collaborations necessary to respond to infectious

[14] Jack L. Advancing Health Equity, Eliminating Health Disparities, and Improving Population Health. *Preventing Chronic Disease*. 2021;18(18). doi:https://doi.org/10.5888/pcd18.210264

disease threats. TFAH is deeply concerned that this provision would hinder both public health and scientific collaboration in ways that reduce our ability to prevent and manage outbreaks.

Conclusion

TFAH supports strong stewardship of taxpayer dollars, effective oversight of federal financial assistance, and a grantmaking process that promotes accountability and transparency. However, accountability and public health effectiveness are complementary goals, not competing priorities. The proposed rule would codify policies that threaten public health programs, research, emergency preparedness efforts, and community-based services nationwide and put the health, well-being, and safety of Americans at risk.

Thank you for your consideration of these comments. TFAH urges OMB to withdraw the proposed rule.

Sincerely,

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