

6/29/2026

Russell T. Vought
Director, Office of Management and Budget
Office of Federal Financial Management

RE: Regulation for Federal Financial Assistance

Dear Director Vought and Participating Federal Agencies,

The Collective for Racial & Disability Justice (CRDJ) and the undersigned organizations and individuals submit this comment in response to the Office of Management and Budget's (OMB) proposed rule, Regulation for Federal Financial Assistance ([RIN 0348-AB88, Docket OMB-2026-0034](#)).

The undersigned are committed to ensuring that federally funded programs are lawful, accessible, effective, evidence-based, and accountable to the communities they are intended to serve. Our work spans civil rights, disability rights, racial justice, research, education, health care, public benefits, housing, employment, transportation, community-based services, and access to justice. Across these areas, we share the concern that federal financial assistance rules must protect against unlawful discrimination and misuse of public funds without undermining lawful civil-rights compliance, disability accessibility, research integrity, or program accountability.

We support responsible stewardship of federal funds. Federal financial assistance should be administered with transparency, accountability, integrity, and fidelity to statutory purpose. Federal funds should not be wasted, misused, or used to support unlawful discrimination. Federally funded programs should serve the public and should be accountable for whether they reach the people Congress intended them to serve.

For that reason, we are deeply concerned that several provisions of the proposed rule would undermine the very goals the rule purports to advance. The proposal is drafted so broadly that it risks treating lawful civil-rights compliance, disability accessibility, demographic analysis, community-engaged research, disparity analysis, and evidence-based program improvement as suspect or impermissible. These activities are not ideological add-ons. They are core tools for ensuring that federal programs are lawful, accessible, effective, and accountable to all eligible members of the public.

This is especially critical for research and evaluation. Federal research often provides evidence agencies need to understand whether programs are working, whether eligible people are being

excluded, whether neutral policies are producing unjustified barriers, and whether public funds are achieving their intended purpose. Research cannot be accurate, ethical, or useful if it is discouraged from examining how social, economic, and structural conditions shape access to federally funded programs and services.

We therefore urge OMB to withdraw the proposed rule. At minimum, OMB should substantially revise the rule to make clear that it does not restrict lawful civil-rights compliance, disability accessibility, demographic data collection, disparity analysis, community engagement, participatory research, targeted outreach to eligible populations, or program evaluation designed to ensure that federal funds serve all eligible people.

Our comment focuses on five key concerns:

- **Accountability Requires Access:** The proposal should distinguish unlawful discrimination from lawful civil-rights compliance, accessibility, and program accountability.
- **Disparate Impact Is Evidence, Not Bias:** The proposed disparate-impact restrictions would undermine transparency, evidence-building, and equal access to federally funded programs.
- **Research Integrity Requires Independence:** The proposed merit-review and pre-issuance review provisions would politicize research and weaken scientific integrity.
- **Accessible Research Serves the Public:** The proposal would make research less accessible, less community-accountable, and less useful to federal agencies, recipients, and the public.
- **Stable Funding Sustains Public Trust:** The termination and suspension provisions would destabilize long-term research and undermine community trust

BACKGROUND

OMB proposes to significantly revise the government-wide framework governing federal financial assistance, including grants, cooperative agreements, and related forms of assistance. The proposed rule would amend multiple parts of Title 2 of the Code of Federal Regulations, including [2 C.F.R. Part 200](#), and would make conforming changes across numerous federal agencies' implementing regulations. OMB states that the proposal is intended to improve transparency, accountability, and oversight; to ensure that federal awards are administered consistent with law and policy; to clarify the regulatory status of OMB's government-wide financial assistance requirements; and to reduce recipient burden.

In doing so, OMB relies on several sources of legal authority, including [31 U.S.C. § 503\(a\)\(2\)](#), which authorizes OMB to provide "overall direction and leadership" on executive-branch financial management matters by establishing financial management policies and requirements, and [31 U.S.C. § 6307](#), which authorizes OMB to issue supplementary interpretive guidelines to

promote consistent and efficient use of grant agreements and cooperative agreements. OMB also cites the Single Audit Act Amendments of 1996 ([31 U.S.C. §§ 7501–7507](#)), the Federal Funding Accountability and Transparency Act of 2006 ([Pub. L. No. 109-282](#)) as amended, the Digital Accountability and Transparency Act of 2014 ([Pub. L. No. 113-101](#)) as amended, the Federal Program Information Act ([31 U.S.C. §§ 6101–6106](#)), the Federal Grant and Cooperative Agreement Act of 1977 ([31 U.S.C. §§ 6301–6309](#)), the Office of Federal Procurement Policy Act ([41 U.S.C. §§ 1101–1131](#)), the Budget and Accounting Procedures Act of 1950 ([31 U.S.C. §§ 1101–1126](#)), the Chief Financial Officers Act of 1990 ([31 U.S.C. §§ 503–504](#)), the Trafficking Victims Protection Act of 2000 ([22 U.S.C. §§ 7101–7115](#)), and [Executive Order 11541](#). The undersigned recognize OMB’s important role in establishing government-wide financial assistance requirements. However, these financial management, transparency, audit, and grant-administration authorities do not justify provisions that would chill lawful research, civil-rights compliance, disability accessibility, or evidence-based evaluation of federally funded programs.

The proposed rule would do far more than make technical grants-management changes. Several provisions would affect how federal awards are designed, reviewed, administered, evaluated, disseminated, and terminated. Proposed changes to merit review and pre-issuance review would give senior appointees a large role in discretionary award decisions and make peer review advisory. Proposed restrictions on disparate-impact analysis would limit the ability of agencies, recipients, and researchers to study whether facially neutral rules or practices exclude eligible people or produce unjustified harms. Proposed restrictions related to diversity, equity, inclusion, and accessibility (DEIA) and related terms are broad enough to create uncertainty around lawful civil-rights, accessibility, and research activities. Proposed cost and administration changes could make it harder to support accessible, community-engaged, and publicly useful research. Proposed termination and suspension provisions would also make long-term projects more vulnerable to disruption when agency priorities change.

Our concern is that these provisions, taken together, would weaken the evidence base that agencies need to determine whether federally funded programs are lawful, effective, accessible, and serving their intended beneficiaries. Research often examines whether public systems are working for people whose exclusion may not be visible without careful data collection, disaggregation, community engagement, and analysis of outcomes. A program may appear neutral while relying on inaccessible technology, burdensome documentation requirements, assessment tools, service-delivery models, or eligibility criteria that prevent eligible people from receiving federally funded services or benefits. For that reason, the proposal risks undermining its own stated goals.

ACCOUNTABILITY REQUIRES ACCESS

The proposed rule’s first major flaw is that it does not draw a sufficiently clear line between unlawful discrimination and lawful efforts to ensure meaningful access to federally funded programs. Proposed § 200.300(a) states that federal awards must be administered so that no eligible person is unlawfully excluded from, denied the benefits of, or subjected to unlawful

discrimination under a federally funded program. The undersigned agree with that principle. Federal funds should not support unlawful discrimination. The concern is that proposed § 200.300(b), read alongside the proposal's broader treatment of DEIA and related activities, risks creating uncertainty about whether recipients may engage in lawful access, compliance, outreach, and evaluation activities that are necessary to make nondiscrimination real in practice.

Exclusion often occurs through program design and administration rather than through explicit denials of eligibility. Inaccessible online forms, burdensome documentation requirements, English-only notices, in-person appointment rules, transportation barriers, incompatible digital platforms, and service locations that cannot be reached by institutionalized, unhoused, rural, or low-income people can all prevent eligible people from receiving federally funded services or benefits. Identifying and correcting those barriers is responsible program administration, not preferential treatment.

For disabled people, meaningful access often requires accessible communications, plain-language materials, captioning, sign language interpretation, screen-reader-compatible documents, physically accessible spaces, flexible participation options, reasonable accommodations, and consultation with disability-led organizations. For those who are multiply marginalized, access also requires attention to the ways disability, race, gender, socio-economic status, language, geography, institutionalization, prior interactions with public systems, and administrative burden interact. These activities are precisely what helps determine whether federal funds are reaching the people they intend to serve. As such, they should be protected, not chilled by broad language against DEIA or the treatment of targeted outreach to eligible populations as suspect.

Without clarification, the proposal is likely to produce overcompliance. Recipients, subrecipients, and pass-through entities may avoid lawful access and accountability activities because they fear that demographic analysis, targeted outreach, accessibility work, or community engagement could later be characterized as impermissible. That risk is particularly acute for smaller nonprofits, community-based providers, and research partners without large compliance infrastructures. The result would be to undermine the proposal's stated goals. It would make federally funded programs less transparent, less effective, and less accountable. It would also make it harder for agencies to know whether federal funds are serving the people Congress intended them to serve.

OMB should withdraw or substantially revise § 200.300 and related provisions to make clear that the rule does not restrict lawful civil-rights compliance, disability accessibility, reasonable accommodations, language access, demographic data collection, disaggregated analysis, targeted outreach to eligible populations, community engagement, participatory research, or program evaluation designed to ensure that federal programs serve all eligible people. A rule intended to promote accountability should not discourage recipients from identifying and removing barriers to access.

DISPARATE IMPACT IS EVIDENCE, NOT BIAS

The proposed rule would significantly restrict the use of federal awards to support disparate-impact studies, disparate-impact litigation, or activities based on the assumed risk of disparate-impact liability—treating disparate-impact analysis as suspect rather than as a core tool of accountability. It would also direct recipients and subrecipients not to adopt, issue, or enforce disparate-impact liability standards in programs or activities supported by federal awards. Although the provision includes an exception for internal statistical or demographic analysis, that exception is sharply limited in that the analysis could not be funded by the federal award, and the results could not be used in connection with or applied to activities under the federal award.

This structure treats evidence of unequal outcomes as though the act of identifying those outcomes is itself a form of discrimination. However, studying disparities is not the same as imposing unlawful preferences. Disaggregated data, demographic analysis, civil-rights audits, program evaluation, and disparate-outcome research are tools for determining whether federally funded programs are operating lawfully, effectively, and as intended.

For racialized disabled people, many of the most serious barriers to federally funded programs arise from facially neutral rules and practices. Eligibility criteria, assessment tools, documentation requirements, digital systems, medical-necessity standards, school discipline policies, transportation systems, crisis-response protocols, employment screening practices, and institutional placement decisions may appear neutral while producing exclusionary or harmful outcomes. Agencies and recipients cannot identify those patterns without studying who is affected, how, and why.

Moreover, disparate-impact analysis is often the only way to identify combined effects. Aggregate data can obscure these patterns. Disaggregated and intersectional analysis is necessary to determine whether federal funds are reaching all eligible populations. The proposed internal-analysis exception does not solve this problem. Research and evaluation are only useful if their findings can inform program administration. A rule that permits recipients to study disparities only if they do not use federal funds and do not apply the results to the federally funded activity would separate evidence from action.

The likely effect would be less transparency, weaker civil-rights compliance, and poorer program administration. Recipients may avoid collecting demographic data, conducting outcome reviews, examining disparities, or using research findings to improve service delivery. Agencies would then have less information about whether federal funds are reaching eligible beneficiaries, whether neutral rules are producing preventable barriers, and whether public funds are meeting their statutory purposes.

OMB should withdraw or substantially revise the proposed restrictions on disparate-impact analysis. At minimum, OMB should make clear that the rule does not prohibit federally funded research, evaluation, monitoring, civil-rights compliance, demographic analysis, disaggregated

data collection, or program improvement efforts that examine disparities or use disparity findings to ensure lawful and effective administration of federal programs. Evidence of unequal access is not bias. It is often the first sign that a federally funded program requires closer review.

RESEARCH INTEGRITY REQUIRES INDEPENDENCE

Federally funded research is strongest when proposals are evaluated through independent expert review, methodological rigor, statutory relevance, and the capacity to generate reliable public knowledge. The proposed rule moves in the opposite direction by giving senior appointees a larger role in discretionary award decisions while making peer review advisory.

Agencies may appropriately ensure that awards are consistent with statutory purposes and program goals. However, when a federal research proposal has been evaluated through expert review, any additional pre-issuance review should be governed by clear, objective, and program-related standards. Research integrity is weakened when political review displaces expert judgment about research quality, methodology, significance, feasibility, and public value. A process that allows political appointees to displace expert judgment based on broad policy preferences, perceived viewpoint, or discomfort with particular research topics risks arbitrary decision-making and creates uncertainty for applicants, recipients, and agencies alike. This is not a concern about agency oversight. Agencies may and should ensure that awards are consistent with statutory authority, program goals, and applicable legal requirements.

This issue is especially serious for research impacting marginalized communities. A proposal may be methodologically sound and directly relevant to a federal program, yet still be disfavored because it studies marginalized communities, uses intersectional approaches, relies on community-engaged research, or produces findings that complicate preferred policy narratives.

Independent review protects against these types of bias. Peer review, community expertise, disciplinary standards, ethics review, transparent methods, and careful evaluation of evidence help ensure that federal research dollars support work that is rigorous, useful, and credible. Treating those safeguards as merely advisory while requiring senior appointees to apply broad policy considerations invites inconsistency and uncertainty. Researchers and institutions may respond by avoiding topics, methods, populations, or findings that are perceived as politically risky, even when those projects are necessary to understand whether federally funded programs are working.

The proposal's references to rigorous and reproducible science do not alleviate these concerns. The undersigned support research that is transparent, methodologically sound, reproducible where appropriate, and accountable to evidence. These goals are best advanced through independent scientific and scholarly review, not through political oversight that may reward conformity and discourage inquiry into structural inequity. Research integrity requires conditions in which investigators can ask hard questions, follow the evidence, and report findings without fear that the topic itself will make the work vulnerable.

OMB should withdraw or substantially revise the proposed merit-review and pre-issuance review provisions to preserve independent expert review and protect research from political interference. At minimum, OMB should make clear that any senior appointee review must be limited to compliance with statutory authority, program requirements, and clearly articulated award criteria, and may not override scientific merit, methodological rigor, civil-rights relevance, disability access, community-engaged methods, or statutory program purpose based on political disagreement with the research topic, population, method, or likely findings.

ACCESSIBLE RESEARCH SERVES THE PUBLIC

Accessibility is not separate from research quality. It affects who can participate, whose experiences are captured, whether data are accurate, and whether findings can improve systems or programs. Federally funded research should produce knowledge that is useful to agencies, recipients, affected communities, and the public. Research does not serve that purpose if it is inaccessible, disconnected from the people most affected, or limited to audiences with institutional access, technical expertise, or specialized credentials. Publicly funded research should be capable of informing programs, improving implementation, supporting compliance, and helping eligible people understand the systems that shape their lives.

The proposed rule risks narrowing that public function. By creating uncertainty around targeted outreach, disparity analysis, community engagement, dissemination, and allowable costs, the proposal could make federally funded research less accessible and less useful. Researchers and recipients may avoid accessible materials, community meetings, plain-language summaries, translation, interpretation, disability accommodations, public-facing reports, or open dissemination if they fear those activities could be questioned as outside the core purpose of an award, insufficiently neutral, or insufficiently approved in advance.

For disabled people, meaningful research participation may require accessible recruitment, flexible participation options, plain-language materials, captioning, sign language interpretation, screen-reader-compatible documents, transportation support, reasonable accommodations, trauma-informed engagement, community compensation, and collaboration with trusted community organizations. These are not ancillary expenses. They are often necessary to produce accurate data, ethical methods, and findings that can be used in real-world settings.

The same is true for dissemination. Research findings that remain behind paywalls, in inaccessible formats, or in highly technical language do little to advance accountability or improve federally funded programs. Public value requires more than producing a final report for an agency file. It requires making findings available in forms that agencies, service providers, advocates, policymakers, and affected communities can understand and use.

Without clearer protections, the proposal may encourage narrower and more extractive research practices. Recipients may collect information from marginalized communities while avoiding the access, engagement, compensation, and dissemination practices that allow those

communities to shape the questions, understand the findings, or use the results. That outcome would weaken research quality, reduce public value, and undermine the proposal's stated goals of accountability, transparency, and effective stewardship of federal funds.

OMB should withdraw or substantially revise the proposed rule to make clear that federally funded research may include accessible recruitment, reasonable accommodations, language access, community engagement, community compensation, plain-language materials, accessible formats, public reports, open dissemination, and other activities necessary to ensure that research is ethical, accessible, and useful. A rule intended to protect the public value of federal awards should not make publicly funded research less accessible to the people and programs it is meant to inform.

STABLE FUNDING SUSTAINS PUBLIC TRUST

The proposed rule's broad termination and suspension provisions would create significant instability for federally funded research, especially long-term research that depends on sustained relationships, longitudinal data, community participation, and continuity of implementation. The undersigned do not object to appropriate agency action when recipients fail to comply with award terms, misuse funds, or act outside statutory authority. Agencies must be able to protect public funds and ensure awards are administered lawfully. The concern is that the proposal would give agencies broad discretion to suspend or terminate awards based on shifting agency priorities or broad assertions of the "national interest," even when recipients are complying with award requirements and the research remains consistent with statutory purposes.

That instability would be especially harmful for research involving marginalized communities where time is required to build trust and rapport. If awards can be suspended or terminated midstream because the topic, population, methods, or emerging findings become politically disfavored, the harm is not limited to the recipient institution. It can also fall on the communities that contributed time, knowledge, trust, and personal experience to the research.

Abrupt termination can also undermine research quality. Longitudinal studies may lose data continuity. Evaluation projects may be unable to complete follow-up. Community partners may not be compensated for work already performed. Participants may not receive findings or promised materials. Agencies may lose evidence needed to determine whether federally funded programs are working. Projects designed to improve access, compliance, and implementation may end before they can produce usable results. In these circumstances, termination does not protect the public value of federal funds. Indeed, it can waste investments already made.

The chilling effect is also problematic. Researchers, universities, nonprofits, and community partners may avoid politically contested topics if they believe an award can be withdrawn after approval based on changed priorities rather than noncompliance, poor performance, or lack of statutory fit. That risk is particularly acute for research with marginalized disabled people, where the very purpose of the work is often to examine whether public systems are excluding,

segregating, institutionalizing, criminalizing, or underserving people who are legally eligible for federally funded supports and services.

OMB should withdraw or substantially revise the proposed termination and suspension provisions to ensure that compliant awards are not destabilized based on political disagreement with a project's topic, population, methods, partners, or likely findings. At minimum, any discretionary termination or suspension authority should be governed by clear, objective, and program-related standards; require a written explanation tied to statutory authority, award criteria, or documented performance concerns; and provide recipients with meaningful notice and an opportunity to respond. For research involving human participants or community partners, OMB should also require agencies to consider continuity, ethical closeout, participant protection, community obligations, and the public value of completing the work. Federal grantmaking cannot build trust if approved projects can be destabilized for reasons unrelated to compliance, performance, or statutory purpose.

CONCLUSION

The undersigned share OMB's stated interest in ensuring that federal funds are used lawfully, effectively, transparently, and for the public purposes Congress authorized. Federal financial assistance should not support unlawful discrimination, waste, fraud, or misuse of public funds. However, the proposed rule as drafted would not strengthen accountability. It would create uncertainty around the very research, evaluation, accessibility, civil-rights compliance, and program-improvement activities that allow agencies and recipients to know whether federally funded programs are actually working.

For disabled people, especially those who are multiply marginalized, the consequences would be significant. Federal funds shape access to health care, education, employment, housing, transportation, public benefits, emergency management, community-based services, research, and civil-rights enforcement. When recipients are discouraged from collecting data, examining disparities, identifying access barriers, engaging affected communities, or using research findings to improve programs, exclusion becomes harder to see and easier to ignore. Programs may remain formally open while continuing to be practically inaccessible to the people they are supposed to serve.

The undersigned therefore urge OMB to withdraw or substantially revise the proposed rule. At minimum, OMB should clarify that the rule does not restrict lawful civil-rights compliance, disability accessibility, reasonable accommodations, language access, demographic data collection, disaggregated and intersectional analysis, targeted outreach to eligible populations, community engagement, participatory research, accessible dissemination, or program evaluation designed to ensure that federal funds serve all eligible people. OMB should also withdraw or substantially revise the proposed disparate-impact restrictions, preserve independent expert review for research awards, and limit termination or suspension authority

through clear, objective, program-related standards with meaningful notice and an opportunity to respond.

These revisions are critical because accountability cannot be achieved by making inequity harder to measure, access barriers harder to name, or research findings harder to use. A final rule should protect federal funds from unlawful discrimination and misuse without chilling lawful efforts to ensure that federally funded programs are accessible, evidence-based, and effective. The disability community depends on federal programs that do more than exist on paper. It depends on programs that can be reached, used, evaluated, improved, and held accountable.

If you have any questions, please feel free to contact Dr. Kate Caldwell at caldwell@law.ucla.edu.

Sincerely,

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