



July 13, 2026

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

Re: Comments on Proposed Revisions to Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (OMB-2026-0034)

Dear Director Vought:

The American Lung Association appreciates the opportunity to comment on this proposed rule on federal financial assistance. Our organization's mission is to save lives by improving lung health and preventing lung disease, and we have a 120-year history of advancing lung health for people across the nation. We have long offered feedback on ways to improve transparency and efficiency in federal processes, including to OMB, and stand committed to continue doing so. However, in this instance, we urge OMB to withdraw this proposed rule. We have grave concerns about the potential impacts of this rule on the nation's ability to invest in lifesaving medical research, protect communities from chemicals and contaminants that harm the lungs, and sustain the public health programming and infrastructure that helps children and adults avoid preventable illness and live healthier lives.

Value of Federal Funding

Investments from the federal government, simply put, save lives. Federal financial assistance is the mechanism through which Congress' investments are translated into scientific discoveries, healthier communities and lifesaving public health programs across the country.

For example, funding provided through the National Institutes of Health (NIH) supports the biomedical research that has fundamentally changed how the nation prevents, diagnoses and treats lung disease. Federally funded research has transformed lung cancer care through advances in precision medicine, targeted therapies, immunotherapy, diagnostics and prevention strategies that have extended and improved countless lives. NIH-supported research also led to the landmark National

Lung Screening Trial, which demonstrated that annual low-dose CT screening can reduce lung cancer mortality among high-risk individuals and ultimately formed the foundation for today's national lung cancer screening recommendations. Beyond lung cancer, NIH research continues to advance the nation's understanding of asthma, chronic obstructive pulmonary disease (COPD), pulmonary fibrosis and other lung diseases while supporting clinical trials that give patients and their families hope. These breakthroughs are possible because researchers can rely on stable, multi-year investments that allow scientific discoveries to build upon one another over time.

Similarly, the Centers for Disease Control and Prevention (CDC) provides federal financial assistance that enables states, localities, territories and Tribes to implement evidence-based public health programs that prevent disease before it starts. These investments support tobacco prevention and cessation programs, state quitlines, asthma control programs, chronic disease prevention, lung cancer screening initiatives, respiratory disease monitoring, immunization programs and other efforts that improve health while reducing healthcare costs. They also provide a stable infrastructure that allows public health departments to hire and retain qualified staff, build trusted community partnerships and respond quickly to emerging public health challenges.

The Environmental Protection Agency (EPA) provides funding to states under the Clean Air Act to help them monitor air quality, inform the public on days with unhealthy levels of pollution, and draft and administer cleanup plans where needed that take into account the cost and feasibility of different options to reduce emissions. While state and local air quality agencies contribute their own funds for these activities to supplement EPA's grants, the federal funds are indispensable. They are particularly important for air quality monitoring in rural and suburban communities, according to the National Association of Clean Air Agencies, and ensuring residents there have access to timely information they can use to protect their health.

As part of these investments, federal funding already comes with strict controls and processes that ensure that these investments meet their intended goal and are spent in transparent ways.

This proposal is sweeping in its potential impact, affecting federal awards to states, local governments, Tribes, universities, hospitals, companies and nonprofit organizations. While the proposal would affect nearly every sector receiving federal financial assistance, our comments focus on its implications for biomedical research, public health and local organizations working to improve lung health. Our perspective is informed by input from the Lung Association's network of researchers, decades of experience partnering with state and local public health agencies, and our own staff experience administering federal awards.

Impacts on Research

For many people living with lung disease, federally funded biomedical research is not an abstract investment – it is their best hope for living longer, healthier lives. The American Lung Association works closely with people with lung cancer who have benefitted from cutting-edge research funded by NIH. They rely on clinical trials for treatment options for a disease that, after many years of underinvestment, has now been the subject of enormous breakthroughs, benefitting deeply from America's global leadership in science and medicine.

As one researcher noted, "A trial is a commitment to the patients enrolled in it, who have accepted the risks of an investigational protocol on the understanding that the study will be carried through. Interrupting one because of a sudden funding gap can leave participants on an investigational regimen without proper monitoring, deny them continued access to an intervention that may be helping, and waste the risk they already accepted by ensuring the trial never reaches a useful conclusion."

There are numerous provisions in this proposed rule that could put people with lung disease at grave risk of losing access to clinical trials they currently have and could reduce the number of clinical trials and breakthroughs overall. First, the proposal would allow any presidential administration, now or in the future, to cancel grants that they deem no longer advance their priorities, with no recourse for grantees. It is important to note that this is distinct from administrations setting priorities in what they fund; as one researcher noted, *"When NIH or its institutes decide that a particular disease area or methodological gap deserves attention and issue [a Request for Application] accordingly, that is a reasonable exercise of stewardship over public resources, and it can accelerate progress in genuinely underfunded areas. Researchers can respond to that signal, compete on the strength of their proposals, and the field benefits."*

However, what the proposal lays out is a pathway not for the prioritization of new funding, but for the cancellation of existing funding. This distinction is critical. For biomedical research and clinical trials, this exposes researchers and participants to enormous risk. This type of research necessarily requires multiple years to complete, making it highly likely that biomedical research endeavors will cross between presidential administrations. If an administration decides that a project no longer serves their priorities for any reason, years of scientific progress toward cures and treatments for diseases could be wiped away, with patients in the trial left with no viable treatment options for their disease.

Abruptly ending ongoing research also risks wasting years of federal investment in research infrastructure, patient recruitment, and data collection before meaningful scientific conclusions can be reached. Stopping midway through a project does not mean that the work could simply be continued later. As one researcher noted, *"Scientific*

research depends upon a strong infrastructure, which takes time to develop. Rapid shifts in priorities will lead to dismantling of the infrastructure every 4-8 years (or sooner with rapid cancellation of grants). This would make it very difficult to move science forward as the first few years of every project will simply be rebuilding the infrastructure that had previously existed before the last shift in priorities.” Another researcher said, *“Rebuilding a cohort or a trained investigator takes far longer than the disruption that destroyed it, and some of that capacity does not come back at all.”*

There are further provisions in the proposal that would delay or undermine the process of awarding scientific funding. The proposal would require decisions on funding to be made at the political appointee level, which for scientific research would be a departure from the current practice of grant applications undergoing peer review by scientists who understand the field. The peer review stage would instead be limited to an advisory opinion. This creates a situation in which a political appointee with limited knowledge of a specific scientific field is responsible for deciding which research proposals have the most scientific merit. Further, it could disincentivize scientists from participating in the advisory peer review stage at all if their review may not actually be relevant in the ultimate decision on whether to award funds. This is not to say that there is not room for improvement in the peer review process, or that scientific merit needs to be the only factor awarding federal funds for research, but these changes and considerations of other factors should strengthen the existing system rather than supersede it.

Adding this layer of political review would also entrench delays in funding, adding to delays already experienced in distributing NIH research grants in 2025 and 2026 and delaying the advancement that would come with them. These recent delays in funding have already had an impact on potential treatments. One researcher reported, *“Federal delays already effectively shut down a startup company working to develop a promising new therapeutic. My lab was ready to run the necessary experiments to move the therapeutic forward to clinical trials, but with the extensive funding delays the work was never completed before the company dissolved.”* We are deeply concerned by the possibility of more such examples.

Another researcher underscored the unique role that federal funds play in developing new breakthrough medical treatments and cures by highlighting the fact that the pharmaceutical industry and universities will be unable to fill any gaps left by changes to NIH funding, particularly given the long timeline needed for scientific discoveries to lead to new drugs or diagnostic tests.

Impacts on Researchers

In addition to its broad, harmful implications for scientific research, the proposal contains additional provisions on funding that would make the acts of carrying out, discussing and publishing federally funded research more difficult.

Research does not exist in a vacuum; ensuring scientists can discuss and publish their findings is essential to ensuring that these findings translate into real-world impact. These activities also allow researchers to validate findings, identify collaborators, avoid duplicative work and accelerate the development of breakthroughs. We appreciate that the proposal allows applicants to continue to use funding to attend conferences, but we are concerned that the proposed changes restrict conference attendance unless it is written into the award when it is first issued. Given the long timeline of research grants, this may effectively dramatically limit conference attendance, as the most appropriate future conferences may not be planned or calendared at the time the award is issued. As one researcher noted, this provision *“will lead to reduced networking and presentations at national meetings - these are the places where junior investigators find collaborators, new labs to work in, etc. Labs will be squeezed for non-federal funds to go to meetings, which likely means that only the more senior researchers will go (and the number of meetings that they attend will be reduced.)”*

The proposal would also prohibit the use of funding for research to be published in journals. However, publication is crucial to ensuring that federally funded research is disseminated beyond the researcher.

The proposal also restricts funding for international collaboration. While assuring that federal funds do not further national security risks is an important part of the oversight of these funds, we are concerned that the very broad provisions in the proposal would restrict scientific collaboration in a way that further undermines the development of new treatments and cures. Biomedical research relies on collaborations that bring together specialized expertise, unique patient populations and technical capabilities that do not always exist within a single institution or country. These collaborations have played an important role in advancing treatments for complex diseases, including lung disease.

Researchers have also expressed concern about the implications of this proposal for the workforce. In the short term, hiring for immediate research opportunities is already a challenge with uncertain or unpredictable funding cycles, which could be exacerbated with increased uncertainty under this proposal. As one researcher described, *“We are forced to wait until a notice of award is in hand before posting a position, which means we are always hiring at the last minute, into a window when we already need the person at the bench ...Realistically, the path from interview to a person running experiments competently and unsupervised is already about six months under the best conditions. Unpredictable funding adds another three to six months to that, because the hiring cannot begin until the money is certain, and the certainty rarely arrives when the science needs it. The net effect is that a lab can lose the better part of a year of productive capacity not to any scientific obstacle, but purely to the logistics of an unstable funding environment.”*

Over the long term, if research funding opportunities become less stable, experts may leave the scientific field altogether. This risks not only impacts for the patients who would have benefitted from their work, but the U.S.' global leadership compared to China's and Europe's in biomedical science and new treatments.

This has particularly profound implications for early-career researchers. Multiple researchers reported considering not taking on new trainees or mentees because of funding uncertainty. One noted, *“As an early-career physician-scientist, stable and predictable federal funding is essential to building a successful research career. Developing an independent research program is a long-term process that often requires years of training, mentorship, and sequential funding opportunities before investigators can compete successfully for larger grants. During this period, early-career researchers rely heavily on institutional support and protected research time. When federal funding becomes unpredictable, institutions become less able or willing to make those investments, making it increasingly difficult for young investigators to pursue research careers. I am concerned that continued uncertainty in federal research funding will discourage an entire generation of scientists from entering or remaining in research. While funding reductions may produce short-term savings, the long-term consequence is the loss of the scientific workforce needed to drive future discoveries. The researchers who will lead major advances 10–20 years from now are the trainees and junior faculty being supported today.”*

Another researcher noted, *“The consequences extend far beyond research grants. When academic medical centers lose research funding, they also lose the experts who care for patients, train the next generation of physicians and scientists, and drive innovation. Other countries are actively recruiting this talent. If we continue to create uncertainty, we risk ceding our global leadership in science and reducing Americans' access to world-class expertise and cutting-edge care.”*

The research community has direct experience, feedback and ideas on how to improve the NIH grantmaking process, including improving efficiency. We strongly recommend that future rulemakings that would affect this process be conducted after input is gathered from funded researchers.

Impacts on State and Local-Level Programs

Coupled with its longstanding commitment to funding biomedical research, the federal government's investments in public health nationwide have long paid dividends in improved health and reduced disease. This includes an enormous range of programs ensuring people lead healthier lives, including funding for states to help people quit tobacco and prevent kids from starting; close immunization gaps; track infectious disease outbreaks; monitor and reduce air pollution; invest in public-private partnerships that provide healthier transportation options; get people screened for lung cancer; and

much, much more. These programs depend on predictable federal funding. State and local health agencies hire staff, build community partnerships, enter into contracts and plan multi-year public health initiatives based on the expectation that congressionally appropriated funding will be awarded and administered in a timely manner. When that predictability is lost, communities – not just grantees – bear the consequences.

Unfortunately, grant cancellations and funding delays have already impacted important public health work on the ground. One important example that illustrates the impact of federal funding uncertainty is the recent upheaval of tobacco control work. Although Congress appropriated funding for CDC's Office on Smoking and Health (OSH), significant delays in releasing those funds in 2025 forced states to postpone hiring, delay contracts and scale back tobacco prevention and cessation activities while awaiting awards. In some cases, the uncertainty became so significant that some states chose not to continue pursuing this federal funding opportunity altogether because they could no longer rely on the funding being awarded in a predictable and timely manner.

The consequences of these disruptions were felt immediately in communities across the country. For example, the funding delays to CDC tobacco programs translated into on-the-ground losses for state tobacco control work, including in West Virginia. The state's youth tobacco prevention funding for FY26 was eliminated, resulting in the loss of a longstanding, successful youth tobacco prevention program and its 54 community partnerships and 1500+ engaged students working to prevent teen tobacco use – and putting students at immediate, increased risk of tobacco addiction. Several other state tobacco control programs temporarily shut down or significantly reduced operations, while others furloughed or laid off experienced staff because they could not sustain programs without the expected federal funding.

The disruption of CDC's Tips From Former Smokers campaign further demonstrates the downstream consequences of abrupt terminations of federal public health programs. The Tips Campaign has long been one of the nation's most effective public health national media campaigns – having helped more than one million people quit smoking for good, saved more than 100,000 lives from early deaths and saved more than \$7 billion in smoking-related healthcare costs in its first six years. After the Tips Campaign contract was terminated in late 2025 and the campaign went off the air, states and quitline providers reported substantial declines in demand for cessation services. For many people who smoke, state quitlines are more than a phone number – they are a critical entry point to evidence-based tobacco treatment, providing free counseling and, in many states, nicotine replacement therapies. For individuals without regular access to healthcare, including those living in rural or underserved communities, quitlines may be their only readily available source of cessation support. Quit For Life, which operates quitlines in 19 states, Guam and the District of Columbia, has reported that calls declined by 25% in the first half of 2026 compared to the same period in 2025 when the

campaign was on the air. Other states have reported similar trends, including declines of approximately 45% in Texas, 25% in California and 18% in New York. In Virginia, enrollment in quitline counseling services fell by nearly half between October 2025 and February 2026.

These examples illustrate the type of on-the-ground impact that federal funds provide, and what is at risk if additional programs are subjected to a higher likelihood of cancellation now or in the future. Once this public health capacity is lost, rebuilding experienced staff, trusted community partnerships and effective programs can take years.

Impacts on Local Organizations

As a recipient of federal funds, the Lung Association has a strict, up-to-date system of internal controls to ensure that we fully comply with all requirements. This requires investments in staffing and systems that we are able to make efficiently as a mid-size, nationwide nonprofit. We are proud of our excellent track record of compliance and our ability to balance it with delivering health services and programs with our federal funds. Because we have this capacity, we frequently partner with subrecipients to carry out our grants, particularly small, local organizations with limited staff but strong local relationships and knowledge that maximize the projects' effectiveness. For small organizations like these, the proposal would put in place new requirements that could limit their ability to participate in federal funding or the programs they are able to deliver with it.

One challenge presented by the proposal would be the elimination of fixed awards as a funding mechanism, including for subrecipients. This option is currently an important part of work with local organizations; it allows for clear protections in place that ensure subrecipients are eligible to receive funds and accountable for the work carried out under them, but minimizes their compliance burden. This allows them to spend their limited staff time and budget carrying out the activities of the grant, such as working directly with community members to advance health-related goals, without spending disproportionate amounts of staff time on administrative requirements related to the grant – particularly as small organizations for whom investments in full-time compliance staff and systems are impractical. The removal of the option to issue fixed subawards would likely limit recipients' ability to partner with some local organizations, potentially leading to reduced impact of federal funding at the community level. Additional new compliance requirements that could disproportionately impact small subrecipients include enrolling in DHS E-Verify and providing written justifications for every payment request, further adding to demands on limited time for small subrecipients in particular. For some organizations, these cumulative administrative burdens may outweigh the benefits of participating in federally funded programs altogether, reducing recipients'

ability to partner with trusted organizations that are often best equipped to deliver services locally.

Conclusion

Federal investments in scientific research and public health programs have made enormous progress in improving health for people nationwide, from new diagnostics and treatments for lung cancer to successful interventions to keep youth from using tobacco to cleaning up pollution at the community level. Investing in public health pays dividends by reducing people's likelihood of both short-term illness and long-term, chronic disease. We believe there is always opportunity to improve the way the funding is distributed to ensure more dollars reach promising research opportunities and local communities. We stand committed to working with OMB to identify these opportunities. However, based on our concerns with the current proposal, we urge you to withdraw it, and to instead work with researchers, grantees and community members to identify ways to ensure federal funding has even greater benefits for health.