
Treatment Action Group Comment on the Proposed Rule “Regulation for Federal Financial Assistance” (OMB-2026-0034)

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Treatment Action Group (TAG) has submitted formal comments opposing a proposed rule from the White House Office of Management and Budget (OMB) that would overhaul how federal research grants are awarded and managed. Under the proposed rule changes, scientific experts would still review research applications, but political appointees would have final authority to approve, deny, or cancel awards based on alignment with the administration’s priorities.

TAG’s comment calls the rule an attempt by the Executive Branch to bypass Congress’s constitutional authority over federal spending, pointing to the administration’s prior grant terminations. Many of which have been challenged successfully in court. TAG’s letter argues the rule would compound damage already visible in weakened CDC disease-surveillance capacity, disrupted international research collaborations including HIV studies in South Africa, and the termination of an NIH-funded HIV vaccine consortia that was left in limbo for months before its promised funding opportunity was quietly shelved.

Read the full comment below.

Treatment Action Group (TAG) is submitting this comment in *complete opposition* to the proposal to revise parts of the Office of Management and Budget (OMB) Guidance for Federal Financial Assistance in title 2 of the Code of Federal Regulations (CFR).

The proposal is coming from an Executive Branch that has already attempted to unilaterally disrupt Federal funding by terminating grants for political and ideological reasons; these moves have frequently run afoul of the law and faced successful court challenges. The administration’s response is this new attempt to codify a capacity for OMB to subvert Congress’s constitutionally-mandated power of the purse and the rule of law. This intent is reflected in the replacement of the word “guidance” with the proscriptive “regulation” and “requirement.”

The results of this administration’s attacks on Federal support for science and public health are clearly evident all around us: Domestically there are outbreaks of measles, cyclospora, and a return

of screwworm to livestock in the context of a decimated capacity of the Centers for Disease Control and Prevention (CDC) to test for pathogens and assist in responding to public health problems. Internationally the response to an ongoing outbreak of Ebola has been stymied and slowed by the destruction of the United States Agency for International Development (USAID).

The proposed OMB rule aims to give the current administration the power to cause more of these harms.

TAG was founded in 1992 and our focus and expertise is on addressing, ameliorating, and ultimately ending HIV, hepatitis C (HCV), and tuberculosis by accelerating high-quality, ethical, and inclusive research and well-designed, evidence-based health programming. The administration proposing this revised OMB rule has already done extensive damage to these efforts.

The false, ignorant, anti-science claims made about the biology of sex and transgender people in Executive Orders *and on taxpayer funded government websites where these claims are stated as fact* are repeated in these proposed rules sections 200.205 and 200.300. This effort to deny the complexity of biological reality is rooted not in science but in political and religious beliefs. The effects have already been pernicious, including the termination of grants that were aimed at improving the wellbeing of transgender people and understanding interactions of hormone therapies with health conditions including HIV (research that has broad relevance). One of the many egregious manifestations of this bigotry is the removal of transgender people from CDC HIV surveillance reports, an attempt to blind society to the well-documented disparate impact of HIV on this population.

Prohibitions on disbursement of National Institutes of Health grant monies to foreign collaborators have disrupted ongoing research, particularly in South Africa. The proposed rule seeks to permanently impose severe restrictions on international research (see sections §200.220, 200.329, 200.331-332), which is essential for making progress in treating and curing HIV, HCV, and TB, including in children.

A grant from the National Institutes of Health that had fostered great progress toward the goal of protecting against HIV acquisition with vaccination was terminated without notice or explanation; the possibility of renewal was then dangled in the form of a Notice of Funding Opportunity (NOFO) with an estimated release date of February 12, 2026. The NOFO was then archived in April 2026 and never issued, leaving the progress stalled without warning to the grantees.

OMB now seeks authority to bring this type of dishonorable capriciousness to federal grants broadly – not just for scientific research, but for federal grants that also fund healthcare, public

health, education, housing, clean water, transportation, and job training (likely representing over \$1 trillion in US taxpayer money).

This authority is being sought by an administration that has already demonstrated its willingness to use Federal money as a means to try to bludgeon states, cities, institutions, researchers, and others into compliance with its ideological demands on issues such as immigration, election administration, climate change, gender affirming care, the participation of transgender people in sports, etc.

The strategies employed in the new proposal to achieve these extortionist goals are manifold:

- Giving political appointees authority to override subject matter experts and peer review of grant applications (§200.202, 204-206);
- Expanding grant termination authorities and reducing avenues of appeal (§200.340-343);
- Restricting expenditures to limit grantees' ability to disseminate findings and interact with colleagues both domestically and internationally (§200.205,.200,.329,.331-332,432,.454,.461);
- Prohibiting the type of research that can demonstrate the disparate impact policies – including the policies proposed in the rule – can have on different populations and demographics (§200.218);
- Deliberately mischaracterizing diversity, equity, and inclusion (DEI) and related initiatives as discriminatory and banning funding related to the topic (§200.300).

The awareness of the legal overreach is revealed by lengthy but unconvincing legal justifications around the broad ban on DEI and gender and health disparity studies and the expanded powers to terminate grants.

The clear ideological motivation, illegality, and already demonstrated track record of willingness to abuse federal grant mechanisms for political purposes leads to only one conclusion:

These proposed rules must be withdrawn in their entirety.

Failing that, they must be overturned by the courts for their un-American, unconstitutional, freedom-curtailing overreach.

Request for 60 Day Extension of Comment Period

TAG joins many other commenters in requesting that OMB extend the comment period by 60 days so that the lengthy and complex proposal can be evaluated in detail and to allow time for E.O. 12866 meetings where individual members of the public and other organizations can present their views.

