RESEARCH AMERICA

July 30, 2026

Mr. Brian Stone
Chief of Staff, Performing the duties of the NSF Director
The National Science Foundation
Randolph Building
401 Dulany Street
Alexandria, VA 22314

Re: NSF Guidance on Financial Assistance Draft For Public Comment (NSF-2026-OTR-0001-0002)

Dear Mr. Stone:

On behalf of Research!America, thank you for the opportunity to provide this comment regarding the proposed changes incorporated into NSF's draft Guidance on Financial Assistance (GFA), which replaces the Proposal and Award Policies and Procedures Guide.

Research!America is a nonprofit, nonpartisan alliance dedicated to making research and innovation a higher national priority and accelerating medical progress. Our members include patient advocacy organizations, academic medical centers, universities, research institutes, scientific societies, public health organizations, philanthropies, and private-sector innovators across the United States.

Research!America appreciates NSF's efforts to streamline and modernize its Proposal and Award Policies and Procedures Guide. Clear, up-to-date guidance benefits both the agency and the research community.

At the same time, the notice does not provide enough information for stakeholders to evaluate the proposed revisions. It explains that NSF intends to remove outdated provisions and incorporate statutory, regulatory, Executive Order, and other policy changes, but it does not identify the specific provisions that would change or explain how the proposed guidance differs from the current version.

As a result, the public cannot meaningfully assess how the revisions would affect proposal development, research administration, award management, or the conduct of federally funded research. Without that information, it is difficult for stakeholders to provide the feedback the public comment process is intended to produce.

We are particularly concerned that, as documented in the "Summary of Changes" section of the draft GFA (P.6), the guidance has been revised with the goal of:

> *"Aligning with the proposed revisions to the Office of Management and Budget's (OMB) Uniform Guidance at 2 CFR 200 through the proposed rule published on May 29, 2026 (see 91 Fed. Reg. 32, 198, May 29, 2026)."*

This approach presupposes the outcome of an ongoing government-wide rulemaking process. OMB's proposed rule has not been finalized, and the public comment submission and review process remains the mechanism through which proposals like this are evaluated, refined, or withdrawn. Agency guidance should not assume that proposed government-wide policies will become final in their current form before that process has concluded.

Concerns with Proposed OMB Policies

As noted above, the draft GFA states that one of its principal purposes is to align NSF policy with OMB's proposed revisions to 2 CFR Part 200.

While, as previously noted, the draft GFA does not provide sufficient detail to fully understand how the proposed rule has been incorporated into the draft guidance, the broad scope of the term "alignment" leaves open to interpretation the extent to which the proposed OMB revisions will shape NSF's policies. Because the OMB rulemaking remains underway, Research!America believes it is important to reiterate some of the key provisions in OMB's proposed rule that would significantly reduce the return taxpayers receive from the nation's investment in NSF-supported discovery.

Proposed OMB Revisions That Would Reduce the Return on the Taxpayer Investment in NSF-supported Research	Why It Matters for NSF
Changes diminishing the primacy of scientific merit review	NSF's merit review system is a cornerstone of U.S. scientific leadership and public confidence in federally funded research. Maintaining scientific merit as the primary basis for funding decisions is essential to ensuring that taxpayer dollars support the highest-quality science with the greatest potential to benefit the nation.

Expanded discretionary termination authority	Long-term scientific research depends on stable and predictable funding. Expanding discretionary termination authority would increase uncertainty, discourage ambitious and longer-term research, and make it more difficult for institutions to undertake complex, multi-year scientific projects, ultimately reducing the return on taxpayers' investment in research. Providing no right to appeal these terminations simply heightens the concerns stated above.
Restrictions that unnecessarily impede scientific communication or collaboration	Scientific progress depends on researchers' ability to collaborate, share expertise, and build upon one another's discoveries. Policies that unnecessarily impede appropriate scientific communication or collaboration would slow the pace of discovery and reduce the public benefit derived from federally funded research.
Additional compliance and disclosure requirements without demonstrated benefit	Accountability and transparency are essential, but additional compliance requirements should provide commensurate public benefit. Requirements that add administrative burden without improving stewardship divert researchers, institutions, and taxpayer resources away from scientific discovery and innovation. The proposed rule provides no evidence of the need for or impact of these additional paperwork requirements.

Restrictions on publication costs	Scientific discoveries generate public value only when they are communicated, scrutinized, and built upon by other researchers. Policies that unnecessarily restrict publication would slow the dissemination of federally funded research and diminish the return taxpayers receive from their investment in NSF-supported science.
Restrictions on federally funded research related to diversity, equity, inclusion, or gender	NSF's mission is to advance discovery across all fields of science and engineering. Maintaining the freedom to pursue scientifically meritorious research is essential to fulfilling that mission. Policies that discourage funding for otherwise meritorious research because it examines differences among populations or seeks to understand factors affecting scientific participation or outcomes would limit scientific inquiry, reduce opportunities for discovery, and diminish the return taxpayers receive from NSF-supported research.

More broadly, OMB has provided insufficient information to evaluate the net impact of the proposed rule. Specifically, the Regulatory Impact Analysis (RIA) accompanying the proposed revisions to 2 CFR Part 200 provides an insufficient basis to assess:

- The nature and scope of the specific concerns the proposed rule purports to address;
- Whether the proposed rule would fulfil its stated objectives;
- Whether alternative approaches could achieve the stated objectives with fewer burdens; and fundamentally,
- Whether the widespread, disruptive effects of the proposed rule on our economy, our health, and our national security are justified by any positive outcomes the proposed rule could achieve.

In fact, throughout the RIA, OMB appropriately acknowledges that important information is unavailable, uncertain, or cannot be quantified. Research!America has described this and other NSF-relevant concerns in greater detail in our comments on OMB's proposed revisions to 2 CFR Part 200.

Conclusion We urge NSF to revisit its draft guidance to clarify the changes it is instituting, and to refrain from issuing guidance that can be interpreted to pre-apply proposed revisions to the Office of Management and Budget's (OMB) Uniform Guidance at 2 CFR 200. Fundamentally, doing so would dismiss the significance of public comment on OMB's proposed rule, and practically, it ignores the proposed rule's corrosive impact on US science and technology at the expense of the American people.

Respectfully submitted,

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Research!America