

July 13, 2026

Honorable Russell Vought
Director, Office of Management and Budget
Office of Federal Financial Management
725 17th Street, NW
Washington, DC 20503

Re: Comments on Proposed Rule, Regulation for Federal Financial Assistance, Docket No. OMB-2026-0034

Dear Director Vought:

The American Phytopathological Society, Potato Association of America, and Cereals & Grains Association respectfully submit the following comments on the Office of Management and Budget's proposed rule on Regulation for Financial Assistance.

We appreciate the opportunity to comment and recognize that the proposed rule seeks to address legitimate concerns about accountability and efficiency in the administration of federal financial grantmaking. However, as currently drafted, these provisions would significantly disrupt agricultural research, slow the development of new innovations, undermine the integrity of the peer-review system, and create uncertainty for researchers and institutions that rely on federal funding to advance plant health science and food security. **We urge OMB to rescind this proposed rule and instead work with stakeholders across the agricultural, technology, and food sectors to develop best practices that encourage scientific innovation.**

§ 200.205: Protection of Peer Review Authority

This proposed rule would grant agency officials broad authority to override or bypass the established peer review process for grant awards. We strongly oppose this provision.

The existing peer review system reflects decades of refinement to ensure that awards are made based on scientific merit, independent expert evaluation, and rigorous predetermined standards assessing the project's relevance to national agricultural priorities. Our organizations' members, many of whom have served on these peer review boards, can attest to the rigorous, merit-based process used to evaluate proposals and recommend them for funding.

Additionally, many plant pathology research projects are funded in part through commodity boards and industry partners who make investment decisions based on the expectation that federal co-funding will be awarded through an objective, merit-based

process. Allowing agencies to circumvent this process would introduce subjectivity and inconsistency into funding decisions and could jeopardize private sector funding for longer-term projects.

The peer review process has proven to work and provide on-the-ground benefits. A few examples of this process working include:

- **USDA Specialty Crop Research Initiative (SCRI):** Stakeholder participation is already an integral component of the federal grant review process, helping to ensure that funded projects address real-world needs and have strong support for implementation. For example, a recently completed nationwide Potato Soil Health SCRI project underwent multiple rounds of revisions before receiving funding. Input from expert reviewers as part of the existing peer review process and potato industry stakeholders strengthened the proposal, improved its scientific quality, and ensured its relevance to producers. The approved grant application included letters of support from more than 100 industry representatives, and potato industry engagement continued throughout the life of the project.
- **U.S. Culture Collection Network (USCCN):** Another example of how the peer review process ensures integrity, accountability, and transparency is the U.S. Culture Collection Network (USCCN) funded by the NSF, which facilitates the safe and responsible utilization of microbial resources through engagement with industry leaders, farming communities, and academia. These collections help safeguard U.S. agriculture by identifying cultivars resistant to different strains of plant pathogens, improving the capacity for early detection and control of plant diseases by providing collections of microbes for designing robust detection methods.

Our organizations share your concern in wanting grants to be impactful and for communities to benefit from this work, and we have seen firsthand that the peer review process works when done properly. A political override is unnecessary with the existing process of stakeholder engagement, which ensures those experiencing the greatest impacts are able to provide feedback at each stage.

§ 200.340: Limits on Unilateral Grant Termination Authority

This proposed rule would expand agency authority to terminate grants unilaterally with no explanation, including those mid-project. We are deeply concerned about the practical, economic, and scientific consequences of this provision for multi-year agricultural research programs and the stakeholders who would otherwise have benefitted from the work.

Agricultural research, particularly work on plant diseases, pest resistance, and food safety, often requires sustained, multi-year investment to produce meaningful results. Many USDA NIFA-funded grants are structured as five-year awards to support research that requires sustained investment and long-term data collection. When funding is disrupted mid-project, the impacts extend well beyond individual researchers and studies. It undermines long-term research goals, wastes prior federal investments, and delays solutions for growers that support agricultural productivity, innovation, and resilience.

We see several immediate impacts if funding is canceled without cause:

- Funding disruptions can prevent graduate students and postdoctoral researchers from completing their degrees and research commitments, jeopardizing the next generation of scientific leaders. This weakens the workforce pipeline needed to support U.S. agricultural competitiveness, food security, and national interests, while reducing the development of patentable innovations that drive economic growth and technological leadership;
- Industry partners who contributed matching funds or in-kind support forfeit their investments without receiving the contracted research outputs;
- Partially completed field trials and pathogen resistance studies may produce no usable data if terminated prematurely; and
- Export market relationships, such as ongoing research tied to U.S. agricultural trade in potato, wheat, and specialty crops, may be jeopardized, with direct long term economic consequences for American farmers.

As it pertains to specific agricultural research grants, we can cite specific examples where a mid-grant termination would have devastating consequences:

- **SCRI:** The effects of prematurely terminating large, collaborative grants such as the SCRI Potato Soil Health project are particularly devastating. These projects address complex agricultural challenges that cannot be solved within a single growing season and require multi-year investments to develop actionable crop management principles. Cutting a four-year project after only two years will invalidate critical portions of the research, reduce the value of prior federal investments, and forfeit opportunities to improve national soil health.
- **Potato Breeding:** In 2025, delays in potato breeding funding created immediate uncertainty for research programs across the country. Colorado State University planned to discontinue its potato breeding program due to the delay in the release of NIFA funds. Such an outcome would have jeopardized irreplaceable germplasm developed over decades, resulted in the loss of specialized expertise, and reduced opportunities to train the next generation of plant breeders. By introducing uncertainty into the grant cycle, American taxpayers lose the full

value of their investment in research, innovation, and crop improvement that makes U.S. a global leader in agriculture and food security.

§ 200.202: Preservation of International Research Collaboration

This proposed rule includes provisions that would restrict or impose burdensome new requirements on international research collaborations supported by federal grants. We urge OMB to reconsider the scope of these restrictions, which would have significant unintended consequences for American farmers and agricultural competitiveness.

Plant pathogens and pests do not respect national borders, and their populations vary widely across the regions where they emerge and spread. Effective plant health research therefore depends on international data sharing, germplasm exchange, and collaborative field work, particularly where critical field data and biological diversity exist only in partner countries. Restricting international collaboration would limit U.S. researchers' access to essential scientific knowledge and pathogen detection, creating gaps in diagnostics, resistance breeding, disease forecasting, and outbreak preparedness that ultimately threaten national food security. Such restrictions would also erode U.S. influence within the international networks that coordinate responses to emerging pests and diseases, weakening the partnerships that support vital scientific collaboration on plant health, facilitate seed trade, and expand market opportunities. More broadly, limiting collaboration risks ceding U.S. leadership in global plant health research to other countries, putting American farmers at a competitive disadvantage in global markets.

Under these new restrictions, U.S. scientists may be forced to wait until a pathogen is present domestically before federally supported researchers can fully study its biology, epidemiology, or management. This approach is at odds with effective prevention to protect agricultural biosecurity. Protecting U.S. agriculture requires a proactive approach that enables American scientists to identify and study emerging threats, develop diagnostics before those threats arrive, and provide farmers with science-based management strategies before outbreaks occur.

We can identify several areas where restrictions on international collaboration would have an immediate impact:

- Emergence of pesticide-resistant strains of late blight allow preparation prior to U.S. emergence or spread.
- Detection of *Ralstonia* prior to import protects the potato industry. As it stands now, key results and genomic data are shared through international partnerships.
- Testing crop plant varieties internationally allows researchers to determine which plant varieties are resistant prior to pathogen spread.

- Assisting other countries in managing plant diseases aids food security, which directly impacts political stability.

There are several incredibly important international collaborations that protect and advance domestic agricultural interests. To face restriction would harm our national security:

- **The Wheat Initiative:** This global alliance connects public and private researchers from 14 countries to synchronize wheat genetics and agronomic studies. By combining research forces, it prevents duplicated efforts and ensures that breakthrough discoveries in soil management or yield performance move from laboratory to field much faster. For farmers, this translates to rapid, nationwide access to state-of-the-art farming techniques and crop varieties that lower production risks.
- **International Maize and Wheat Improvement Center (CIMMYT):** CIMMYT maintains a massive, globally accessible seed vault containing over 150,000 wheat and maize varieties. When a devastating pest or weather crisis hits a region, scientists pull resilient genetics from this global bank to cross-breed into local varieties. This provides farmers with a continuous pipeline of drought-hardy, disease-resistant seeds that protect their fields from catastrophic crop failure.
- **Agricultural Model Intercomparison and Improvement Project (AgMIP):** AgMIP links global weather projections with agricultural models to forecast how future weather trends and rainfall shifts will affect staple grains. These advanced models give agricultural extension services and co-ops the foresight to prepare for long-term regional changes. Armed with this data, farmers can make highly informed, strategic adjustments to their acreage, crop choices, and infrastructure investments years before real-world changes severely impact their bottom line.

Global plant health research will not stop when the United States withdraws. The likely result of reduced international collaboration is not a more self-reliant United States, but a United States with less access to emerging information, less influence over research priorities and standards, and a greater dependence on discoveries made elsewhere.

§§ 200.400: Allowable Cost Rules and Administrative Burden

We are also concerned about proposed changes to allowable cost rules and indirect cost recovery that would impose significant new administrative burdens on professional societies.

Scientific journals provide premier science. The peer-review contributions of society members help ensure the scientific rigor and credibility of published research, enabling farmers, researchers, and policymakers to make informed decisions that strengthen disease management and food security. Restricting the use of federal funds for

publications would severely impede the exchange of data and weaken U.S. competitive advantage in agricultural science and innovation.

Additionally, federal support for participation in scientific society meetings is an investment in collaboration, innovation, and workforce development. These meetings connect researchers with stakeholders, foster cross-disciplinary partnerships, provide critical mentorship and professional development opportunities, and accelerate the exchange of knowledge needed to address evolving agricultural challenges. To maximize the return on federal research investments, scientists must be able to effectively disseminate their findings through both scientific conferences and peer-reviewed publications. Limiting these activities will weaken American agriculture.

Conclusion

Our organizations support accountability, transparency, and efficiency in the administration of federal financial assistance and welcomes the opportunity to work with OMB to ensure these goals are achieved without undermining U.S. agricultural research capacity. As currently drafted, several provisions of the proposed rule could impose significant burdens on the research enterprise, which would limit scientific innovation, reduce agricultural productivity, and weaken the research foundation that supports food security and national competitiveness.

Rather than relying on regulation requirements, we encourage OMB to collaborate with stakeholders for best practices that advance shared objectives while avoiding unintended consequences to U.S. agriculture.

Respectfully,

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