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Director Russ Vought
Office of Management and Budget
725 17th Street NW
Washington, DC 20503

Re: Proposed revisions to the Guidance for Federal Financial Assistance *[Docket No. OMB-2026-0034]*

Dear Director Vought:

TechNet appreciates the opportunity to comment on the Office of Management and Budget's proposed revisions to the Uniform Guidance governing Federal Financial Assistance. TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's members strongly support responsible stewardship of taxpayer resources and recognize OMB's efforts to improve consistency, accountability, and transparency across federal financial assistance programs. A modern, efficient framework for administering federal grants is essential to ensuring that public investments produce meaningful results for the American people.

TechNet's diverse membership includes companies that collectively invest hundreds of billions of dollars annually in research and development and partner extensively with universities, national laboratories, nonprofit research organizations, standards bodies, and federal agencies to transform scientific discoveries into products, services, and technologies that strengthen America's economy and national security. Federal research funding is not simply support for academic research. It is foundational to America's innovation ecosystem and an important complement to this private investment. The Uniform Guidance governs a research enterprise that enables collaboration across academia, industry, startups, nonprofits, and government, creating the pipeline through which federally supported discoveries become commercial technologies, new businesses, high-paying jobs, and strategic capabilities.

The United States has maintained global leadership in emerging technologies because it has built the world's most effective innovation ecosystem. Merit-based research funding, scientific collaboration, scholarly publishing, professional conferences, technology standards, and public-private partnerships work together to accelerate discovery and commercialization. These institutions are mutually reinforcing. Weakening any one element ultimately diminishes the return on federal research investments. For example, in frontier AI, many of the technical practices that underpin

safe, reliable, and interoperable systems are developed collaboratively through federally supported research. Model evaluation methodologies, cybersecurity testing techniques, benchmarks, open-source software tools, and technical standards frequently emerge through peer-reviewed research, scientific conferences, and public-private collaboration before being incorporated into commercial AI systems. Policies that inadvertently slow these activities risk slowing the pace of American innovation at precisely the moment global competition is intensifying. Winning that competition will require not only continued investment in frontier research, but also policies that enable discoveries to move rapidly from the laboratory to the marketplace. Federal financial assistance should therefore strengthen the institutions that support scientific excellence, technology transfer, workforce development, and commercialization while minimizing unnecessary administrative burdens that discourage participation in federally funded research.

TechNet is concerned that several provisions of the proposed rule including revisions affecting research dissemination, publication costs, conference participation, and the broader administration of federal awards could unintentionally undermine these objectives. Although many of the proposed changes are intended to improve oversight, they would instead reduce flexibility, discourage collaboration, increase administrative costs, and weaken the innovation ecosystem that has made the United States the global leader in science and technology. These consequences would be particularly significant in rapidly evolving fields such as AI, quantum information science, semiconductors, cybersecurity, and biotechnology, where collaboration and rapid dissemination of research are essential to maintaining America's competitive advantage.

TechNet respectfully recommends that OMB revise the final rule to preserve the core principles that have made the U.S. research enterprise the world's most productive while modernizing grant administration in ways that improve accountability without reducing innovation.

Specifically, TechNet recommends that OMB:

- **Preserve merit-based scientific review as the foundation of competitive federal research funding by clarifying 200.205 to ensure merit-based scientific review remains the basis for evaluating competitive research awards while preserving agency discretion to establish programmatic priorities and make final award decisions.**
- **Retain the current treatment of publication costs and scholarly subscriptions under proposed 200.454 and 200.461.**
- **Withdraw the proposed revisions to 200.432 governing conference participation and preserve agency flexibility under the existing "necessary and reasonable" standard.**
- **Minimize unnecessary administrative burdens that discourage participation in federally funded research.**

- **Evaluate the cumulative impact of the proposed revisions on public-private research partnerships, technology commercialization, and U.S. competitiveness.**
- **Extend the public comment period to allow for additional stakeholder engagement before finalizing revisions of this scope.**

The following comments detail TechNet's recommendations and are organized by the relevant provisions of the proposed Uniform Guidance. Where a recommendation addresses multiple provisions or the proposal as a whole, it is identified as "General."

[200.205] Preserve Merit-Based Research Funding

Federal research funding has been remarkably successful because it has consistently supported the most promising ideas, the strongest researchers, and the projects most likely to generate scientific and technological breakthroughs. For decades, rigorous merit review conducted by subject-matter experts has provided the objective foundation for allocating federal research investments while allowing agencies to ensure awards remain aligned with statutory missions and national priorities.

TechNet recognizes that federal agencies must retain discretion to establish programmatic priorities, respond to emerging national security challenges, and ensure that taxpayer resources are used effectively. The proposed rule appropriately emphasizes agency responsibility for ensuring that federal financial assistance advances authorized program objectives and complies with applicable statutory and executive branch requirements. However, these important responsibilities should complement and not replace the longstanding role of expert technical evaluation in competitive research programs. The final rule should continue to make clear that scientific and technical merit remain the principal basis upon which research proposals are evaluated, with agencies retaining appropriate discretion to consider broader programmatic priorities when making final award decisions. This balance has long been a hallmark of the U.S. research enterprise and should be preserved.

This principle is particularly important in emerging technology sectors such as AI, quantum information science, semiconductors, biotechnology, and advanced communications, where scientific advances often emerge from high-risk, interdisciplinary research whose ultimate applications cannot always be predicted at the time funding decisions are made. History demonstrates that many of America's most transformative technologies, including the internet, GPS, cloud computing, and modern AI, originated from federally supported research that was selected because of its scientific merit and long-term potential rather than its immediate commercial application.

Merit-based evaluation also provides an essential signal to private-sector investors. Technology companies routinely make substantial complementary investments alongside federally funded research by contributing engineering expertise, cloud computing resources, laboratory capabilities, commercialization pathways, workforce training, and follow-on capital. Those investments are made with confidence that the

federal research enterprise operates under transparent, predictable, and objective standards. Policies that reduce certainty surrounding research funding decisions may unintentionally discourage these complementary private investments and weaken the public-private partnerships that have become central to the nation's innovation ecosystem.

Moreover, a strong merit-review system is itself a strategic competitive advantage. The United States attracts many of the world's leading researchers because its research institutions are widely recognized for rewarding scientific excellence, encouraging ambitious ideas, and supporting open competition. As strategic competitors continue to expand investments in advanced technologies, preserving confidence in the integrity, fairness, and technical rigor of the U.S. research enterprise will remain critical to maintaining American leadership.

Accordingly, TechNet recommends that OMB clarify 200.205 in the final rule to ensure that while federal agencies retain appropriate authority to establish programmatic priorities and make final award decisions, competitive research awards should continue to be grounded in rigorous, objective, merit-based evaluation conducted by qualified subject-matter experts. Maintaining this balance will strengthen public confidence in federal research investments while ensuring that the United States continues to support the highest-quality science and technology.

***[200.454 and 200.461]* Protect the Infrastructure that Supports Scientific Discovery and Innovation**

Federal research investments produce value only when discoveries are validated, disseminated, and translated into practical applications. The United States has built the world's most successful innovation ecosystem not only because it invests in scientific research, but because it supports the institutions that enable researchers to build upon prior discoveries, share new knowledge, validate results through peer review, and accelerate the adoption of new technologies.

Scientific journals, scholarly publishing, peer review, professional societies, technical standards organizations, research repositories, and scientific databases are essential components of the research enterprise that ensure federally funded discoveries become accessible to researchers, entrepreneurs, startups, established companies, and policymakers. Collectively, these institutions enable scientific knowledge to move efficiently from laboratories into commercial products, standards, public policy, and the broader economy.

This process is especially important in rapidly evolving fields such as AI, biotechnology, and quantum information science (QIS), where researchers must continuously access the latest technical literature, replicate prior work, evaluate emerging techniques, and contribute new findings to the scientific community. Innovation in these sectors depends upon the rapid exchange of knowledge across universities, industry, nonprofit research organizations, and government laboratories.

The proposed revisions to 200.454 (Memberships, Subscriptions, and Professional Activity Costs) and 200.461 (Publication and Printing Costs) would significantly narrow the allowability of expenses that support these core research functions. As drafted, the proposal would eliminate or substantially restrict federal support for professional subscriptions, publication costs, and related expenses that have long been recognized as reasonable and necessary components of federally funded research. While intended to improve fiscal oversight, these changes would instead reduce the visibility, credibility, and impact of federally funded research while producing little meaningful reduction in overall program costs. They would also diminish the return on taxpayer investments by limiting researchers' ability to disseminate discoveries and remain current with advances in their fields.

The Administration has consistently emphasized that maintaining American leadership in emerging technologies requires accelerating innovation and strengthening the nation's research capacity. Restricting access to scientific literature or limiting the ability of researchers to publish their findings works against these objectives. Scientific publication is an important mechanism through which discoveries are independently validated, incorporated into future research, and ultimately translated into new technologies, products, and services. Likewise, access to current technical literature enables researchers to avoid duplicative work, identify promising new approaches, and build upon the best available scientific evidence.

Importantly, these costs also support the broader public interest. Publication in peer-reviewed journals enhances transparency, reproducibility, and public confidence in federally funded research. Professional subscriptions ensure that researchers supported by federal awards have access to the scientific literature necessary to conduct high-quality work. Data repository fees, article processing charges, and other dissemination costs facilitate compliance with federal public-access requirements while ensuring that research findings remain broadly accessible to the scientific community.

The proposed revisions would disproportionately affect early-stage companies, startups, nonprofit research organizations, community colleges, and smaller universities that lack institutional resources to absorb these expenses independently. Larger institutions may be able to subsidize publication and subscription costs through unrestricted funds, but smaller participants in the federal research ecosystem often rely on the allowability of these costs to fully participate in scientific collaboration. The result would be a less diverse and less competitive innovation ecosystem.

For technology companies, the implications extend beyond academic research. Many federally supported discoveries ultimately become the foundation for commercial innovation through licensing, startup formation, standards development, workforce training, and collaborative research partnerships. Weakening the mechanisms through which scientific knowledge is communicated slows technology transfer and reduces the pace at which federally funded discoveries become products that benefit the American economy.

To this end, TechNet recommends that OMB revise the final rule to preserve the existing treatment of publication and dissemination expenses under §§ 200.454 and 200.461. Specifically, OMB should:

- Continue to recognize subscriptions to business, professional, academic, and technical journals and periodicals as allowable costs when necessary to conduct, disseminate, or remain current in research supported by a federal award.
- Continue to recognize publication costs, including page charges, article processing charges, open-access publication fees, data repository costs, and similar expenses associated with peer-reviewed dissemination, as allowable when they are reasonable, allocable, and directly connected to the purposes of the federal award.

Preserving these longstanding cost principles will strengthen the accountability of federally funded research by ensuring that discoveries supported by taxpayers are rigorously evaluated, broadly disseminated, and translated into innovations that enhance America's economic competitiveness and national security.

[200.432] Preserve Flexibility for Scientific Conferences and Technical Collaboration

TechNet is concerned that the proposed revisions to 200.432 (Conferences) would significantly reduce the flexibility that researchers, innovators, and federal award recipients need to respond to emerging scientific opportunities throughout the life of a research project. Specifically, the proposed rule would permit conference attendance costs only when participation is expressly approved by the awarding agency and incorporated into the initial terms and conditions of the federal award. While intended to strengthen oversight of conference expenditures, this requirement would impose substantial administrative burdens without meaningfully improving accountability.

The existing Uniform Guidance already provides an appropriate and well-functioning framework. Under the current regulation, conference costs are allowable when they are necessary and reasonable for successful performance of the federal award, properly documented, and consistent with the award's terms and conditions. This standard appropriately balances recipient flexibility with agency oversight by ensuring that federal funds are used only for conferences that directly support program objectives. OMB has not demonstrated that this longstanding framework has resulted in widespread misuse warranting a blanket prior-approval requirement.

The proposed approach does not reflect how scientific research, technology development, and innovation occur in practice. Research projects frequently evolve over multiple years. Scientific discoveries lead to new questions, agencies establish new priorities, technical standards emerge, cybersecurity threats evolve, and professional organizations create workshops or special sessions to address rapidly developing issues. Researchers often cannot identify which conferences will be most relevant at the time an award is made. Abstract acceptance decisions may not occur until many months after a grant is awarded, and entirely new conferences or technical

workshops may be organized in response to emerging scientific developments. Requiring conference participation to be specified in the original award terms would unnecessarily limit recipients' ability to respond to these developments while increasing the number of award modifications that agencies themselves would be required to process.

This concern is particularly acute in frontier technology sectors. AI, cybersecurity, QIS, and biotechnology are among the fastest-moving fields in the global economy. New technical capabilities, vulnerabilities, evaluation methodologies, and standards emerge continuously. Federal researchers and award recipients must be able to engage with these developments as they occur rather than relying solely on plans established at the beginning of a multi-year award.

Scientific conferences are one of the primary mechanisms through which these exchanges occur. They provide opportunities for researchers to present preliminary findings, receive technical feedback, establish collaborations, identify complementary expertise, and accelerate the refinement of new ideas. They also enable researchers to learn about related federally funded work, avoid duplicative research, and identify opportunities for collaboration across institutions and disciplines.

For the technology sector, conferences serve an additional function that extends well beyond traditional academic exchange. They are often where industry, academia, government agencies, standards organizations, and nonprofit research institutions come together to develop the technical foundations that underpin emerging technologies. In fields such as AI and cybersecurity, conferences and technical meetings frequently host discussions that contribute to interoperability standards, model evaluation methodologies, cybersecurity best practices, responsible deployment frameworks, software engineering techniques, and other technical guidance that ultimately becomes embedded throughout the innovation ecosystem.

These meetings also play an essential role in technology transfer and commercialization. Startups identify licensing opportunities, investors engage with researchers, companies recruit technical talent, federal agencies share emerging research priorities, and collaborative public-private research initiatives are launched. In many cases, the relationships established through these conferences ultimately lead to new products, startup formation, industry partnerships, and follow-on private investment that significantly amplify the impact of the original federal research award.

The proposed revisions would disproportionately affect smaller participants in the innovation ecosystem. Large research universities and well-funded organizations may be able to absorb conference costs outside federal awards or dedicate staff to managing repeated award modifications. Startups, small businesses, nonprofit research organizations, community colleges, and entrepreneurs often lack those resources. As a result, the proposed rule risks reducing participation by precisely those organizations that bring new perspectives and entrepreneurial approaches to federally supported research, and limit participation in scientific, technical, academic, and workforce conferences without demonstrably improving oversight.

From a competitiveness perspective, the consequences extend beyond individual research awards. The United States has long benefited from an innovation ecosystem that encourages rapid collaboration among universities, industry, government laboratories, and nonprofit organizations. As strategic competitors continue to increase investments in emerging technologies, policies that slow knowledge exchange or create unnecessary administrative barriers risk weakening one of America's most enduring competitive advantages.

TechNet urges OMB to withdraw the proposed revisions to § 200.432 and retain the current framework governing conference costs. If OMB determines that additional oversight is warranted, any revisions should build upon the existing "necessary and reasonable" standard rather than replacing it with a blanket prior-approval requirement. Specifically, OMB should retain the existing standard permitting conference costs and continue to permit agencies to impose award-specific limitations where justified by the nature of a particular program rather than applying a government-wide prior-approval requirement. OMB should also clarify that conference participation supporting scientific collaboration, technology transfer, workforce development, standards development, and dissemination of federally funded research remain an appropriate and allowable use of federal financial assistance when directly connected to the objectives of the award.

Maintaining this flexible, risk-based approach will preserve appropriate stewardship of taxpayer resources while ensuring that federally funded researchers and innovators can continue to participate in the scientific and technical exchanges that drive American technological leadership.

[General] Protect Public-Private Research Partnerships and America's Innovation Ecosystem

The United States has built the world's most successful innovation ecosystem because it leverages the complementary strengths of government, academia, startups, established companies, nonprofit research organizations, venture capital, and national laboratories. Federal research funding has never operated in isolation. Rather, it serves as the catalyst for a much broader ecosystem that transforms scientific discovery into commercially deployed technologies, creates new companies, attracts private investment, strengthens domestic manufacturing, and supports high-quality American jobs.

This collaborative model has become increasingly important as research grows more interdisciplinary and technology development accelerates. AI, QIS, cybersecurity, biotechnology, robotics, and advanced communications all depend upon continuous collaboration among organizations with different technical capabilities and resources. Universities generate foundational research, startups rapidly commercialize new ideas, established companies contribute engineering expertise and global deployment capabilities, federal laboratories provide unique scientific infrastructure, and standards organizations help ensure that emerging technologies remain interoperable, secure, and broadly accessible.

Fundamental advances often begin with federally supported research, are refined through peer-reviewed publication, evaluated through independent technical testing, discussed at scientific conferences, improved through open technical collaboration and continued research, and ultimately incorporated into commercial AI systems deployed across the economy. The evaluation methodologies, cybersecurity testing techniques, benchmarks, interoperability practices, and technical standards that improve the safety, reliability, and performance of AI systems similarly emerge through sustained collaboration among universities, startups, technology companies, federal laboratories, nonprofit researchers, and standards organizations. Policies that create unnecessary barriers to these collaborative activities risk slowing the pace at which federally funded discoveries are translated into technologies that strengthen America's economic competitiveness and national security.

The Uniform Guidance plays an essential role in enabling these collaborations by providing a common framework governing federal financial assistance across agencies. Predictable and consistent rules reduce uncertainty, facilitate partnerships, and allow organizations of every size to participate confidently in federally supported research. Conversely, cumulative increases in administrative complexity, uncertainty regarding allowable costs, or restrictions on ordinary research activities can discourage participation, particularly among organizations with limited administrative capacity.

While each of the proposed revisions may appear modest when viewed independently, their cumulative effect would significantly increase the administrative burden associated with participating in federally funded research. Restrictions on publication costs, professional subscriptions, conference participation, and other research activities would require recipients to devote additional time and resources to compliance rather than scientific discovery. Large institutions may be able to absorb these additional costs. Smaller organizations including startups, small businesses, nonprofit research institutions, community colleges, and emerging technology companies often cannot.

This concern is particularly relevant for technology startups. Many of today's leading technology companies began as small research-intensive organizations working closely with universities and federal laboratories. Startups frequently lack dedicated grants management offices or large compliance staffs. Their comparative advantage lies in rapidly translating scientific discoveries into practical technologies. Policies that increase administrative complexity or reduce flexibility may unintentionally discourage these firms from participating in federally funded research altogether, limiting one of the most important pathways through which federal investments generate economic growth and technological leadership.

The proposed revisions may also affect technology transfer in less direct but equally significant ways. Federal research produces its greatest public benefit when discoveries move efficiently from laboratories into commercial development. This process depends upon continuous interaction among researchers, entrepreneurs, investors, standards organizations, manufacturers, and technology companies.

Scientific publications, professional conferences, collaborative research initiatives, workforce development programs, and technical standards activities collectively form the bridge between federally funded research and commercial innovation. Weakening any part of this ecosystem reduces the overall return on federal research investments.

These considerations are especially important given the Administration's objective of strengthening American leadership in AI and other emerging technologies. International competitors are making substantial investments not only in research itself but also in the institutions that support commercialization, technology diffusion, and workforce development. Maintaining U.S. leadership will require policies that preserve the openness, flexibility, and collaborative nature of the American innovation ecosystem while ensuring appropriate accountability for taxpayer resources.

For these reasons, TechNet encourages OMB to evaluate the proposed revisions not only on a provision-by-provision basis but also in terms of their cumulative impact on research partnerships, commercialization, startup participation, and U.S. technological competitiveness. Administrative reforms should strengthen the nation's capacity to innovate by reducing unnecessary barriers to collaboration while preserving the safeguards necessary to ensure responsible stewardship of federal funds.

[General] Extend Stakeholder Engagement Before Finalizing the Rule

TechNet supports OMB's efforts to improve stewardship of taxpayer resources, strengthen accountability, and modernize the administration of Federal financial assistance. At the same time, the final rule should preserve the flexibility, predictability, and collaborative environment that have made the U.S. research enterprise the global standard for scientific excellence and technological innovation.

The proposed revisions represent one of the most significant updates to the Uniform Guidance in many years and would affect virtually every participant in the federally funded research ecosystem. As numerous stakeholders have observed, the proposal carries substantial operational, legal, financial, and scientific implications extending well beyond traditional grants administration. Accordingly, TechNet encourages OMB to extend the public engagement process before issuing a final rule. Additional consultation with universities, nonprofit research organizations, technology companies, startups, federal laboratories, and other stakeholders would improve the quality of the final regulation while helping ensure that the administration's objectives are achieved without creating unintended consequences for American innovation.

Ultimately, it is critical that OMB conduct a broader assessment of how the proposed revisions will affect the full innovation ecosystem, including public-private partnerships, technology transfer, startup participation, workforce development, and commercialization of federally funded research. Before finalizing the rule, OMB should revise the proposal to ensure that changes intended to improve oversight do not inadvertently discourage participation by the diverse organizations that collectively make the United States the global leader in science and technology.

Conclusion

The United States has built the world's leading research and innovation ecosystem by combining merit-based scientific excellence, robust public-private partnerships, open scientific exchange, and responsible stewardship of federal investments. The Uniform Guidance has long provided the stable foundation that enables this ecosystem to thrive, helping transform federally supported research into the next generation of American technologies, companies, and industries.

As the United States competes for leadership in AI and other emerging technologies, maintaining a research ecosystem that accelerates discovery, commercialization, and technology transfer is more important than ever. Advances in AI, QIS, cybersecurity, and other strategic technologies depend on researchers across academia, industry, government, and nonprofit institutions being able to rapidly share knowledge, validate new approaches, and build upon one another's work. Preserving these collaborative mechanisms is essential to sustaining America's technological leadership and ensuring that federally funded research continues to translate into secure, innovative, and globally competitive technologies.

TechNet urges OMB to revise the final rule to preserve merit-based scientific review, retain longstanding support for publication costs, scholarly subscriptions, and scientific conferences, minimize unnecessary administrative burdens that could discourage participation in federally funded research, and evaluate the cumulative impact of the proposed revisions on public-private partnerships, technology commercialization, and U.S. competitiveness. We also encourage OMB to continue engaging with stakeholders before finalizing revisions of this scope to ensure the Uniform Guidance strengthens both accountability and the innovation ecosystem that underpins American technological leadership.

TechNet appreciates OMB's leadership in modernizing the Uniform Guidance and looks forward to continued engagement to ensure the final rule strengthens accountability while preserving the research ecosystem that drives American innovation, technological leadership, and global competitiveness.

Sincerely,

Linda Moore
President and CEO