



August 24, 2026

National Science Foundation

401 Dulany St

Alexandria, VA 22314

Re: NSF-2026-OTR-0001, National Science Foundation Draft Guidance on Financial Assistance (GFA)

Dear Mr. Brian Stone,

Thank you for the opportunity to provide comments on the National Science Foundation's (NSF) draft Guidance on Financial Assistance (GFA), Docket No. NSF-2026-OTR-0001, which NSF has proposed as a replacement for its current Proposal & Award Policies & Procedures Guide (PAPPG, NSF 24-1).

These comments are provided on behalf of the Association for Psychological Science, a nonprofit scientific society representing psychological and behavioral scientists across academia, industry, and government. Our members are leaders in the fundamental psychological and behavioral science research that informs our understanding of human cognition, behavior, development, and well-being. Psychological science research supported by NSF spurs American innovation by, for example, informing the design of trustworthy artificial intelligence systems. In short, it drives economic growth, improves national security, and enhances human well-being.

We respectfully request NSF separate proposed changes to the draft Guidance on Financial Assistance (GFA) from the proposed Office of Management and Budget (OMB) Uniform Guidance 2 CFR 200. The draft GFA explicitly states preemptive alignment with the OMB Uniform Guidance at 2 CFR 200. Its Guide 1.B requires recipients follow "all applicable requirements at 2 CFR 200, whether or not discussed in the guides."

NSF's proposal inappropriately acts on a rule that is not final. NSF proposed changes are tied to a proposed rule that garnered over 300,000 public comments, which were predominately in opposition.

Below, we have identified cases where there is coherence between NSF's draft provisions and the OMB draft guidance, and have included our comment to the OMB proposal, attached as Appendix A, for greater detail about impacts to federal funding

infrastructure should NSF choose to align with OMB's proposed guidance. We have also specified areas of contradiction and gaps between the two proposals that would result in NSF being noncompliant if the OMB rule were to be finalized. These should be addressed and returned to the public for comments.

Areas of premature alignment with the OMB proposal

- NSF's Termination and Suspension Authority (GFA Guide 25, Incorporating OMB's Proposed §§ 200.340, 200.341)

NSF's draft GFA already gives itself a broad new termination and suspension authority ahead of any final OMB rule requirements. Guide 25 lists "changes in priorities" as a termination ground and states that the guide "aligns termination provisions with the proposed revisions to 2 CFR 200" (OMB's proposed §§ 200.340 and 200.341). Guide 25 separately authorizes NSF to "immediately suspend or terminate an award" to protect government interests, with costs incurred during suspension "generally not allowed." NSF is not waiting for OMB to finish its rulemaking; it has already written OMB's proposed authority into its own binding guidance. See Appendix A, p. 3, for our full comment to OMB regarding the implications of this broadened authority.

- NSF's "Gold Standard Science" Standard (GFA Guide 13.D, Overlapping OMB's Proposed § 200.205)

NSF's draft guidance already invokes "Gold Standard Science" as a fundability benchmark. Guide 13.D defines it in aspirational terms (e.g., reproducible, transparent, communicative of error and uncertainty, and subject to unbiased peer review), but offers no measurable compliance standard, no defined process for determining whether a proposal satisfies it, and no avenue for appeal. As written in our comment to the OMB proposal (Appendix A, p. 5), a standard that cannot be measured cannot be applied consistently or challenged. In practice, it functions as a blank check for political appointees to substitute their own judgment for that of the scientific community, under the cover of quality assurance language.

- NSF's Restrictions on Dissemination (GFA Summary of Changes; Guide 4, Overlapping OMB's Proposed §§ 200.461, 200.454)

NSF's draft already disallows publication costs: its Guidance on Financial Assistance states in its Summary of Changes that it "disallows publication costs," while the draft's own budget guidance (Guide 4) still lists "page charges and illustrations" as allowable. an internal contradiction that needs to be addressed. NSF simultaneously mandates zero-embargo public deposit of accepted manuscripts, which many journals will only permit for articles published under paid gold open access. NSF's own guidance would

therefore require immediate open access while cutting off the funding mechanism institutions typically use to comply, without ever defining what counts as a “publication cost”. OMB’s parallel, still-unfinalized proposal (§§ 200.461, 200.454) would layer the same restriction on top, plus a categorical ban on journal subscription costs. See Appendix A, p. 6, for our full comment to OMB on this provision.

Additional Risks NSF Would Inherit From OMB’s Still-Pending Rule

The following provisions do not appear in NSF’s draft text. Because the GFA states that recipients “must be familiar with and follow all applicable requirements at 2 CFR 200, whether or not discussed in the guides,” each will become binding on NSF awardees automatically if OMB finalizes its proposed rule as written. We once again urge NSF to discard the connection to this OMB proposal. Our concerns about these provisions that were submitted to OMB are summarized below.

Foreign collaboration restrictions. A domestic-first framework that would require all research and development awards go only to U.S. entities, with international collaboration permitted only when a senior political appointee determines it is justified and in the national interest (proposed §§ 200.202(e), 200.220). Psychological science depends heavily on international data, samples, and partnerships, and this provision could cut off access to resources that would cost far more to rebuild domestically, if it were even possible, than to access through collaboration. It is imperative that NSF and any funding agency stall any adoption of such a rule, but as it stands, the public do not have insight into NSF’s response to this OMB proposed provision. See Appendix A, p. 2, for our full comment to OMB on this provision.

Indirect cost rate preference. A directive that, all else being equal, discretionary awards should favor institutions with lower indirect cost rates, without defining what “all else being equal” means or who decides. Indirect cost rates reflect real infrastructure costs; penalizing institutions for investing in research infrastructure does not produce better science. See Appendix A, p. 5, for our full comment to OMB on this provision.

Subscription costs. A provision making journal subscription costs categorically unallowable (§ 200.454), which would cut off access to the scientific literature researchers rely on, particularly at smaller institutions and free-standing nonprofit research organizations. See Appendix A, p. 6, for our full comment to OMB on this provision.

Reputational-harm subaward termination. A pass-through requirement (§ 200.332(i)) that would force lead recipients to terminate subawards if a subrecipient takes actions that “could significantly damage the reputation” of the federal agency or government, an undefined standard that could be used to suppress research on inconvenient topics. See Appendix A, pp. 6–7, for our comment to OMB on this provision.

Viewpoint neutrality and DEI restrictions. OMB's proposal contains an internal contradiction it has not resolved: § 200.219 would require public entities to provide viewpoint-neutral services for all events, while the same rule conditions research funding on whether proposals advance the President's policy priorities (§ 200.205), prohibits awards touching on diversity, equity, and inclusion (§ 200.300), and restricts what researchers can say publicly about their own findings (§ 200.450). Research on health disparities and the root causes of disease in underserved communities risks being swept into that DEI prohibition by a definition broad enough to have no limiting principle. NSF's draft has already begun removing its own diversity- and broadening-participation-related provisions (including Title IX and Section 504 coordinator requirements), a preview of what OMB's fuller, still-unfinalized prohibition would complete, and a move that may itself sit in tension with NSF's organic statutory mandate to broaden participation in STEM. See Appendix A, p. 7, for our full comment to OMB on this provision.

NSF has proposed aligning its own binding guidance with OMB's proposal before the OMB proposal is final. If implemented in full, these provisions, the ones NSF has already adopted and the ones it would still inherit, would dismantle the long-established, bipartisan system of checks and balances that has ensured taxpayer dollars fund the most meritorious science. Our full comment letter to OMB, which addresses these and other provisions in greater detail, is attached as Appendix A.

Thank you for your consideration.

Sincerely,

Robert Gropp, CEO

Appendix A: APS Comment Letter to the Office of Management and Budget (July 9, 2026)

July 9, 2026

Honorable Russell T. Vought

Director

Office of Management and Budget

725 17th Street NW

Washington, DC 20503

Re: OMB-2026-0034, Office of Management and Budget (OMB) Regulation for Federal Financial Assistance.

Dear Director Vought,

Thank you for the opportunity to provide comments on the proposed revision to the Guidance for Federal Financial Assistance, OMB-2026-0034.

These comments are provided on behalf of the Association for Psychological Science, a nonprofit scientific society representing over 6,000 psychological and behavioral scientists across academia, industry, and government. Our members are leaders in understanding human cognition, behavior, development, and well-being — research that improves health outcomes, economic growth, and child safety, informs the design of trustworthy artificial intelligence systems, and spurs American innovation.

Contrary to its stated intention, the proposed changes would increase the burden on researchers and institutions, stall critical scientific discovery, and, most significantly, formally elevate political perspective and interest over scientific merit in federal funding decisions. These changes do not target a single stage of the research process. They install a political filter across every stage, from program design through publication. This represents an unprecedented level of government intrusion and control over a scientific enterprise that has been a global leader for more than half a century.

Outlined below are significant implications of several provisions and the adverse effects they will have on American science.

Prohibition on Use of Federal Funds to Support Foreign Collaborations (§ 200.202(e), Program Planning and Design; § 200.220, Prohibition on Funding Foreign Activities)

The proposed rule establishes a domestic-first framework for all research and development awards, requiring that they be made only to U.S. entities unless a senior political appointee determines that an international element is justified and in the national interest. This goes beyond restricting how existing awards are used, it restructures who can receive federal research funding at the outset, with exceptions granted only at political discretion.

The impact of international collaboration on American lives is concrete and well-documented. Psychological and behavioral science has produced concrete policy tools for two of the Trump Administration's stated priorities, reducing poverty and improving public safety. Research by Anuj Shah, Jiaying Zhao, and colleagues has demonstrated that scarcity (i.e., being short on money or time) impairs cognitive function and drives short-sighted decision-making, not through lack of character but through measurable psychological mechanisms. These findings have directly informed the design of social programs, financial products, and court appearance interventions that reduce costs to government while improving outcomes for Americans. This work was built through international research networks spanning the U.S., Canada, and the United Kingdom. This is precisely the kind of collaboration this rule change could hinder.

Beyond direct policy applications, global collaboration gives American researchers access to innovative technologies, sophisticated data collection tools, and large-scale population databases that have been built over decades abroad and that span genetics, health, behavior, and social context in ways that do not exist in the United States. These resources enable researchers to ask questions that cannot be answered with domestic data alone, significantly expanding the scope and influence of U.S. psychological science. Resource sharing also strengthens national security by fostering trusted relationships with international partners and providing insight into behavioral patterns across cultures and adversaries. Restricting these collaborations forfeits access to scientific resources that took generations to build abroad and would cost far more to rebuild in the U.S. than to access through collaboration.

International collaboration is also essential to the scientific validity of American psychological research itself. For psychological science to produce findings with the greatest impact, knowledge that reflects universal human behavior rather than the experience of any single population, American researchers must work with diverse samples, datasets, and partners from around the world. Cross-national research partnerships make that possible: they expand the range of human experience and behavior our science can speak to, strengthen the generalizability of findings that can improve American lives and well-being, and ensure that the knowledge taxpayers fund is as broadly useful as it can be.

Termination and Suspension Authority (§ 200.340, Termination; § 200.341, Suspension)

The rule creates new discretionary authority for political appointees to terminate or suspend grants when they determine it is in the agency's interest, including after awards have been made. Research timelines often extend 5 to 10 years or more; mid-stream termination threatens trainees, disrupts ongoing science, and introduces political bias into a system deliberately designed to insulate funding decisions from politics. The current system contains multiple layers of accountability: peer review assesses scientific merit, program officers with deep domain expertise ensure awards reflect national need, and advisory boards provide an additional check that research has real-world impact. This rule dismantles that structure across any future administration and replaces it with a single political filter.

These termination provisions also carry a hidden methodological cost. Longitudinal research depends on consistency of measurement. Data collected on one proprietary system cannot simply be transferred to another device or platform mid-study without compromising the integrity of the entire dataset. Forcing researchers to switch vendors, platforms, or international partners mid-stream does not merely pause a study; it can invalidate years of data collection, requiring researchers to start over entirely or abandon the work altogether. This is particularly acute in developmental and behavioral science, where studies track the same participants over months or years and where even small changes in measurement protocol can introduce noise that makes earlier and later data incomparable.

The rule's suspension authority compounds this concern. Under proposed § 200.340(e), an agency may suspend an award for up to 90 days whenever it determines suspension is in its interest with no required findings, no defined timeline, and no SAM.gov record. For behavioral and developmental science, a 90-day suspension is not a pause; it is a termination that leaves no trace. Longitudinal data collection windows do not recur. Participants cannot be re-engaged without compromising data integrity. Specialized staff will not be there at resumption. It carries the full destructive force of termination while generating no paper trail, no reporting trigger, and no decision a court would ever review.

We have already seen the consequences. Between February and August 2025, NIH terminated 2,291 active grants, rescinding \$2.45 billion in funding. This represents approximately \$6.29 billion in unrealized economic output based on NIH's own economic multiplier. At NSF, over 1,300 grants had approximately \$700 million in funds cut. The hardest-hit congressional districts were concentrated in the Mid-Atlantic, Midwest, Southeast, and Southwest. These grants are part of the research pipeline most directly aimed at the crises this Administration has identified as national priorities.

Sophia Newcomer, an associate professor of public health at the University of Montana, had her NIH grant studying childhood vaccination rates and urban-rural disparities terminated with a letter stating her project “no longer effectuates agency priorities”. No scientific justification was provided for the termination. As she noted, states like Montana already receive far less federal health research funding than coastal states; these terminations compounded an existing inequity. A federal judge subsequently ruled the terminations void and unlawful, stating he had never in his years on the bench seen discrimination by the government to this extent. Reforms that increase transparency and accountability in federal grant-making are welcomed. Replacing scientific judgment with political discretion does not achieve these goals.

Political Override of Expert Authority (§ 200.205, Federal Agency Review of Merit of Proposals)

This proposed rule requires a senior political appointee to review every selected research proposal to ensure it advances the President’s policy priorities. This is redundant and it may be unlawful. The Public Health Service Act (42 U.S.C. § 289a) mandates appropriate technical and scientific peer review of all NIH grant applications and research contracts. A companion provision (42 U.S.C. § 289a-1) makes a favorable peer review recommendation an absolute prerequisite for funding. This means peer review has never been merely advisory at NIH as a matter of law. By requiring political appointees to override that judgment, this rule directly conflicts with Congressional intent and may violate federal statute.

NIH and NSF already have robust processes that pair scientific peer review with programmatic considerations such as field-wide priorities and investigator profiles. Adding political review doesn’t fill a gap; it displaces the expert judgment that makes the system work, creates new bureaucracy, and adds needless disruptions and delays. This is not theoretical. As of March 2026, NIH had awarded 74% fewer grants than the average for the same period in years 2021 to 2024. These delays are largely attributable to new layers of political review that evaluate proposals against criteria having nothing to do with scientific merit and are compounded by new bureaucracy created through politically motivated restructuring within the agency: the centralization of peer review, diminishment of grants management staff, and cutting of essential contracts necessary for NIH daily operations. NSF has experienced comparable delays.

The bureaucracy and the delays are only two-thirds of the cost. The remaining cost is the one that compounds over time: whose judgment now governs funding decisions. Program officers with deep domain expertise treat peer review as the indispensable foundation of every funding decision. They weigh it critically against scientific priorities, portfolio balance, and national need. That expertise provides a stable, consistent standard the public can rely on across administrations. This rule removes that expertise

from the discretionary layer entirely, replacing it with political alignment as the operative standard.

The proposal also invokes “Gold Standard Science” as a benchmark for fundability. Importantly, no definition of what constitutes Gold Standard Science or who makes the determination is provided. A standard that cannot be defined cannot be applied consistently or appealed. In practice, it functions as a blank check for political appointees to substitute their own judgment for that of the scientific community, under the cover of quality assurance language. The problem is not poorly defined criteria. The problem is that political alignment is the wrong standard entirely. Science funded based on who holds office, rather than what the evidence demands, will produce worse outcomes for all Americans.

The rule further directs that, all else being equal, preference for discretionary awards should be given to institutions with lower indirect cost rates. Indirect cost rates reflect the real infrastructure costs of conducting research (e.g., laboratory facilities, research administration, facilities maintenance staff, scientific support staff, compliance systems, and equipment maintenance). Penalizing institutions for investing in infrastructure does not produce better science; it disadvantages research universities or hospitals that may have large investments in robust research programs and thus costly facilities and equipment. The proposed rule fails to provide a definition of what “all else being equal” means in practice or who determines it.

Furthermore, NIH eliminated paylines in November 2025. Paylines were the published percentile cutoffs that for decades defined the relationship between peer review scores and funding outcomes. Paylines were what made political override detectable: a researcher whose score beat the payline but was not funded had a documented basis to ask why. Without them, every non-award can be explained by unstated priorities with no paper trail required. The proposed pre-issuance review creates the mechanism for political override; the elimination of paylines removes any evidence it occurred. The combined result is a funding system that cannot be scrutinized, challenged, or held accountable and that is structurally vulnerable to the very favoritism and misuse of taxpayer funds that rigorous oversight is designed to prevent.

A new provision (§ 200.204) further erodes accountability by allowing agency heads to exempt entire grant competitions from public posting when they determine it is in the “national interest”. This constitutes conducting federal science funding outside public view entirely. This is incompatible with the transparency the Trump Administration has argued must be a governing principle and eliminates the public record that would allow Congress and the scientific community to evaluate whether funding decisions reflect merit or politics.

Restrictions on Dissemination (§ 200.461, Publication and Subscription Costs; § 200.454, Membership, Subscriptions, and Professional Activity Costs)

The proposal imposes prior approval requirements on conference attendance, publication costs, and professional memberships. This establishes a bureaucratic gatekeeping over how scientists share and build on their findings. This will raise costs, slow discovery, and cause researchers to self-censor their proposals and their public scientific engagement.

It is precisely through open scientific communication, including publications, conferences, and professional networks that science is translated into practice. The basic science research funded by NSF's Social, Behavioral, and Economic Sciences (SBE) Directorate and the clinical translational research funded by NIH form the foundation of this pipeline. Take for example the harm reduction approaches now saving lives across the country; this includes naloxone distribution, syringe service programs, peer support specialists, and contingency management. NSF-funded basic research on human motivation, decision-making, stigma, and behavioral change established the foundational principles; NIH-funded clinical researchers built on that published work to develop, test, and refine specific interventions; and open dissemination through journals and conferences carried that evidence to policymakers. Ultimately, this work informed federal statutes and state programs nationwide. It was the free flow of science across funding streams, disciplines, and sectors that made this possible. The restrictions proposed throughout this rule would curtail that flow at every stage. The rule also makes journal subscriptions categorically unallowable (§ 200.454). Researchers rely on grant funds to access the scientific literature foundational to their work. This is especially important at smaller institutions with constrained library budgets or at free-standing non-profit research organizations. Restricting access to the scientific record is not cost control. It is a barrier to science itself.

This proposal infringes on First Amendment rights by restricting who researchers can collaborate with, what they can say, and how they engage with their professional community. The chilling effect is already documented: researchers applying for NIH funding are being forced to avoid certain terms that get their grant proposals flagged, distorting the scientific enterprise independent of any actual terminations. They are restricted from communicating their findings to broad audiences, hindering the effective translation of science into mental health interventions, services, and policies. A newly proposed provision (§ 200.332(i)) further extends this chilling effect: pass-through entities would be required to terminate subawards if a subrecipient takes actions that “could significantly damage the reputation” of the federal agency or government. Importantly, there is no definition of what constitutes reputational damage. Psychological science has historically produced findings that challenge comfortable

assumptions on such issues as health disparities, poverty, criminal justice, and mental health. This provision gives any administration a tool to suppress that work under the cover of a compliance requirement, with no recourse and no appeal. That is not neutrality. It is viewpoint selection.

The rule's internal contradiction deserves direct attention. Section 200.219 requires that public entities provide viewpoint-neutral services for all events. This is a principle the preamble frames as a safeguard against ideological discrimination. Yet the same rule conditions research funding on whether proposals advance the President's policy priorities (§ 200.205), explicitly prohibits awards touching on diversity, equity, and inclusion (§ 200.300), and restricts what researchers can say publicly about their own findings (§ 200.450). Research on health disparities and the root causes of disease in underserved communities is swept into the DEI prohibition by a definition so broad it has no limiting principle. This research has produced some of the most consequential public health advances of the past three decades. A rule cannot simultaneously protect viewpoint neutrality and impose viewpoint-based conditions on research funding. It protects speech from speakers the administration wants to hear while suppressing speech from researchers whose work it finds inconvenient. That is not viewpoint neutrality.

If implemented, these provisions would dismantle the long-established, bipartisan system of checks and balances that has ensured taxpayer dollars fund science on merit, not politics. We urge OMB to withdraw this proposal.

Thank you for your consideration.

Sincerely,
Robert Gropp, CEO
Association for Psychological Science

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