

OMB Proposed Government-Wide Grants Regulation

Document 3: Taking Action

Before July 13 and After

June 2026 | 2 CFR Part 200 Proposed Rule | Docket OMB-2026-0034

Before You Act: Understand What You Are Responding To

On May 29, 2026, the federal Office of Management and Budget (OMB) published a 412-page proposed rule that would rewrite the regulations governing every federal grant in the country. The comment deadline is July 13, 2026. Before taking action, it helps to understand why this rule is built the way it is. These 412 pages are not a grab-bag of policy changes. They are three interlocking components of a deliberately designed system.

Component 1 — Policy Values: The ideological conditions define what the federal government will and will not fund based on this administration's values. Prohibitions on Diversity, Equity and Inclusion (DEI) activities, gender ideology, gender transition services, abortion funding. Requirements that programs align with administration priorities. Political appointee review of every grant application. These answer the question: *whose values determine what gets funded?*

Component 2 — Control and Enforcement: The control mechanisms ensure compliance with those values and eliminate the ability to resist. Termination authority for any grant that no longer aligns with federal priorities. Mandatory reporting so every dollar can be tracked. Elimination of lump-sum awards. Domestic data storage so nothing is beyond federal reach. These answer the question: *how does the government enforce its values once the money is out the door?*

Component 3 — National Interest: The national interest conditions embed a broader political agenda — domestic manufacturing, foreign policy, security — into every federal grant simultaneously. These have nothing to do with grants management in any traditional sense. They are here because this vehicle reaches every federal grant at once. These answer the question: *what other political agendas can be advanced by controlling who gets federal money and on what terms?*

The three components interlock. The ideological conditions set the agenda. The termination authority enforces it. The conversion from guidance to binding regulation makes it permanent and harder to challenge. This was built by people who understood why the prior piecemeal approach lost in court — and who fixed it. There is no fluff here. This is their A game. Our response needs to match.

I. Before July 13: The Comment Period

Why Commenting Matters — Legally and Politically

The public comment period on this proposed rule closes July 13, 2026. This is not a formality and it is not a symbolic gesture. Under the Administrative Procedure Act (APA), OMB is legally required to read and respond to every significant comment it receives. The comments submitted during this period become part of the permanent official regulatory record that courts will review if and when this rule is challenged.

A massive, specific, diverse comment record from real organizations describing real harms does three things simultaneously:

- **It is politically significant.** A million or more comments from providers, advocates, local governments, and community members across the country signals the breadth and depth of opposition to this rule in a way that cannot be dismissed.
- **It is legally significant.** Courts reviewing the final rule will look at whether OMB adequately addressed the harms commenters described. If OMB’s final rule fails to respond adequately to significant comments, that failure is itself grounds for a court to find the rule arbitrary and capricious.
- **It builds the evidentiary foundation.** The specific, local, personal accounts in comments become part of a permanent legal record. Future litigation by state Attorneys General and other challengers will draw on this record.

We need to flood OMB with comments. We need a million or more. Break the internet with the volume.

You choose to comment. That is a commitment to the people you serve and to the work. Do not assume someone else will cover it. Do not assume your comment won’t matter. Every comment from every organization and every individual counts.

➔ **Do not cut and paste. Do not send identical comments.** OMB — and courts — discount form comments. A hundred identical comments count as essentially one comment in the record. A hundred different comments from a hundred different people describing a hundred different real-world impacts count as a hundred. Your personal knowledge and your direct experience are exactly what this record needs.

Your comment does not have to be long. It does not have to be legalistic. It has to be specific, honest, and yours. Then pass this document to ten people and ask them to do the same.

How to Submit Your Comment

Direct link	Click here to go directly to the comment page: regulations.gov — Docket OMB-2026-0034 (search “OMB-2026-0034” if the link does not open directly)
If the site is slow or jammed	High-profile comment periods can overwhelm regulations.gov. If you cannot get through: <ul style="list-style-type: none">• Try a different browser or device• Try early morning or late at night when traffic is lower• Write your comment now and save it — then submit when the site is accessible• Do NOT wait until July 13 to try• If still unavailable, email your comment directly to OMB at MBX.OMB.Grants@OMB.eop.gov — include “OMB-2026-0034” in the subject line and note you attempted to submit online

Deadline	July 13, 2026 — do not wait until the last day. The site is often overwhelmed on the final day. Submit as soon as your comment is ready.
Format	Begin each comment with the relevant section number in brackets, e.g., [200.300] if commenting on the Diversity, Equity and Inclusion (DEI) prohibition. You may address multiple sections in one comment.
Length	Three sentences or three pages — both count. What matters is that it is specific and personal.
Who should comment	Your organization should submit a comment. Individual staff, board members, and volunteers can also submit personal comments. These are separate and each one counts.

II. Talking Points by Audience

Three audiences, three different approaches. Find your audience, read the starting points, then write your comment in your own words with your own specific examples. The bold text is a framing statement. The italic text is a prompt telling you what to draw on from your own experience.

Remember: these are starting points, not scripts. The most powerful comment is one that describes your specific program, your specific clients, and the specific harm this rule would do to both. That is what the legal record needs and what decision-makers respond to.

For Providers and Advocates on the Ground

- What to put in your own words — use these as starting points, not scripts:**
- **The termination provision would allow the federal government to end my grant mid-program — not because my program failed, but because the current administration disagrees with its approach.** *Describe what mid-program termination would mean for the specific people you serve right now. What happens to the family in transitional housing if your grant ends in month seven? What happens to the person in Permanent Supportive Housing (PSH) if their program loses funding?*
 - **The Diversity, Equity and Inclusion (DEI) prohibition is written so broadly that it could apply to basic program practices.** *Think about your intake process, your staffing, your client communications. Describe a specific practice that could be threatened by this prohibition and why it matters for the people you serve.*
 - **Employment income requirements are clinically inappropriate for many of the people I serve.** *Describe your population. If your clients have permanent disabilities, receive Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI), or face other barriers to employment, say so. Explain why measuring your program’s success by employment income is the wrong metric for this population.*
 - **The law enforcement cooperation requirement for outreach programs conflicts with what we know about effective engagement with people experiencing homelessness.** *If your outreach work is built on trust and trauma-informed practice,*

describe what you have seen happen when law enforcement is involved. Be specific about your community's experience.

- **The English language requirement may create barriers for the people I serve.** *If you serve non-English-speaking clients, describe how this requirement would affect your ability to communicate with them, conduct intake, or provide services in their language.*

For Local Program Administrators

This section requires familiarity with the regulatory provisions in Document 1. Read the relevant requirements before using these talking points.

What to put in your own words — use these as starting points, not scripts:

- **The pre-issuance political review requirement would inject political appointee approval into our grant application process.** *Describe what your current grant application and planning timeline looks like. Explain how an additional layer of political review by senior federal appointees would affect your planning, your staff capacity, and your ability to serve clients without interruption.*
- **The expanded termination authority creates operational and budget uncertainty that is incompatible with responsible program administration.** *Describe your multi-year program commitments — staff hired, leases signed, clients enrolled — that depend on grant continuity. Explain what ‘termination for convenience’ would mean in operational terms for the programs you administer and the people you have committed to serve.*
- **The domestic storage requirement for electronic records creates real compliance burdens.** *If your Homeless Management Information System (HMIS) or other data systems are cloud-based, describe whether those systems are domestically hosted and what compliance with this provision would cost or require.*
- **The expanded subaward reporting requirements add significant administrative burden.** *If you pass federal funds through to subrecipients, describe the reporting burden this would add and whether your current staffing could absorb it without cutting direct services.*
- **The 45-day comment period for a 412-page proposed rule is inadequate.** *State this directly in your comment. OMB's own guidance calls for comment periods of at least 60 days for significant rules. Requesting an extended comment period is itself a legitimate and legally significant comment.*

For Elected Officials, Executives, and State Legislators

Comments from public officials carry particular weight in the regulatory record. City councils, county councils, mayors, county executives, and state legislators can submit organizational or individual comments. Encourage your elected allies to do so — and to mobilize their colleagues in other jurisdictions.

What to put in your own words — use these as starting points, not scripts:

- **This rule would allow the federal government to terminate grants to our jurisdiction mid-program, for any reason, without appeal.** *Name the specific federal grants your jurisdiction receives, what services they fund, and what would happen to your constituents if those grants were terminated mid-year because the current administration decided they did not align with its priorities.*

- **Congress appropriated these funds for specific purposes. This rule allows the executive branch to override those appropriations through grant termination.** *Describe how your community’s budget depends on federal grant continuity and what the local fiscal impact of mid-program termination would be. Make the dollar amounts specific.*
- **The ideological conditions in this rule conflict with the values, policies, and laws of our jurisdiction.** *Describe specific programs or services in your jurisdiction that the DEI prohibition, the gender ideology prohibition, or other ideological conditions would affect. Be specific about local programs, local populations, and local impact.*
- **This rule imposes a political litmus test on federal grantmaking that is inconsistent with the constitutional role of Congress in appropriating funds for specific public purposes.** *Frame this in terms of the separation of powers and your jurisdiction’s relationship with the federal government. Your constituents elected you to deliver services — describe how this rule threatens your ability to do that.*
- **The 45-day comment period for a 412-page rule affecting every federal grant in the country is insufficient and should be extended.** *State this directly. As an elected official, your request for an extended comment period carries institutional weight.*

III. After July 13: This Is the Beginning, Not the End

The July 13 deadline is urgent. It is also the opening move in a longer campaign. The people who submitted comments before July 13 — and who connected those comments to a local, documented record of harm — will have built the foundation for everything that comes next. Here is what comes next.

The Timeline

When	What Happens
July 13, 2026	Comment period closes. OMB begins reviewing the record. The volume, specificity, and diversity of comments shapes what OMB must address in the final rule. A weak comment record gives OMB more room to finalize without significant changes. A strong record constrains it.
July–September 2026	OMB reviews and responds to comments. Watch for signals about which provisions may be modified. State Attorneys General and advocacy coalitions will be monitoring and preparing. This is the window to build legal coalitions and document ongoing harms.
October 1, 2026	OMB’s proposed effective date for the final rule, applicable to all new Federal Fiscal Year 2027 (FY2027) awards. Once finalized, the rule becomes binding regulation. Every provision becomes legally challengeable on Administrative Procedure Act (APA) grounds — notice-and-comment adequacy, arbitrary-and-capricious review, statutory authority.
After October 1, 2026	State Attorneys General and other legal challengers will have standing to sue. The litigation surface expands significantly once the rule is binding regulation.

	Courts will look at the comment record you helped build before July 13. New FY2027 awards will be issued under the new conditions — document every impact.
FY2027 Awards (late 2026–2027)	All new grants issued after October 1 will be subject to the new conditions. This is when the operational impacts become concrete. Every termination, every compliance cost, every program change required — document it. That documentation becomes evidence in litigation and advocacy.

The Four Advocacy Tracks After July 13

July 13 is not the end of what you can do. It is the transition from one track to four parallel tracks. Most organizations will pursue more than one.

Track 1: Legal Challenge

State Attorneys General are the most effective legal challengers and have unique standing, resources, and political will. Connect with your state Attorney General’s office now. Share your documented harms. Organizations with specific, quantified impacts are valuable as co-plaintiffs or amici. The comment record you built before July 13 is central to these cases.

Track 2: Congressional Engagement

Congress can override agency rulemaking through legislation or appropriations riders. Members of Congress who hear from constituents about specific, local impacts are more likely to act. Use the same documentation you built for commenting — named programs, named populations, dollar amounts — and bring it to your congressional delegation before the October 1 effective date. The window between July 13 and October 1 is the most important window for congressional engagement.

Track 3: State Legislative Action

State legislatures can appropriate state funds to backstop federal grant programs at risk, enact state-level protections for program participants, and pass resolutions directing the state Attorney General to challenge the rule. State legislators need the same local documentation that federal officials need: named programs, named populations, dollar amounts, and constituent stories.

Track 4: Documentation of Harm

Every termination, every compliance cost, every program change required, every client harmed — document it systematically. This documentation serves all three other tracks simultaneously: it is evidence for litigation, it is constituent impact data for elected officials, and it is the public record that shapes political accountability. Build a documentation system now, before the impacts start, so you are ready to capture them when they arrive.

Connecting the Dots: Why What You Do Now Matters Later

Many people will ask: if the rule passes anyway, what was the point of commenting? Here is the answer, and it is important enough to share with everyone you are trying to mobilize:

- **Your comment becomes evidence.** Courts reviewing the final rule will look at whether OMB adequately addressed the real-world harms that commenters described. A comment describing the specific harm to a specific program in a specific community is exactly the kind of evidence courts find meaningful.
- **Your comment constrains OMB.** OMB must respond to significant comments in the final rule. A strong comment record forces OMB to justify its choices more carefully — and those justifications become additional targets for legal challenge.
- **Your comment builds the coalition.** The organizations that submitted comments are the organizations that are documented as affected. That documentation establishes standing for legal challenges, credibility for congressional engagement, and the network for sustained advocacy.
- **Your comment is a record of who showed up.** Policy environments change. Administrations change. Courts change. The organizations that built a documented record of opposition to this rule — and of the harms it caused — will be positioned to shape what comes next when the environment shifts.

The comment you submit before July 13 is not just advocacy. It is evidence. It goes into a legal record that will be used in court. What you write about your program, your clients, and your community will matter beyond this comment period. Future Fridays will cover each of the post-July 13 tracks in more depth.

Go to [regulations.gov](https://www.regulations.gov) — **Docket OMB-2026-0034**. Write three sentences in your own words. Submit before July 13. Then come back for what comes next.

IV. Documents in This Series

Document	What It Contains
Executive Summary	What the rule is, why it is different, the three-part architecture, the five key vulnerabilities, and what must happen before July 13 and after. For all audiences.
Document 1: The 17 Government-Wide Requirements	The complete list of every new requirement with plain-language descriptions, the strategic architecture explained in depth, and the specific Executive Orders and statutory authority behind each one.
Document 2: The Federal Government's Vulnerabilities	Where this rule can be challenged and how. Five vulnerabilities analyzed in depth, with the AG litigation landscape and a priority table for legal challengers.

Document 3: Taking Action
(this document)

Commenting guidance, talking points for providers, administrators, and elected officials, the post-July 13 timeline, and the four advocacy tracks.