

Monday July 13, 2026

Office of Management and Budget
Office of Federal Financial Management
725 17th Street, NW
Washington, D.C. 20503

Submitted electronically via www.regulations.gov

Re: Docket No. OMB-2026-0034, Federal Financial Assistance—Notice of Proposed Rulemaking (Revisions to 2 C.F.R. Part 200)

To Whom it May Concern,

The Washington Technology Industry Association (WTIA) is the largest technology trade association in Washington State, representing hundreds of member companies ranging from early-stage startups to some of the world's largest technology employers, along with the universities, research institutions, and workforce partners that make up our state's innovation ecosystem.

WTIA is a member of the Technology Councils of North America (TECNA), and I am writing to join in and fully support the comment letter TECNA submitted to OMB on this docket. TECNA's letter speaks directly to the concerns of our members and the broader Washington innovation economy. Rather than restate its full analysis here, WTIA writes separately to add our voice, and the voice of Washington's technology sector, to the record in support of it, and to state plainly that the Proposed Rule, as drafted, is an inappropriate and damaging intrusion of political discretion into what has long been, and should remain, a merit-based federal funding system.

Concerns WTIA Views as Especially Damaging

First, the Proposed Rule would require mandatory political review of discretionary awards before they are issued, reducing expert peer review to a merely advisory role and replacing objective, merit-based evaluation with the shifting priorities of political appointees. This concern is compounded by the introduction of new, vaguely defined risk factors, such as an applicant's "history of questionable practices" or "affiliations" which invite inconsistent application and raise the risk that funding decisions could be influenced by viewpoint or political considerations rather than the quality of the proposed work.

Second, the Proposed Rule would grant agencies broad new authority to terminate or suspend awards for discretionary reasons, even where a recipient remains in full compliance with every term of its award. It pairs this authority with a rollback of procedural protection: objection, hearing, and appeal rights would apply only to noncompliance-based terminations, and recipients could no longer assume reimbursement for costs already incurred.

Third, taken together, these changes would erode the confidence that universities, research institutions, and technology companies place in federal funding as a stable, reliable partner, discouraging exactly the kind of long-term, capital-intensive work that depends on that stability.

Why This Matters for Washington

These are not abstract concerns for our state. WTIA's member companies and the universities and research institutions they partner with, rely on the predictability of federal awards to plan multiyear research, workforce development, and commercialization initiatives, and to attract the private and philanthropic capital that supplements federal support. A system in which funding can be politically conditioned, or withdrawn at will and without recourse, threatens that work directly and discourages the kind of sustained investment that has made Washington a national leader in technology and innovation.

Conclusion

WTIA respectfully joins TECNA in urging OMB to withdraw the Proposed Rule or substantially revise it to preserve merit-based review, narrow the proposed termination and suspension authority, and restore procedural protections for recipients.

Thank you for the opportunity to comment. Should you have questions regarding these comments, please do not hesitate to contact me, at 206-877-2410 or randa@washingtontechnology.org.

Thank you,

Randa Minkarah
Chief Operating Executive
Washington Technology Industry Association