



July 10, 2026

Submitted via www.regulations.gov

Office of Management and Budget (OMB)

Re: RIN OMB-2026-0034-0001 Regulation for Federal Financial Assistance

To Whom It May Concern:

Asian Americans Advancing Justice Southern California (AJSOCAL) is a leading civil rights and social justice organization that protects and strengthens the rights and dignity of Asian American, Native Hawaiian, and Pacific Islander (AANHPI) communities, especially those that are most disadvantaged. Through direct legal services, health access programs, research, policy advocacy, civic engagement, and multilingual community outreach, AJSOCAL works to ensure AANHPI communities can fully participate in American civic, economic, and social life.

AJSOCAL opposes the Office of Management and Budget's (OMB) proposed *Regulation for Federal Financial Assistance*, which would substantially revise 2 C.F.R. Part 200, destabilizing federal award management requirements as experienced by grantees. AJSOCAL and many other nonprofits rely on federal grants for a portion of the funding required to serve their communities. As such, the proposed rulemaking would politicize federal grantmaking, harming our organization, but more importantly, the many individuals, families, and communities we serve, in the process.

For one, the proposed rulemaking conditions funding decisions and ongoing funding availability during any grant term on alignment with shifting federal administration priorities (*see, e.g.*, sections 200.202, 200.205, 200.218, 200.300, 200.332 200.340, 200.342, 200.343) and restricts disparity-based approaches to research and programs (section 200.218). These changes would create deep uncertainty and instability for organizations like AJSOCAL, whose work focuses on serving immigrant, limited-English-proficient (LEP), and historically underserved communities. Moreover, AANHPI communities rely on federally funded research, and programs that use disaggregated data, community-based research, community engagement, and language accessible services would very likely be undermined, rendered noncompetitive, or effectively disqualified under the proposed rulemaking's restrictions on disparity-based frameworks, targeted interventions, and community outreach. Ultimately, by politicizing the federal funding process, this proposal would limit nonprofit organizations' ability to serve their communities through federal programs, and our most vulnerable Americans would face reduced access to care, services, civic participation, diminishing their quality of life.

Health Access, Disparities Research, and Disaggregated Data

One of AJSOCAL's key priorities is deep and thoughtful research into the distinct and disparate needs of the AANHPI community, and this in turn helps us determine how best to serve the community and how to target our services to meet the most critical needs. Without research that identifies and illustrates these needs, and without in-language and culturally responsive interventions designed to address these



needs, federally funded programs will become less effective and less accessible than they already are. Federal agencies such as the Department of Health and Human Services (HHS) and National Institute of Health (NIH) are statutorily directed to reduce health disparities. Numerous NIH-funded and supported research and initiatives utilize disaggregated AANHPI data to identify disparities, understand subgroup-specific health risks, and develop targeted interventions for health issues¹ such as Alzheimer’s disease,² hepatitis B and liver cancer,³ diabetes prevalence,⁴ and mental health. This proposed rulemaking would threaten federally funded programs that seek to address longstanding racial, social, or other disparities, or that serve underserved communities (*see* section 200.300).

Given that AANHPIs are among the fastest growing populations in the U.S., policies like the proposed rulemaking that diminish the nation’s ability to understand and address the health and well-being of AANHPI communities will ultimately undermine public health outcomes for the country as a whole. Many AANHPI communities include individuals with limited English proficiency, making in-language outreach, translation, interpretation, and culturally responsive communication essential—not ancillary—to the effective delivery of federally funded programs. Language access is also a legal obligation, not a policy preference. Title VI of the Civil Rights Act requires recipients of federal financial assistance to ensure meaningful access for LEP individuals. Rules that render such programming noncompetitive for federal funding would penalize organizations for complying with federal civil rights law.

Civic Engagement, Policy Advocacy & Community Engagement

AJSOCAL is deeply concerned that the proposed rulemaking would restrict the ability of nonprofit organizations to engage in lawful community education, policy advocacy, civic participation and coalition-building activities that are essential to the well-being of AANHPI communities. The proposed rulemaking’s restrictions on advocacy-related activities and its heightened scrutiny of activities perceived as advancing particular ideologies create significant uncertainty for nonprofit organizations like ours (*see, e.g.*, sections 200.202; 200.450). Efforts to provide outreach and education to AANHPI communities on health access, voting rights, immigration and housing services could be viewed as issue advocacy and therefore deemed impermissible. Such uncertainty can create substantial barriers for nonprofit organizations that are critical to ensuring that underserved and limited-English proficient AANHPI communities can access and benefit from federally funded programs.

AJSOCAL is also concerned that the proposed rulemaking would encourage heightened scrutiny of organizational affiliations, partnerships, and coalitions doing good and necessary work for their communities. Due to the vast diversity of the AANHPI community—representing dozens of distinct ethnic groups and over 50 different languages and dialects—collaborations and coalitions among nonprofit organizations, health providers, research institutions, and legal services organizations are often critical to reaching historically underserved AANHPI community members. Such partnerships are essential to connecting the AANHPI communities to resources and services. Any framework that treats community partnerships as suspect risks weakening the effectiveness of federally funded programs and their ability to reach beneficiaries. AJSOCAL also fears for our smaller and less-resourced partner nonprofit organizations, who would face additional barriers to accessing federal funding under the proposed rulemaking. The proposed rulemaking removes agency discretion relating to translation of



federal grant awards and related documents into languages other than English (*see* section 200.111). These organizations also often receive federal funding as subrecipients and an expense-by-expense reimbursement funding model over a fixed amount subaward would create significant burden and financial uncertainty and instability for them (*see* sections 200.1, 200.102, 200.201).

Increased Administrative Burden

AJSOCAL is also concerned that the proposed rule's onerous new payment and internal control requirements will require significant additional staff time to develop new monitoring systems and financial review procedures, to ensure compliance to maintain federal funding (*see, e.g.*, sections 200.303, 200.305). This will ultimately detract from our Finance and Development staff's ability to focus on critical fund accounting, grant reporting, budgeting, and additional fundraising strategy.

For all the reasons above, AJSOCAL strongly urges the Office of Management and Budget to withdraw the *Regulation for Federal Financial Assistance* as proposed. Federal funding for community programs should flow through objective, evidence-based allocation processes, free of the shifting political priorities of any presidential administration.

Sources Cited

- ¹ Lam V, Sharma S, Spouge JL, Jordan IK, Mariño-Ramírez L. Landscape of racial and ethnic health disparities in the All of Us Research Program. Database. 2024;2024:baae082. doi:10.1093/database/baae082
- ² Ho PC, Yu WH, Tee BL, et al. Asian Cohort for Alzheimer's Disease (ACAD) pilot study on genetic and non-genetic risk factors for Alzheimer's disease among Asian Americans and Canadians. *Alzheimers Dement*. 2024;20(3):2058-2071. doi:10.1002/alz.13611.
- ³ Zhu L, Lu W, Yeh MC, et al. Using community-based participatory research strategies to promote liver cancer prevention. *Soc Sci*. 2025;14(11):639. doi:10.3390/socsci14110639
- ⁴ Shah NS, Luncheon C, Kandula NR, Cho P, Loustalot F, Fang J. Self-reported diabetes prevalence in Asian American subgroups: Behavioral Risk Factor Surveillance System, 2013-2019. *J Gen Intern Med*. 2022;37(8):1902-1909. doi:10.1007/s11606-021-06909-z