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Submitted via regulations.gov

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The Honorable Russell Vought
Office of Management and Budget
725 17th Street NW
Washington, D.C. 20503

Re: Regulation for Federal Financial Assistance [OMB-2026-0034]

Dear Hon. Director Vought:

The Independent Lubricant Manufacturers Association (ILMA) respectfully submits this letter in support of the statement filed by the Society of Tribologists and Lubrication Engineers (STLE) in response to the Office of Management and Budget's (OMB) Notice of Proposed Rulemaking to revise the Uniform Guidance governing federal grants and cooperative agreements.

ILMA represents independent companies that manufacture motor oils, industrial lubricants, and metalworking fluids. These products are indispensable to the operation of equipment and machinery across the manufacturing, energy, transportation, and defense sectors. A 2025 S&P Global study commissioned by ILMA found that independent lubricant manufacturers contributed $7.8 billion to U.S. GDP in 2024, supported approximately 25,000 jobs, and paid $2.6 billion in wages. Many ILMA members are small and mid-sized businesses that lack the capacity to replicate the basic and applied research conducted through federally supported institutions.

The success of ILMA members is inseparable from innovation in tribology research. Advances in lubrication science, surface engineering, and friction reduction translate into real-world gains in energy efficiency, manufacturing productivity, and transportation performance. Innovation and technological development also play a critical role in helping formulators adapt to increasing regulatory pressures, as the pool of available inputs continues to narrow. Sustaining that pipeline of innovation, in turn, depends on a federal grant system that is stable, merit-based, and widely accessible to the research community.

ILMA shares STLE's concerns regarding several provisions of the proposed rule as drafted. The pre-issuance review process proposed under Section 200.205 would permit senior agency appointees to override or discount the results of scientific peer review based on broadly framed considerations such as agency priorities and the "national interest," without sufficiently objective, transparent, or consistently applicable standards. This process threatens to weaken the merit-based evaluation framework that has long guided federal research funding. ILMA is particularly concerned that this uncertainty would deter highly qualified researchers from pursuing federal funding, with downstream consequences for the applied science that industry depends upon.

The broadly discretionary termination and suspension provisions proposed under Sections 200.340 through 200.343 are equally troubling. Although agencies would be required to state a rationale, the proposed standards would permit awards to be terminated based on changing policy priorities. By that point, researchers, institutions, students, and industry partners may have made substantial and often irreversible commitments in reliance on the award. A highly discretionary approach risks destabilizing ongoing research programs and undermining the broader research architecture — including laboratory infrastructure, student appointments, project timelines, capital commitments — that supports tribology. Even where certain closeout expenses may be recoverable, termination cannot fully compensate for disrupted doctoral research, lost research personnel, abandoned experiments, foregone private-sector collaboration, or the loss of specialized institutional capacity. These consequences would fall particularly heavily on small and mid-sized manufacturers, which generally cannot maintain research programs comparable to those of large multinational companies and therefore depend disproportionately on universities, federal laboratories, professional societies, and publicly supported research partnerships.

Finally, ILMA also supports STLE's concerns regarding the proposed restrictions on conference participation, professional memberships and subscriptions, and publication costs under Sections 200.432, 200.454, and 200.461. Conferences and technical societies are not peripheral benefits in highly specialized fields such as tribology; they are principal mechanisms through which researchers test findings, identify industrial applications, develop collaborative projects, and transfer knowledge to manufacturers. Likewise, peer-reviewed publication—including open-access publication—is a central means of disseminating federally funded research to the companies and engineers capable of putting it into practice. OMB should preserve the allowability of reasonable, award-related costs for these activities rather than subjecting them to categorical restrictions or unnecessarily burdensome project-by-project approval requirements.

ILMA urges OMB to carefully consider the chilling effect that instability in federal research funding could have on the development of the future technical workforce. ILMA recently launched its "Move the World Forward" campaign to energize the next generation of lubrication professionals. A grant system characterized by unpredictability and broad discretionary authority risks undermining that effort, deterring talented students and early-career scientists from pursuing pathways in tribology and lubrication engineering at precisely the moment the industry is working to attract them.

These concerns are not abstract; they directly affect the availability of the research, technical expertise, and skilled personnel on which independent manufacturers rely. For these reasons, ILMA urges OMB to revise the proposed rule to preserve scientific merit review as the central basis for research funding decisions; establish objective and transparent limitations on pre-award review; protect recipients' reasonable reliance interests against discretionary suspension and termination; and continue to permit reasonable, award-related expenditures for conferences, professional participation, and publication. These revisions would promote accountability without disrupting the research partnerships and knowledge-transfer mechanisms on which U.S. industrial innovation depends.

Sincerely,

Holly Alfano
CEO
ILMA