

United States Senate

COMMITTEE ON INDIAN AFFAIRS
WASHINGTON, DC 20510-6450

AMBER EBARB, MAJORITY STAFF DIRECTOR
JENNIFER ROMERO, MINORITY STAFF DIRECTOR

August 1, 2026

The Honorable Russell T. Vought
Director
Office of Management and Budget
725 17th Street NW
Washington, DC 20503

Re: OMB-2026-0034, Proposed Revisions to the Uniform Guidance for Federal Financial Assistance

Dear Director Vought:

We write regarding the Office of Management and Budget's proposed revisions to the Guidance for Federal Financial Assistance (Uniform Guidance), which establishes the government-wide framework for administering grants, cooperative agreements, and other forms of federal financial assistance.

The proposed rule raises significant concerns for Tribal Nations because it does not adequately account for their unique political and legal status, the Federal Government's trust and treaty obligations, or the statutory framework governing Tribal self-determination. Accordingly, we urge OMB to provide an additional comment period of at least 90 days, conduct formal government-to-government consultation with Tribal Nations and provide a summary of the proposed rule's impact on Tribes (which summarizes the extent of consultation, the nature of Tribes' concerns, the need for the regulation, and the extent to which Tribes' concerns were addressed) consistent with Executive Order 13175. In addition, OMB should withdraw or substantially revise the provisions of the rule that would unduly burden Tribal governments or undermine federal trust, treaty, and statutory obligations, and refrain from issuing a final rule until it has meaningfully addressed the concerns raised during Tribal consultation and the public comment process.

The proposed rule broadly applies government-wide requirements to Tribal governments and Tribal organizations without explaining how those requirements would interact with the Indian Self-Determination and Education Assistance Act, federal Indian law, treaties, and statutes establishing programs specifically for Tribal Nations and their citizens. It also does not explain how OMB would prevent fluctuations in executive-branch policy priorities from interfering with statutory requirements, congressional intent, or the fulfillment of the Federal Government's trust and treaty obligations.

One consequence of this omission is the risk that agencies could improperly characterize congressionally authorized Tribal programs as diversity, equity, and inclusion initiatives. Tribal Nations are sovereign political entities whose relationship with the United States arises from the Constitution, treaties, statutes, and longstanding Supreme Court precedent. Federal programs

serving Tribal governments and their citizens exist because Congress enacted laws to carry out federal trust and treaty obligations and to support Tribal self-government—not because of race-based preferences or diversity initiatives.

Accordingly, OMB should expressly clarify that federal funding, programs, and services authorized for Tribal governments and their citizens under federal Indian law are legally distinct from diversity, equity, and inclusion initiatives. Any improper classification could delay, restrict, or jeopardize funding that Congress has specifically authorized to fulfill federal obligations to Tribal Nations.

Equally concerning, OMB has yet to engage in meaningful government-to-government consultation with Tribal Nations regarding this substantial proposed overhaul of the Uniform Guidance. Given the sweeping effects the proposal would have on federal financial assistance supporting Tribal communities, OMB should conduct formal consultation before making further policy decisions related to this proposed rule and should prepare and publish a summary analyzing the proposal's effects on Tribal governments.

What's more, Tribal governments and Tribal organizations already operate under extensive federal oversight. The proposal's expanded political review of discretionary awards, additional payment-justification requirements, new limitations affecting indirect-cost recovery, increased reporting obligations, and broader agency authority to suspend or terminate awards based on changing agency priorities could delay funding, create uncertainty, and undermine long-term planning for vital government services including health care, housing, public safety, education, infrastructure, child welfare, victim services, and other essential governmental functions.

These burdens would fall particularly hard on smaller, rural, and remote Tribal governments, which often administer dozens of federal funding agreements across multiple agencies with limited administrative capacity. Rather than improving accountability, the proposal risks diverting scarce Tribal resources away from delivering essential services and toward unnecessary or duplicative compliance requirements.

OMB should also separately analyze whether these provisions conflict with or impede statutory rights and authorities established under the Indian Self-Determination and Education Assistance Act and other laws governing federal funding for Tribal Nations.

For these reasons, we urge OMB to provide an additional public comment period of no fewer than 90 days and undertake government-to-government Tribal consultation before issuing a final rule. Following consultation and review of the additional comments, OMB should withdraw or substantially revise the provisions that impose undue burdens on Tribal governments, conflict with federal Indian law, or create uncertainty regarding the Federal Government's trust, treaty, and statutory obligations.

At a minimum, any revised or final rule must:

1. recognize the unique political and legal status of Tribal Nations and the government-to-government relationship between Tribal Nations and the United States;
2. expressly affirm that programs authorized under federal Indian law are distinct from diversity, equity, and inclusion (DEI) initiatives;

3. preserve all rights, authorities, and funding obligations established under the Indian Self-Determination and Education Assistance Act and other laws implementing Tribal self-determination and the federal trust responsibility;
4. analyze the rule's effects on Tribal governments, Tribal organizations, and Tribal-serving programs, including effects on indirect-cost recovery and the administration of essential governmental services;
5. ensure that agency discretion under the Uniform Guidance cannot supersede statutory requirements, treaty obligations, or congressional direction; and
6. explain how OMB considered and incorporated the views of Tribal Nations expressed through government-to-government consultation and comments submitted during the rulemaking process.

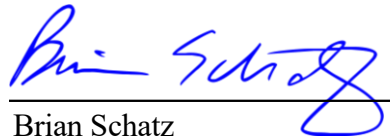
OMB should work collaboratively with Tribal Nations and Congress to develop a final rule that strengthens accountability without undermining Tribal self-determination or the unique legal framework governing the Federal Government's relationship with Tribal Nations.

Thank you for your consideration. We look forward to your response.

Sincerely,



Lisa Murkowski
United States Senator
Chairman
Committee on Indian Affairs



Brian Schatz
United States Senator
Vice Chairman
Committee on Indian Affairs