



Block OMB from Issuing Final Rule on Federal Grant Management

September 16, 2026

On May 29, 2026, the Office of Management and Budget (OMB) issued a [proposed rule](#) to amend procedures for Federal grant management across the Federal Government. APTA submitted comments outlining serious concerns with OMB's proposed rule and urged the agency to withdraw it. Section 157 of the Continuing Appropriations and Extension Act, 2027 (or Continuing Resolution (CR)) prohibits OMB from issuing a final rule on its proposed revisions to the [Uniform Guidance](#) through December 11, 2026. **If OMB does not withdraw its proposed rule, APTA urges Congress to block the agency from issuing a final rule on Federal grant management.**

APTA urges Congress to block the Office of Management and Budget from issuing a Final Rule on Federal Grant Management

On May 29, 2026, OMB issued a [proposed rule](#) to amend procedures for Federal grant management across the Federal Government. On July 13, APTA submitted [comments](#) outlining serious concerns with OMB's proposed rule and urged the agency to withdraw it. As drafted, the rule would inject significant uncertainty into Federal funding by allowing Federal agencies to withhold, suspend, or terminate grants, as well as change key terms and conditions, including during implementation of a project. This proposal would expose grantees and their private-sector partners to significant financial, legal, and operational risks, making it harder to deliver essential public transportation services to communities. Independent analysts, including Moody's Ratings, have warned that the proposal could weaken the reliability of Federal funding commitments (e.g., Capital Investment Grant Agreements) and negatively affect credit ratings, increasing borrowing costs for projects. This uncertainty could also destabilize private-sector operations and investments that rely on the certainty of Federal commitments to make hiring decisions, capital investments, and manufacturing commitments. The proposed rule will ultimately increase costs to taxpayers, hurt private-sector investment, and delay projects.

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Every \$1 invested in public transit generates \$5 in long-term economic returns.

APTA urges Congress to:

- ✓ **Block the Office of Management and Budget from issuing a Final Rule on Federal Grant Management.**