

## The *Streamlining Federal Grants Act* How It Benefits Nonprofits

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Nonprofits are effective government partners, delivering vital services to local communities across the country. On January 28, 2026, Senators Gary Peters (D-MI) and James Lankford (R-OK) introduced the bipartisan *Streamlining Federal Grants Act* to help increase access to federal grants and resources so nonprofits – particularly those that are smaller, serving rural areas, or have limited resources – can continue to provide much-needed services in their communities. If enacted, the bill would improve the effectiveness and performance of federal grants and cooperative agreements, simplify application and reporting requirements, and facilitate greater coordination among federal agencies responsible for delivering services to the public. Representatives Foxx (R-NC) and Gluesenkamp Perez (D-WA) introduced the House companion in the last congressional term.

### Cross-Agency Grants Council

The legislation would establish a Grants Council composed of all grantmaking federal agencies tasked with providing guidance for developing agency plans for reforming grant procedures and practices. The guidance would include instructions on streamlining and simplifying the application, administration, and reporting procedures for grants, improving user experiences, and soliciting grantee input, among other things. Over a period of about two years, each agency would be required to develop and implement an Agency Plan of streamlined grantmaking procedures that comply with the Grants Council guidance.

### Improvements to Grantmaking

Many provisions in the *Streamlining Federal Grants Act* would create opportunities for nonprofits to overcome longstanding hurdles to access and performance under federal grants or cooperative agreements. If enacted, the legislation would increase access to federal resources for nonprofits seeking federal grants for the first time or those that face barriers when applying.

### Consultation with Nonprofits

The bill directs federal agencies to consult with state and local governments, territories, Tribes, and charitable nonprofits during the development and implementation of their Agency Plans. Federal agencies would have to consider the perspective of nonprofits and other entities that have not historically received grants.

## Notice of Funding Opportunities

If enacted, the bill would require summaries of Notice of Funding Opportunities that are short, clear, and accessible. Specifically, the summaries would be under 500 words, written in plain language, and identify training and assistance opportunities. Nonprofits would know much sooner whether they are eligible to apply for a federal grant.

## Training and Assistance for Potential Applicants

Federal agencies would be required to include in their Agency Plans the steps they will take to ensure that potential applicants for grants and cooperative agreements receive training and assistance from the agency. This would benefit nonprofits that historically have not received federal grants or cooperative agreements, which in turn would improve the delivery of services to communities.

## Recommendations to Overcome Barriers to Federal Grants

In the version approved by the Senate Homeland Security and Governmental Affairs Committee during the last Congress, the bill would require a report that identifies why charitable nonprofits and other non-federal entities choose not to participate in federal grantmaking and offers recommendations to improve access. The study would include the experiences of faith-based and community-based organizations, rural communities, and small communities. The release of the report is timed to ensure that solutions can be incorporated into Agency Plans for streamlined grant-making procedures.

## Additional Resources

- **News Release:** [Peters and Lankford Introduce Bipartisan Legislation to Improve Federal Grant Application Process](#), U.S. Senate Committee on Homeland Security & Governmental Affairs, January 29, 2026.
- **News Release:** [Peters Introduces Bipartisan Legislation to Improve Federal Grant Application Process](#), Office of Senator Gary Peters, January 28, 2026.
- [Government Grants and Contracts](#), National Council of Nonprofits.