

- Timeline:
 - a. Executive Order (EO) from OMB M-25-13
 - i. President Trump's Office of Management and Budget (OMB) issued a memorandum that "requires Federal agencies to identify and review all Federal financial assistance programs and supporting activities. Each agency must complete a **comprehensive analysis** of all of their Federal financial assistance programs to identify programs, projects, and activities that may be implicated by any of the President's executive orders".
 - ii. This comprehensive review is due to be submitted to OMB by February 10, 2025.
 - iii. To allow for this review, a " temporary pause will become effective on January 28, 2025, at 5:00 PM" on all agency grants, loans or other financial assistance programs
 - b. Secondary Memo from OMB
 - i. A senior administration official on Tuesday clarified the scope of Monday's sweeping pause on federal financial assistance, saying it will not affect a number of specific aid programs, including the following:
 - 1. Medicaid, Supplemental Nutrition Assistance Program, federal student loans, Pell Grants, Head Start, Section 8 rental assistance, and aid to small businesses and farmers.
 - 2. The official reiterated that Medicare and Social Security would not be affected, nor would "similar" direct benefit programs.
 - ii. The official emphasized that the only funding affected by the review would be any grants or loans that run counter to President Donald Trump's executive orders laying out his policies on immigration; abortion; foreign aid; clean energy; diversity, equity and inclusion programs; and "woke gender ideology."
 - c. Released a list of grants that would need to be reviewed by agencies to see if there are any conflicts with the President's EO: [see here](#)
 - d. Lawsuits (so far)
 - i. The first Lawsuit filed was through Democracy Forward
 - 1. Plaintiffs, represented in the legal challenge by Democracy Forward, include the National Council of Nonprofits, the American Public Health Association, Main Street Alliance, and SAGE.

2. Sued OMB saying they had no authority to do this and that it would cause damage to the point where the court would have to act
- ii. A second lawsuit was filed by various State AGs
 1. This lawsuit was led by Attorney General James (NY) and the attorneys general of California, Illinois, Massachusetts, New Jersey and Rhode Island. Joining the lawsuit are the attorneys general of Arizona, Colorado, Connecticut, Delaware, Hawaii, Maine, Maryland, Michigan, Minnesota, Nevada, New Mexico, North Carolina, Oregon, Vermont, Washington, Wisconsin, and the District of Columbia.
- e. Judge ruling
 - i. A federal district judge on Tuesday granted an administrative stay (the judge hit the pause button on this OMB program) in a case challenging the Trump administration's planned freeze of federal aid, pausing the plan for a week and setting a hearing for further arguments Monday morning.
 - ii. The order applies only to the pause of disbursements in open grants, Judge Loren AliKhan said.
 - iii. It gives her time to hear more fleshed-out arguments from a coalition of nonprofit groups about why she should issue a temporary restraining order that could block the freeze for an additional two weeks.
 - iv. The hearing will take place at 11 a.m. Monday 2/3/25.
- f. Recission Memo M-25-14
 - i. "OMB Memorandum M-25-13 is rescinded. If you have any questions about implementing the President's Executive Orders, please contact your agency General Counsel."
- g. The White House Press Secretary's tweet
 - i. "This is NOT a rescission of the federal funding freeze. It is simply a rescission of the OMB memo. Why? To end any confusion created by the court's injunction. The President's EO's on federal funding remain in full force and effect, and will be rigorously implemented." - Karoline Leavitt (WH Press Sec)
- What we know/think:
 - The original memo says "to the extent permissible under applicable law",
 - applicable law, for the most part, says, once a grant has been distributed and monies have been distributed, it can't be law back

unless it's if it's distributed by appropriations or an act of Congress. It would take an act of Congress to pull that money back.

- So there is question as to whether or not the White House even has the authority to propose such an order.
- There is not legal definition for DEI or gender ideology; the Green Deal was an Environmental plan that never became law
- The programs listed in the second Memo (Medicaid, SNAP, etc) SHOULD NOT have been impacted but we saw nearly all 50 states Medicaid systems frozen on Tuesday and Wednesday
 - These programs must continue because they are not grants; they are a different form of funding
- The Recission Memo and follow up tweet
 - While the memo says it was a rescission of the OMB Memo (the freeze), the WH Press Secretary tweet essentially says” we just rescinded it because basically the court ruled against us”
- They're basically saying to the agencies; we still want you to review the grants. It's just that, instead of freezing grants while we review it, the grant can continue to function and operate. The reviews are going to continue.
- This is far from being over: there will probably be repeated attempts to fiddle with federal funding in the form of grants, contracts, whatever else that fund programs that the White House doesn't think should be funded,
- Other considerations:
 - FY25 Budget Reconciliations: Since we know this administration wants a better control of funding that's going out, how will the impact the anticipated FY 2025 budget which is due by March 15th (per the continuing resolution passed last Congress session)
 - Senate Budget is expected to approve Vought's OMB nomination soon. These memos have been sent from acting director Matthew Vaeth.