

United States Senate

WASHINGTON, DC 20510

February 12, 2025

Director Russell Vought
Office of Management and Budget
1650 17th Street, NW
Washington, DC 20503

Dear Director Vought,

President Trump and the Office of Management and Budget's (OMB) recent actions to halt critical federal funding to communities, organizations, businesses, and families across the country are both unacceptable and illegal.

Between January 20 and 24, 2025, President Trump issued a series of seven Executive Orders directing agencies to stop the obligation and disbursement of grant and loan funds. On January 27, OMB issued a memorandum to implement these Executive Orders, M-25-13, which directed all federal agencies to "temporarily pause all activities related to obligation or disbursement of all Federal financial assistance."¹

In response, agencies stopped disbursing grants and loans to communities, businesses, and organizations and even made federal payment management systems inaccessible for programs like Medicaid and Head Start.² Our offices received thousands of calls from individuals, businesses, organizations, and communities concerned and confused about being unable to cover necessary expenses.³ The sudden and unexpected stop in funding forced layoffs and threatened closures at hospitals, law enforcement agencies, childcare centers, and farms, and it paused work on infrastructure projects that rebuild roads, bridges, and ports.⁴

After the issuance of M-25-13 Memorandum, the White House and OMB continued to issue contradictory and confusing guidance about the state of the federal funding freeze. On January 28, OMB published a Q&A document which appeared to contradict M-25-13 Memorandum,

¹ Office of Management and Budget, *M-25-13: Temporary pause to review agency grant, loan, and other financial assistance programs* (Jan. 29, 2025).

² *Head Start and Medicaid providers hit glitches as Trump freezes federal money*, Associated Press (Jan. 28, 2025) (<https://apnews.com/article/head-start-medicaid-federal-funding-4fe440e35df70c7ede8ce8e0409cb581>).

³ *Lack Of Detail in Funding Freeze Leaves State and Local Agencies at a Loss*, The New York Times (Jan. 28, 2025) (<https://www.nytimes.com/2025/01/28/us/politics/trump-funding-freeze-state-reaction.html>).

⁴ *Trump's Attempt to Freeze Grant Funding Leaves Nonprofits Reeling*, The New York Times (Feb. 4, 2025) (<https://www.nytimes.com/2025/02/04/us/politics/grant-funding-freeze-nonprofits.html>); *Farmers on the Hook for Millions after Trump Freezes USDA Funds*, Washington Post (Feb. 10, 2025) (<https://www.nytimes.com/2025/02/04/us/politics/grant-funding-freeze-nonprofits.html>).

asserting that the pause targeted a specific set of programs.⁵ On January 29, after a federal court issued a preliminary stay of the across-the-board funding freeze, OMB issued a new memorandum which fully rescinded the M-25-13 Memorandum.⁶ However, White House Press Secretary Karoline Leavitt created more confusion by stating that rescission of the M-25-13 Memorandum was “NOT a rescission of the federal funding freeze. It is simply a rescission of the OMB memo... The President's EO's on federal funding remain in full force and effect, and will be rigorously implemented.”⁷

Since then, federal judges have issued a series of temporary restraining orders lifting freezes on funding, but a patchwork of holds, freezes, award terminations, cancelled contracts and opaque guidance has resulted in a confusion about the accessibility of federal funding across the federal government.

Based on best available estimates, hundreds of billions of dollars in funding remains frozen and in jeopardy, likely significantly more. This includes more than \$400 billion in Infrastructure Investment and Jobs Act and Inflation Reduction Act funding in jeopardy for:

- Infrastructure projects to upgrade roads, bridges, transit, airports, and ports;
- Wildfire prevention efforts;
- Programs for farmers;
- High-speed broadband deployment;
- Grants and loans to lower energy costs for consumers;
- Programs that make affordable housing resilient to natural disasters;
- Money for Tribes to electrify housing;
- Funding for flood prevention;
- Grants for small businesses; and
- Much more.

Tens of billions of dollars in life-saving aid, counterterrorism programs, funding to give the United States an edge over our competitors in foreign markets, and humanitarian aid has been frozen. The scope of funding blocked for any initiative this administration deems to be covered by the Executive Orders remains extremely unclear. Finally, we are hearing communities are still struggling to access funds that were cut off under the now-rescinded funding freeze M-25-13 Memorandum, including Head Start recipients and Community Health Centers.

⁵ Office of Management and Budget, *OMB Q&A Regarding Memorandum M-25-13* (Jan. 28, 2025) (<https://www.whitehouse.gov/fact-sheets/2025/01/omb-q-a-regarding-memorandum-m-25-13/>).

⁶ *National Council of Nonprofits v. Office of Management and Budget*, (No. 1:25-cv-00239), (D.D.C.) (Jan. 28, 2025) (preliminary stay); Office of Management and Budget, *M-25-14: Rescission of M-25-13* (Jan. 29, 2025).

⁷ Karoline Leavitt, X.com post (Jan. 29, 2025, 1:40 p.m.) (<https://x.com/PressSec/status/1884672871944901034>).

Therefore, we are writing to seek immediate clarity on the current status and scope of this ongoing freeze of federal funding and to understand the legal basis for these Memoranda and Executive Orders.

Specifically, we are requesting the following information, no later than February 19, 2025:

1. A list of each federal account that is not incurring obligations or disbursing funds, the reason for the funding freeze, and the applicable legal authority that allows such obligations or funding.
2. A list of all federal grant programs with online portals that have been taken offline across the federal government in service of implementation of the President's Executive Orders.
3. A list of each federal grant or contract that has been cancelled, modified, or otherwise terminated, the reason for the cancellation, modification, or termination, and the applicable legal authority permitting cancellation, modification, or termination.
4. A list of each payment management system that was paused or made inaccessible to payees since January 20, 2025, including any payment systems that remain inaccessible, and the start and end times of the pause.
5. All written communications and guidance that OMB has issued to agencies since January 20, 2025, including memoranda, data calls, question and answer documents, instructions, or informational documents relating to implementation of the President's Executive Orders concerning funding pauses.
6. A detailed description of all steps the Administration has taken to comply with court orders issued in *National Council of Nonprofits v. Office of Management and Budget*, and *State of New York v. Trump*.

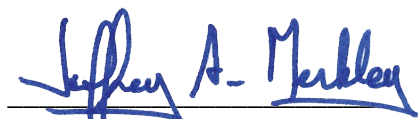
Sincerely,



Gary C. Peters
Ranking Member
Committee on Homeland
Security and Governmental
Affairs



Patty Murray
Vice Chair
Committee on Appropriations



Jeffrey A. Merkley
Ranking Member
Committee on Budget