

OMB issued guidance requesting that
temporarily pause, to the extent permitted by law, grant, loan or federal financial
grants that are implicated by the President's E

Funds for small businesses, farmers, Pell grants, Head Start, rental assistance, and similar programs will not be paused. If agencies are concerned that these programs may implicate the President's Executive Orders, they should consult OMB to begin to unwind these objectionable policies without a pause in the payments.

Q: Is the pause of federal financial assistance an impoundment?

A: No, it is not an impoundment under the Impoundment Control Act. It is a temporary pause to give agencies time to ensure that financial assistance conforms to the policies set out in the President's Executive Orders to the extent permitted by law.

Temporary pauses are a necessary part of program implementation that have been ordered by past presidents to ensure that programs are being executed and funds spent in accordance with a new President's policies and do not constitute impoundments.

Q: Why was this pause necessary?

A: To act as faithful stewards of taxpayer money, new administrations must review federal programs to ensure that they are being executed in accordance with the law and the new President's policies.