

## STATE OF ILLINOIS

February 25, 2025

The Honorable Russell Vought Director Office of Management and Budget 725 17th Street NW Washington, DC 20503

Dear Director Vought:

As we write this letter, the federal government continues to withhold \$1.88 billion from Illinois. These are federal funds that were passed by Congress, signed into law, and promised to Illinois. State agencies, small businesses, nonprofit organizations, and everyday citizens across Illinois—including in rural communities—are still having trouble accessing allocated federal funding. We have an obligation to Illinois taxpayers and residents to demand answers about the future of this funding, including when the Trump Administration will follow the law and make good on the federal government's promise to deliver hard-earned taxpayer dollars back into Illinois' economy, workforce, and communities.

The evening of January 27<sup>th</sup>, our offices read in the news that the White House Office of Management and Budget (OMB) had released a memorandum directing Federal agencies to "temporarily pause all activities related to obligation or disbursement of all federal financial assistance." Throughout the following day, we received widespread reports of system outages and lockouts that prevented grantees from accessing entitled funding. Attempted communications with government liaisons were often ignored and public statements from the White House were inconsistent with the experiences of our grantees.

Since then, despite OMB's rescission of the memo, we have continued to receive reports from agencies and organizations detailing their inability to access funds. This uncertainty over receiving future, assured funds, along with little clarity provided by the Administration, has forced many to pause operations, cancel projects, or cut staff.

We are seeking clarity on your actions, as well as assurances that you will legally uphold your financial commitments to the State of Illinois. These funds have been contractually agreed to, allocated, and planned around by their recipients—which include childcare providers, educational institutions, small businesses, community and economic development organizations, and more. Needless to say, the restriction of these funds will have a detrimental impact on vulnerable people, local economies, and the state as a whole.

As of February 24, 2025, impacted grants programs and organizations include, but are not limited to:

- Nine state agencies, boards, and commissions have a total of \$692 million in federal funds obligated but not yet received, and they are unable to access those funds.
- 10 state agencies, boards, and commissions have a total of \$1.19 billion in federal funds anticipated/awarded but not yet obligated, and the grants/programs are essentially paused.
- In total, this constitutes \$1.88 billion in impacted federal funds across 14 state agencies, boards, and commissions in Illinois, including the Illinois Department of Commerce and Economic Opportunity, Illinois Community College Board, Illinois Emergency Management Agency, Illinois Environmental Protection Agency, Illinois Finance Authority, the Illinois Department of Human Rights, Illinois Department of Natural Resources, Illinois Power Agency, Illinois Department of Transportation, Illinois State Board of Education, Illinois Commerce Commission, Illinois Council on Developmental Disabilities, Illinois Department of Labor, and Illinois Department of Healthcare and Family Services.

These frozen funds impact programs that provide technical assistance for small businesses, provide affordable solar energy for low-income residents, improve roads and bridges, and more.

On behalf of our constituents, we are seeking full transparency and accountability on any and all funding that has been paused or interrupted. If the Trump Administration is unable to follow the law and uphold their end of the deal, the people of our state deserve to know.

Pursuant to that, we ask that you answer the following questions by March 4, 2025:

- 1. Please identify any forms of federal financial assistance for which federal funding disbursements did not promptly resume following the recission of OMB Memorandum M-25-13.
- 2. For all forms of federal financial assistance that did not promptly resume, please describe the steps you have taken or will take to resume the disbursement of funds in compliance with court orders. Also indicate when the disbursement of funds can be expected to resume.
- 3. For any disbursement of funds that have not been promptly resumed, and following two federal judges issuing temporary restraining orders regarding the funding freeze, what is your legal basis for continuing to withhold funds?
- 4. What steps have you taken to identify and communicate with grant recipients who have been negatively affected by this oversight?
- 5. What steps will you take to ensure that this issue does not occur again?

We appreciate your timely attention to this matter.

Sincerely,

JB Pritzker Governor of Illinois

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Richard J. Durbin United States Senator

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Nikki Budzinski Member of Congress

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Danny K. Davis Member of Congress

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Jesús G. "Chuy" García Member of Congress

Robin Kelly Member of Congress

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Delia C. Ramirez Member of Congress

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Brad Schneider Member of Congress

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Mike Quigley Member of Congress

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Tammy Duckworth United States Senator

Sean Casten Member of Congress

Foster

Bill Foster Member of Congress

Tauthon L. Jab

Jonathan L. Jackson Member of Congress

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Raja Krishnamoorthi Member of Congress

Schall

Jan Schakowsky Member of Congress

Eric Sorensen Member of Congress

Sauren Underwood

Lauren Underwood Member of Congress