

STATE OF HAWAI'I KA MOKU 'ĀINA O HAWAI'I

DEPARTMENT OF THE ATTORNEY GENERAL

KA 'OIHANA O KA LOIO KUHINA

JOSH GREEN, M.D.

GOVERNOR *KE KIA'ĀINA*

ANNE LOPEZ ATTORNEY GENERAL LOIO KUHINA

STATE OF HAWAI'I JOINS 21 STATES AND DISTRICT OF COLUMBIA TO STOP TRUMP ADMINISTRATION FROM WITHHOLDING ESSENTIAL FEDERAL FUNDING

New Trump Administration Policy Would Block Trillions in Funding for Health, Education, Law Enforcement, Disaster Relief, and Other Essential State Programs

FOR IMMEDIATE RELEASE

News Release 2025-09

January 28, 2025

HONOLULU – Attorney General Anne Lopez today joined a coalition of 22 attorneys general <u>suing</u> to stop the implementation of a new Trump administration policy that orders the withholding of trillions of dollars in funding that every state in the country relies on to provide essential services to millions of Americans.

The <u>new policy</u>, issued by the President's Office of Management and Budget (OMB), puts an indefinite pause on the majority of federal assistance to states. The policy would immediately jeopardize state programs that provide critical health and childcare services to families in need, deliver support to public schools, combat hate crimes and violence against women, provide life saving disaster relief to states, and more.

Attorney General Lopez and the coalition of attorneys general are seeking a court order to immediately stop the enforcement of the OMB policy and preserve essential funding.

"We are aware of U.S. District Court Judge Loren L. AliKhan's ruling which blocks the federal grant and loan freeze until Monday," said Attorney General Lopez. "It is

Department of the Attorney General News Release 2025-09 Page 2

imperative that we continue with our court filing to make sure that the enforcement of the OMB policy is halted."

Attorney General Lopez continued: "The people of Hawai'i pay the federal government millions upon millions of dollars in taxes every year, and the people of this state are entitled to receive a broad array of federal funds to pay for law enforcement and other crucial programs in accordance with federal law. And the impacts of this policy withholding federal funds have already been realized in our state. Neither the President of the United States nor an acting federal budget official can unilaterally upend federal law and cause such mass uncertainty in the Hawai'i and our sister states by withholding federal by law. The Department of the Attorney General will stand up for the rule of law in this nation."

The OMB policy, issued late on January 27, directs all federal agencies to indefinitely pause the majority of federal assistance funding and loans to states and other entities beginning at 5:00 pm today, January 28. As Attorney General Lopez and the coalition note in their lawsuit, OMB's policy has caused immediate chaos and uncertainty for millions of Americans who rely on state programs that receive these federal funds. Essential community health centers, addiction and mental health treatment programs, services for people with disabilities, and other critical health services are jeopardized by OMB's policy.

Attorney General Lopez and the coalition also argue that jeopardizing state funds will put Americans in danger by depriving law enforcement of much-needed resources. OMB's policy would pause support for U.S. Department of Justice initiatives to combat hate crimes and violence against women, stop drug interdiction, support community policing, and provide services to victims of crimes. In addition, Attorney General Lopez and the coalition of attorneys general note that the OMB policy would halt essential disaster relief funds to places like California and North Carolina, where tens of thousands of residents are relying on FEMA grants to rebuild their lives after devastating wildfires and floods.

While the administration has attempted to clarify the scope and meaning of the OMB policy, states have already reported that funds have been frozen. As part of their lawsuit, Attorney General Lopez and the coalition of attorneys general argue that OMB's policy violates the Constitution and the Administrative Procedure Act by imposing a government-wide stop to spending without any regard for the laws and regulations that govern each source of federal funding. The attorneys general argue that the president cannot decide to unilaterally override laws governing federal spending, and that OMB's

Department of the Attorney General News Release 2025-09 Page 3

policy unconstitutionally overrides Congress' power to decide how federal funds are spent.

Joining Attorney General Lopez in the lawsuit are the attorneys general of Arizona, California, Colorado, Connecticut, Delaware, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Mexico, New York, North Carolina, Oregon, Rhode Island, Vermont, Washington, Wisconsin, and the District of Columbia.

The Complaint can be found <u>here</u>.

###

Media contacts:

Dave Day Special Assistant to the Attorney General Office: 808-586-1284 Email: <u>david.d.day@hawaii.gov</u> Web: <u>http://ag.hawaii.gov</u>

Toni Schwartz Public Information Officer Hawai'i Department of the Attorney General Office: 808-586-1252 Cell: 808-379-9249 Email: <u>Toni.E.Schwartz@hawaii.gov</u> Web: <u>http://ag.hawaii.gov</u>