



Federal Funds Update Call

Sam Rockwell & Avery Prine | Federal Funds Implementation Team

March 13th Agenda

Presentation (15 minutes)

1. Brief Intro to Federal Funds Implementation Team (FFIT)
2. Purpose and intent of the call series
3. Overview of federal funds response to-date
4. Topic area spotlight: Transportation

Questions and Group Discussion (15 minutes)

Team Intro & Overview

Mission: Partner with Minnesota entities to access and deploy federal funds to accelerate state goals.

The Team



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Our Focus Areas

1. Monitor the federal landscape
2. Build & coordinate federal funding strategy
3. Monitor and evaluate federal funds deployment
4. Curate, develop & share federal funding technical assistance

Purpose of this call

Feedback from partners:

- Biggest need is clarity/guidance on federal funding and policy changes

While we can't provide clarity right now, we can:

- Share the information we have access to
- Provide a space for others to share information and strategies
- Build a support network of people working through similar problems

Federal Funds Response Work

Tracking guidance – which stem from executive orders

- DEI, gender, climate the primary focus

Tracking reimbursement blockages:

- Paused for review – consistency administration priorities
- Reimbursement portal down, no response from federal agencies

Tracking Cancellations: 2 CFR §200.340(a)(4)

- “The Federal award may be terminated in part or its entirety... by the Federal agency ... pursuant to the terms and conditions of the Federal award, including ... if an award no longer effectuates the program goals or agency priorities.”

Tracking NOFOs:

- IIJA/IRA: some fully removed, some due dates amended to past dates, some flagged for review, some renamed; *there are still ~45 IIJA funding opportunities open, majority from USDOT and DOE*
- General: about half of the grants newly posted on grants.gov are DOD research grants

Transportation

Executive Orders



Sec. 2. Policy. It is the policy of the United States...
(e) to eliminate the “electric vehicle (EV) mandate”...
Sec. 7. Terminating the Green New Deal.



- Sec. 2. Implementation. (a) The Director of [OMB]... shall coordinate the termination of all discriminatory programs, including illegal DEI and “diversity, equity, inclusion, and accessibility” (DEIA) mandates, policies, programs, preferences, and activities....
- Align agency or department programs, activities, policies, regulations, guidance, employment practices, enforcement activities, contracts (including set-asides), grants, consent orders, and litigating positions with the policy of equal dignity and respect identified in ... this order.



**U.S. Department
of Transportation**

Office of the Secretary
of Transportation

SUBJECT: ENSURING
RELIANCE UPON SOUND
ECONOMIC ANALYSIS IN
DEPARTMENT OF
TRANSPORTATION POLICIES,
PROGRAMS, AND ACTIVITIES

“All DOT grants, loans, contacts, and DOT-supported or –assisted State contracts, shall prioritize projects and goals that...

iii. ...Give preference to communities with marriage and birth rates higher than the national average.”

POLITICS

U.S. plans to give transportation money based on birth and marriage rates. How would Minnesota fare?

Rural communities and outer-ring suburbs could benefit, a Minnesota Star Tribune analysis found, with highways favored over mass transit.

By Janet Moore and Jake Steinberg
The Minnesota Star Tribune

MARCH 1, 2025 AT 9:30AM

March 12, 2025

Guidance for competitive award selections made after Jan. 20, 2021, “that do NOT have fully obligated grant agreements or cooperative agreements in place.” Guidance does apply to “selections with partially obligated grant agreements.”

Flag activities for removal:

- “Project activities such as equity analysis, green infrastructure, bicycle infrastructure, EV and/or EV charging infrastructure.
- “Project purpose or primary project benefits include equity and/or climate such as- projects that purposefully improve the condition for EJ communities or actively reduce GHG emissions.”

Other funding actions

Indications of agency and administration priorities and direction

- [National Electric Vehicle Infrastructure](#) (NEVI): suspended approval of plans
- [Congestion Pricing attempted cancellation](#) (New York City)
- [“EPA Administrator Lee Zeldin Cancels 21 Additional Grants in 3rd Round of Cuts with DOGE, Saving Americans More than \\$116M”](#) (3/4/25)
- Staff cuts
 - 4% at National Highway Traffic Safety Administration (NHTSA)
 - DOT Safety Regulation staff
 - Proposed 65% cut at EPA

Other funding-adjacent actions

Indications of agency and administration priorities and direction

- The EPA “[will reconsider the Model Year 2027 and Later Light-Duty and Medium-Duty Vehicles regulation and Greenhouse Gas Emissions Standards for Heavy-Duty Vehicles.](#)” (3/12/25)
- Revocation of Biden-era DOT guidance to prioritize “[disadvantaged and underrepresented groups in the planning, project selection and design process](#)” (3/10/25)
- Rulemaking: “[Removal of National Environmental Policy Act \[NEPA\] Implementing Regulations](#)” (2/25/25)
- Proposed cut to electric vehicle (EV) tax credits as part of budget reconciliation push

What does all this mean?

- Grants with signed agreements appear to be somewhat stable for the time being
- Some grants may be terminated for convenience—check terms and conditions
- Stay consistent with terms and conditions
- Get any directives in writing
- Know that calls may be recorded
- Court cases in progress
- Reporting and funding applications: anticipate use of AI screening for key words.

AI screening for words and themes

- Analysis has shown that words associated with themes in issued executive orders and federal agency guidance are being removed or replaced on federal websites.
- Federal agencies may be conducting AI screening for these or similar words in federal grant applications and reporting.
- Applications and reports that omit these words or themes may not trigger additional review.

The New York Times			
accessible	discriminated	inclusive	privilege
activism	discrimination	inclusive leadership	privileges
activists	discriminatory	inclusiveness	promote diversity
advocacy	disparity	inclusivity	promoting diversity
advocate	diverse	increase diversity	pronoun
advocates	diverse backgrounds	increase the diversity	pronouns
affirming care	diverse communities	indigenous community	prostitute
all-inclusive	diverse community	inequalities	race
allyship	diverse group	inequality	race and ethnicity
anti-racism	diverse groups	inequitable	racial
antiracist	diversified	inequities	racial diversity
assigned at birth	diversify	inequity	racial identity
assigned female at birth	diversifying	injustice	racial inequality
assigned male at birth	diversity	institutional	racial justice
at risk	enhance the diversity	intersectional	racially
barrier	enhancing diversity	intersectionality	racism
barriers	environmental quality	key groups	segregation
belong	equal opportunity	key people	sense of belonging
bias	equality	key populations	sex
biased	equitable	Latinx	sexual preferences
biased toward	equitableness	LGBT	sexuality
biases	equity	LGBTQ	social justice

Questions/Discussion