

Compiled Resources on the Trump Administration's Executive Order to Freeze IRA and IIJA Funding

Updated on January 29, 2025

On his first day in office, President Donald Trump issued numerous Executive Orders impacting energy and environmental policies. These executive orders task agencies with various internal efficiency and policy reviews, with the expectation that agencies terminate many Biden-era programs, shrink their offices, and/or identify solutions for the new administration's energy and trade plans.

The following is a compilation of public resources regarding the implications of President Trump's executive order to freeze Inflation Reduction Act (IRA) and Infrastructure Investment and Jobs Act (IIJA) funding.

The analyses and trackers provided below are intended to aid BCSE members in their review of the executive order and do not constitute legal advice.

From the White House

****RESCINDED Jan. 29, 2025**** [Memorandum for Heads of Executive Departments and Agencies](#) – Jan. 27, 2025

“This memorandum requires Federal agencies to identify and review all Federal financial assistance programs and supporting activities consistent with the President’s policies and requirements. For example, during the initial days of his Administration, President Donald J. Trump issued a series of executive orders to protect the American people and safeguard valuable taxpayer resources, including [...] Putting America First in International Environmental Agreements (Jan. 20, 2025), Unleashing American Energy (Jan. 20, 2025), [...]” All agencies are required to complete their respective section of [this spreadsheet](#) about the status of their programs by February 7, 2025.

[Memorandum to the Heads of Departments and Agencies](#) – Jan. 21, 2025

“The directive in section 7 of the Executive Order entitled Unleashing American Energy requires agencies to immediately pause disbursement of funds appropriated under the Inflation Reduction Act of 2022 or the Infrastructure Investment and Jobs Act. This pause only applies to funds supporting programs, projects, or activities that may be



implicated by the policy established in Section 2 of the order. This interpretation is consistent with section 7's heading ('Terminating the Green New Deal') and its reference to the 'law and the policy outlined in section 2 of th[e] order.'"

[Regulatory Freeze Pending Review](#) – Jan. 20, 2025

"Do not propose or issue any rule in any manner, including by sending a rule to the Office of the Federal Register, until a department or agency head appointed or designated by the President after noon on January 20, 2025, reviews and approves the rule. The department or agency head may delegate this power of review and approval to any other person so appointed or designated by the President, consistent with applicable law. The Director or Acting Director of the Office of Management and Budget may exempt any rule that he deems necessary to address emergency situations or other urgent circumstances, including rules subject to statutory or judicial deadlines that require prompt action."

Trackers

[Trump Executive Order Tracker](#) – Akin Gump Strauss Hauer & Feld

"The Trump Administration's executive orders cut across dozens of industries. This searchable tool breaks down the orders and their impact. Akin will update the Tracker as orders are published and provide in-depth analysis of specific orders."

[Climate Backtracker](#) – Sabin Center for Climate Change Law at Columbia Law School

"The Climate Backtracker identifies steps taken by the Trump-Vance administration to scale back or wholly eliminate federal climate mitigation and adaptation measures. The tracker is linked to our database of climate change regulations, related news, and two previous climate regulation trackers: the Climate Deregulation Tracker covering the first Trump administration and the Climate Reregulation Tracker covering the Biden administration."



Analysis

[White House budget office rescinds federal funding freeze](#) – The Hill, Jan. 29, 2025

“The Trump’s administration’s Office of Management and Budget released a memo Wednesday rescinding a controversial order that froze a wide swath of federal financial assistance, which had paralyzed many federal programs and caused a huge uproar on Capitol Hill.”

[Frozen Federal Aid: How Office of Management and Budget’s Directive to Pause Federal Financial Assistance Will Impact You and Steps You Should Take Now](#) – Kilpatrick, Jan. 29, 2025

“Minutes before the federal funding freeze was poised to go into effect, a federal judge issued an order temporarily blocking the funding freeze. The District Court for the District of Columbia issued the order in response to a legal challenge brought by several organizations that receive federal funds.”

[The Disbursement Pause in the Executive Order Titled “Unleashing American Energy” Should Have No Impact on Tax Credits](#) – Tax Law Center at NYU Law, Jan. 24, 2025

“It is not clear what the Trump administration intends with this EO. However, under the technical terms of the EO, tax credits should not be impacted. Further, the Trump administration does not have legal authority to stop tax credits without congressional action, and taxpayers would be able to sue if they tried and would win. If the Trump administration were to delay payment of a refund, taxpayers would be owed interest for any delay of over 45 days after a filed return’s due date. In general, a taxpayer can sue the IRS for a delayed refund after six months (or earlier if a final denial has been made).”

[Early Assessment of the Effect of President Trump’s New Executive Orders on FERC Infrastructure Projects](#) – Akin Gump Strauss Hauer & Feld, Jan. 24, 2025

“On January 20, 2025, and throughout his first week in office, President Trump signed a series of executive orders outlining his priorities for the domestic energy industry and setting forth policy preferences that rebuke former President Biden’s focus on mitigating the effects of climate change and safeguarding environmental justice communities. Although the energy-related EOs that have been issued to date have been light on specific policy directives, they evince an administration that is focused on expanding the production of fossil fuels and skeptical of the prior administration’s efforts to support the growth of renewable and zero-carbon resources.”



[Impoundment: A Threat to Promised Investments and the Rule of Law](#) – Natural Resources Defense Council, Jan. 24, 2025

“Congress' ability to carry out its power of the purse responsibilities has been increasingly challenged by an executive branch that has sought to claim control of the ‘purse’ for itself. Legislative and Executive Branch conflict reached a high point during the Nixon Administration, when Members of Congress objected to President Nixon’s withholding of appropriations for programs that were inconsistent with his policies (i.e., impoundment). The dispute led to the enactment of the Congressional Budget and Impoundment Control Act of 1974. As part of protecting its constitutional power of the purse from Executive overreach and pursuant to the appropriations clause, Congress has passed a series of laws to provide guardrails on the use of appropriations, including the Antideficiency Act, the Purpose Statute, the *Bona Fide* Needs Statute, and the Impoundment Control Act.”

[Unleashing Uncertainty: President Trump’s Federal Funding Freeze](#) – Akin Gump Strauss Hauer & Feld, Jan. 23, 2025

“On January 20, 2025, President Donald Trump signed the Unleashing American Energy Executive Order (‘Energy EO’) and the Reevaluating and Realigning United States Foreign Aid Executive Order (‘Foreign Aid EO’), both portend a shift in federal funding priorities and raise questions about the willingness to continue to fund prior government commitments.”

[Cheat Sheet: Trump’s Executive Orders on Energy and the Environment, All in One Place](#) – E&E News, Jan. 23, 2025

“President Donald Trump released a flurry of executive orders in his first days in office, including a declaration of an energy emergency, and the halting of international climate treaties and environmental justice initiatives. He also rolled back 78 policies from President Joe Biden’s administration, including dozens on energy, environment and the federal workforce.”

[Trump Executive Orders](#) – Norton Rose Fulbright, Jan. 22, 2025

“Section 7 of an executive order on ‘Unleashing American Energy’ directs federal agencies to pause ‘disbursements’ of all funds appropriated under the bi-lateral infrastructure law and the Inflation Reduction Act. This led to an immediate backlash from backers of road, bridge and other infrastructure projects. The Office of Management and Budget issued a clarification Wednesday morning that the pause only



applies to funds supporting the 'Green New Deal.' The pause is expected to last at least 90 days.”

[The Trump Administration's Day-One Executive Actions: Impacts on Energy and Environmental Policy and More](#) – Bracewell LLP, Jan. 22, 2025

“Section 7 is the provision within the ‘Unleashing American Energy’ executive order which purports to ‘terminate the Green New Deal.’ We’re still thinking it through. But in any event, Section 7 appears to be about disbursement of federal funds or loan guarantees, and not about tax credits taken on a corporate income tax return to offset a tax liability. An argument could be made that if the Treasury is providing a direct payment to an entity that has no tax liability (like a tax-exempt entity), that could be regarded as a disbursement. This issue is not squarely addressed in the executive order.”

[Trump Day-One Executive Actions](#) – Bracewell LLP, Jan. 22, 2025

“This EO immediately pauses the disbursement of additional funds through the Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA) to allow federal agencies to review the procedures for such funding mechanisms. This pause was anticipated; however, the language is broad in this EO, which could be read by some agencies as threatening funding that has already been obligated through contractual vehicles. For example, while the EO explicitly lists EV-related programs, the pause could apply to all programs under the IRA and IIJA. If interpreted in this way, this would foreshadow President Trump’s threats to impound certain funds appropriated by Congress.”

Additional Resources

[Notice from the U.S. Federal Contractor Registration](#)

“Federal grant funding under key programs is currently on a temporary pause while agencies conduct routine reviews of funding priorities. These reviews are not unusual when a new administration takes office and reflect the government’s standard approach to aligning programs with evolving goals.”



[Trump Administration Day One Executive Actions on Energy Policy](#) – Business Council for Sustainable Energy, Jan. 23, 2025

“On his first day in office, President Donald Trump issued numerous Executive Orders impacting energy and environmental policies. BCSE staff has tracked 12 Executive Orders covering more than 20 topics impacting the coalition’s energy sectors. This tracker will be updated with additional EOs as they are signed.”

[BCSE Policy Actions: Inflation Reduction Act and Infrastructure Investment and Jobs Act Implementation](#)

“Since the passage of the IRA in August 2022, BCSE has made numerous submissions to shape the design and implementation of the incentives funded by the two pieces of legislation. Relevant policy actions, including program comments and responses to Requests for Information, can be found here.”