



**COMMISSIONERS COURT
COMMUNICATION**

COURT ORDER NUMBER <#CourtOrderNumber#>

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DATE: 4/2/2025

SUBJECT: FEDERAL FUNDING SUSPENSION RESPONSE PLAN

The Commissioners Court will be briefed on Tarrant County's Federal Funding Suspension Response Plan.

SUBMITTED BY	Administrator	PREPARED BY:	Vanessa Perez
		APPROVED BY:	Chandler Merritt



FEDERAL FUNDING SUSPENSION RESPONSE PLAN

LEGAL ANALYSIS

- In *National Council of Nonprofits, et al. v. Office of Management and Budget, et al.*, No. 1:25-cv-00239-LLA (D.D.C. Jan. 28, 2025), plaintiffs sought and obtained from the D.C. federal district court an injunction preventing implementation of the OMB Memo and ordering the federal government to continue disbursements on all open awards.
- In *New York, et al. v. Trump, et al.*, No. 1:25-cv-00039-JJM-PAS (D. R.I. Jan. 28, 2025), a similar injunction was issued by the Rhode Island federal district court preventing implementation of the Memo as applied to states.
- The federal district court for Rhode Island granted the injunction on March 6, 2025, which requires the federal government to:

“not pause, freeze, impede, block, cancel, or terminate [the federal government’s] compliance with awards and obligations to provide federal financial assistance to the States, and [the federal government] shall not impede the States’ access to such awards and obligations, except on the basis of the applicable authorizing statutes, regulations, and terms.”

- A new lawsuit was filed on April 1, 2025, in Rhode Island by 23 Attorneys General challenging the termination for cause of various HHS grants related to COVID-19 funding. A TRO was requested to vacate and set aside these grant terminations. No action has been taken by the court yet.

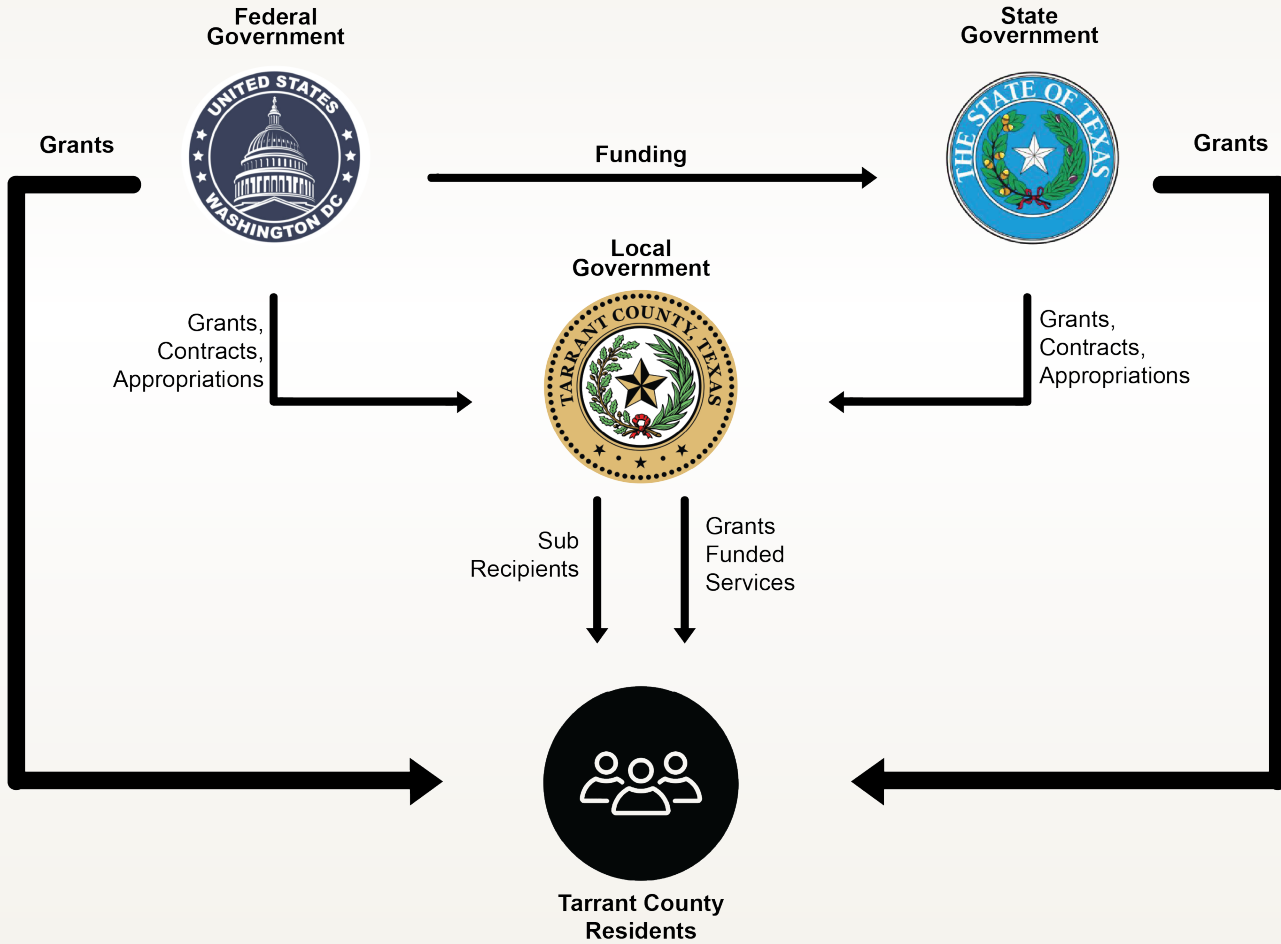


LEGISLATIVE ANALYSIS

- Although federal law authorizes multi-year grants, the United States Congress must appropriate funds for each authorized grant annually.
- Congress passed the continuing resolution to fund the federal government through the end of the fiscal year, September 30, 2025.
- Looking ahead to FY26 and beyond, there is no guarantee that previously authorized grant awards will continue.



FLOW OF GRANT FUNDING

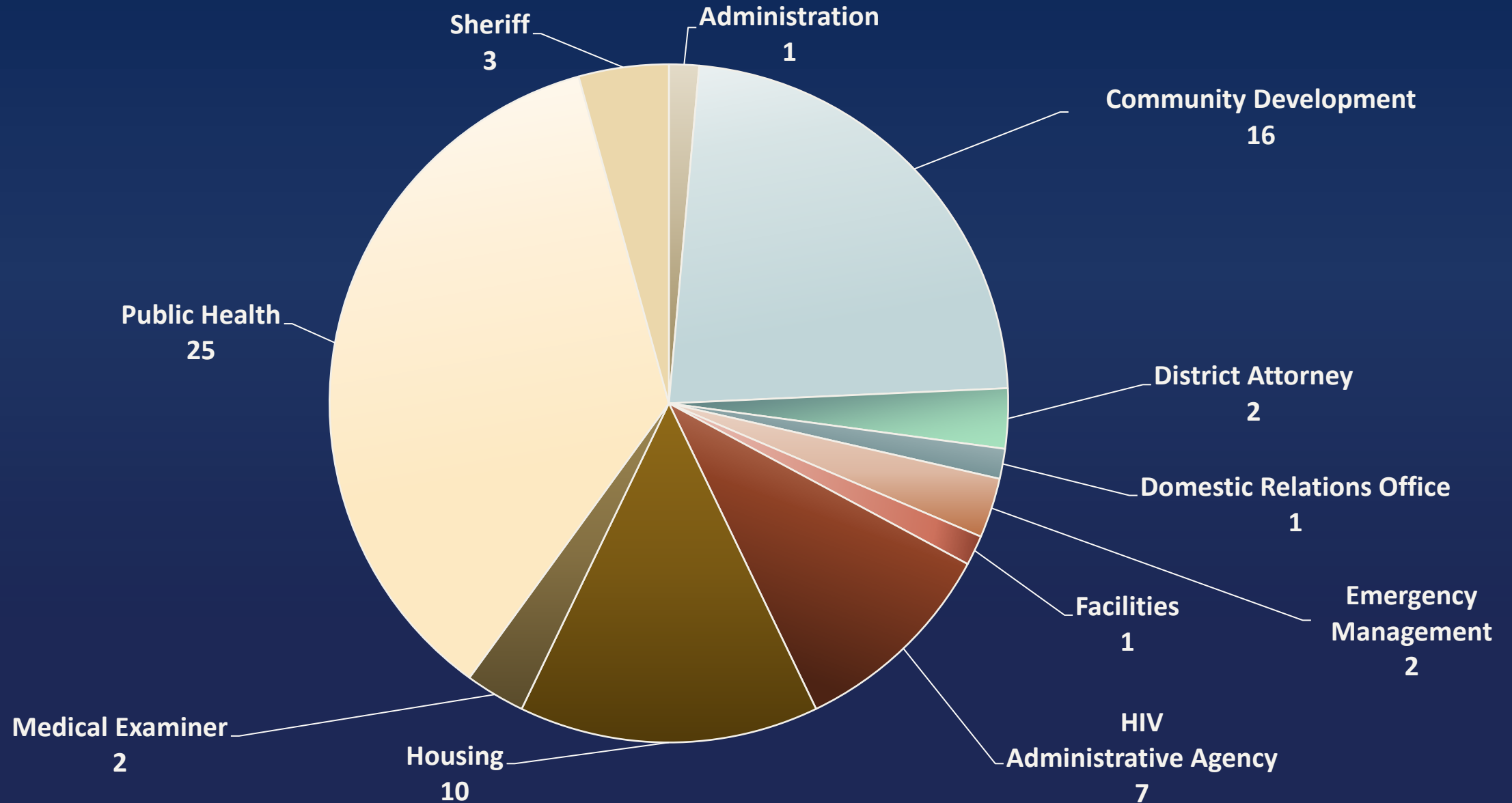


POTENTIAL IMPACT TO TARRANT COUNTY

- 70 grant programs identified.
- Each grant assessed as **High, Medium, Low** risk.
- 350 FTE positions could be impacted.
- As of April 1st, the County faces \$8.4 Million in unreimbursed grant expenses.



DEPARTMENTAL GRANTS



PROGRAMS AFFECTED

Program	Original Award	Current Balance	Operation Closeout Costs*	Employees Impacted
Refugee Clinic	\$3,628,028	\$3,042,581	\$289,000	11
COVID-19 Disparities	\$27,241,785	\$335,537	\$780,000	11
Immunization Cooperative Agreements	\$27,015,816	9,461,305	\$125,000	36
Epidemiology Laboratory Capacity	\$9,026,801	2,541,496	\$8,000	5
TOTAL	\$66,912,430	\$15,380,919	\$1,202,000	63

**The County does not anticipate reimbursement of these costs. Includes terminal benefits payout.*



TARRANT COUNTY'S RESPONSE

The County's response to adapt and navigate the current federal funding landscape is based on three areas:

Financial Liability
to the County

Tarrant County
Employees

Constituent Services



TARRANT COUNTY'S RESPONSE

Financial Liability to the County

Purchase Orders and requisitions funded with impacted federal grant dollars will be evaluated.

The County Administrator will confer with the County Auditor, the Director of Budget and Risk Management, the HR Director and the Appointing Authority to determine the appropriate service and staffing level based on available funding.

Staff has not identified a sustainable funding source to replace affected grants.



TARRANT COUNTY'S RESPONSE

Employees

A hiring freeze is in place for federally funded positions.

All impacted employees will be furloughed.*

HR will meet with the impacted employees to discuss available benefits such as unemployment, retirement, and COBRA.

HR will notify employees of their eligibility for reinstatement* or other job opportunities with the County.

**Per the Civil Service Rules*



TARRANT COUNTY'S RESPONSE

Constituent Services

Subrecipients will be immediately informed of the loss of federal grant funding.

Staff will identify opportunities where services can be offered by community partners / other governmental agencies and refer constituents to these providers.



QUESTIONS?

