

Office of the New York State Attorney General

Letitia James Attorney General

February 3, 2025

Dear Colleague:

I write to inform you of recent developments concerning actions by the federal government to restrict availability of federal funds to recipients of grants administered by various federal agencies, including the availability of federal financial assistance regarding the provision of gender affirming care to minors. As you may be aware, the Office of the New York State Attorney General, as well as 22 other Attorneys General from across the country, filed a lawsuit in federal district court on January 28 seeking to halt the federal government's illegal efforts to freeze federal funding. On the afternoon of Friday, January 31, the Court issued a Temporary Restraining Order (the "Order") that prohibits federal agencies from taking actions that would "pause, freeze, block, cancel or terminate" the agencies' compliance with awards and obligations except as otherwise authorized by existing statute, regulation or grant terms. This includes prohibiting actions to implement a now-rescinded memorandum from the Office of Management and Budget, or to implement the President's recently signed Executive Orders directing that funding be frozen.

In response to the Court's Order, the Department of Justice has sent a <u>notice to federal agencies</u>, as well as agency employees, contractors, and grantees, providing additional detail regarding the <u>federal government's compliance with the Order</u>. The notice states that "federal agencies cannot pause, freeze, impede, block, cancel, or terminate any awards or obligations on the basis of the OMB memo, or on the basis of the President's recently issued Executive Orders," such as those targeting DEI programs and gender affirming care for minors. The DOJ Notice further states that this prohibition "applies to all awards or obligations," including those made to grant recipients such as hospitals, non-profits, or other organizations or entities, and also applies to future grants of federal assistance.

Regardless of the availability of federal funding, we write to further remind you of your obligations to comply with New York State laws, including those that prohibit discrimination against individuals based on their membership in a protected class, such as sex, gender identity or expression, sexual orientation, race, creed, color, national origin, citizenship or immigration status, military status, disability, or marital status. *See, e.g.,* N.Y. Exec. Law § 296(2); N.Y. Civ. Rights Law § 40-c. Electing to refuse services to a class of individuals based on their protected status, such as withholding the availability of services from transgender individuals based on their gender identity or their diagnosis of gender dysphoria, while offering such services to cisgender individuals, is discrimination under New York law.

For any questions, or if you have evidence or witness of potential violations of the Order, please reach out to intergovernmental.affairs@ag.ny.gov with your preferred e-mail and phone number and we will get back to you as soon as possible.

Sincerely,

Letitia James

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