

HAPPENING NOW

Trump and Netanyahu talk to the press as they meet at White House. Watch CNN

White House rescinds memo on federal aid freeze that caused widespread confusion

By [Kaitlan Collins](#), [Alayna Treene](#) and [Samantha Waldenberg](#), CNN

🕒 3 minute read · Published 1:07 PM EST, Wed January 29, 2025

Video Ad Feedback

Collins explains why White House rescinded memo on federal aid freeze

01:50 - Source: [CNN](#)



01:50

Collins explains why White House rescinded memo on federal aid freeze

See More Videos

(CNN) — The White House Office of Management and Budget on Wednesday rescinded a memo that froze federal grants and loans and created widespread confusion this week.

“OMB Memorandum M-25-13 is rescinded. If you have questions about implementing the President’s Executive Orders, please contact your agency General Counsel,” a new memo obtained by CNN reads.

White House press secretary Karoline Leavitt said on X that while the earlier memo had been rescinded, the president’s executive orders freezing foreign assistance and ending diversity equity and inclusion initiatives, for example, remain in effect. Those orders are more targeted than the trillions of dollars in aid that was frozen Monday night.

The White House budget office had ordered the pause on federal grants and loans, according to the internal memorandum sent Monday, which unleashed anxiety even as the White House said it was not as sweeping an order as it appeared.

Though White House aides publicly blamed the media for causing the confusion, arguing that none existed within the building, the administration had received a flood of calls from lawmakers and state officials with questions about its impact on their home states.

A handful of GOP members of Congress had raised concerns to advisers on the president’s team, underscoring how the confusion was far from contrived. Republicans were privately frustrated they were not given a heads up at a decision that stirred a direct deluge of outrage from constituents.

Federal agencies “must temporarily pause all activities related to obligation or disbursement of all Federal financial assistance,” White House Office of Management and Budget Acting Director Matthew Vaeth said in the original memorandum, a copy of which was obtained by CNN, citing administration priorities listed in past executive orders.

On Tuesday afternoon, a federal judge temporarily blocked part of the Trump administration’s aid freeze.

Senate Minority Leader Chuck Schumer on Wednesday boasted that the Trump administration had rescinded its freeze after an “outcry across America” put political pressure on the White House.

“Donald Trump just rescinded his horrible OMB freeze. He should now rescind Russell Vought’s nomination for OMB. Russell Vought is the chief cook and bottle washer. We believe they’ll come back and try to do this in other ways,” the New York Democrat told reporters in the US Capitol.

Trump’s move to pause trillions of dollars in federal grants and loans awakened on Tuesday widespread Democratic resistance to the new president’s second term in a way other moves of his first week back in office had not.

Some of the deepest confusion sparked by the freeze had been about Medicaid. During her first White House press briefing, Leavitt could not immediately answer a question on whether Medicaid funding was included in the freeze. She later posted on X that the White House knew the Medicaid portal was down and said it “will be back online shortly,” but state Medicaid officials found themselves locked out of the federal funding portal for hours on Tuesday.

CNN’s Jeff Zeleny, Tami Luhby and Eric Bradner contributed to this report.

This story has been updated with additional information.

MORE FROM CNN



Judge temporarily blocks part of Trump administration’s ...



A judge paused a freeze on federal funding, but many facets of ...



Inside 45 hours of chaos: The brief life and quick death of Trump’s federal ...

NEWS & BUZZ



2.2 billion gallons of water flowed out of California reservoirs



because of ...



China hits back as
Trump's tariffs go
into effect



Catherine Rampell:
Trump got rolled by
Mexico and Canada

Search CNN...

Subscribe

Sign in

Live TV

Listen

Watch

US

World

Politics

Business

Markets

Health

Entertainment

Tech

Style

[Travel](#)

[Sports](#)

[Science](#)

[Climate](#)

[Weather](#)

[Ukraine-Russia War](#)

[Israel-Hamas War](#)

[Watch](#)

[Listen](#)

[CNN Underscored](#)

[Games](#)

[About CNN](#)

Politics

FOLLOW CNN POLITICS



[Terms of Use](#) [Privacy Policy](#) [Do Not Sell Or Share My Personal Information](#) [Ad Choices](#) [Accessibility & CC](#)

[About](#) [Subscribe](#) [Newsletters](#) [Transcripts](#) [Help Center](#)

© 2025 Cable News Network. A Warner Bros. Discovery Company. All Rights Reserved.

CNN Sans ™ & © 2016 Cable News Network.