POLITICS

Judge orders Trump administration to temporarily allow funds for foreign aid to flow again



1 of 2 | A bouquet of white flowers placed outside the headquarters of the United States Agency for International Development, or USAID, is pictured, Friday, Feb. 7, 2025, in Washington. (AP Photo/Manuel Balce Ceneta)

BY LINDSAY WHITEHURST AND ELLEN KNICKMEYER

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WASHINGTON (AP) — A federal judge ordered the <u>Trump administration</u> on Thursday to temporarily lift a three-week <u>funding freeze</u> that has shut down U.S. aid and development work worldwide, citing the sweeping damage that the sudden shutdown has done to the nonprofits and other organizations that help carry out U.S. assistance overseas.

The court ruling was the second to deliver a major setback for the Trump administration in what has been its dismantling of the six-decade-old <u>U.S. Agency for International Development</u>, which

President Donald Trump and ally Elon Musk accuse of being out of line with Trump's agenda.

Thursday's ruling by the U.S. district court in Washington is the first ruling that targets what aid groups and others say has been a sudden and absolute cutoff of USAID funds for programs abroad.

The funding cutoff has left contractors, farmers and suppliers in the U.S. and around the world without hundreds of millions of dollars in pay for work already done and forced wide scale layoffs among those enterprises.

Judge Amir Ali issued the temporary order Thursday in the U.S. in a lawsuit brought by two organizations, the AIDS Vaccine Advocacy Coalition and the Global Health Council, representing health organizations receiving U.S. funds for work abroad.

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In his order, Ali noted that the Trump administration argued it had to <u>shut down funding</u> for the thousands of USAID aid programs abroad to conduct a thorough review of each program and whether it should be eliminated.

However, administration officials "have not offered any explanation for why a blanket suspension of all congressionally appropriated foreign aid, which set off a shockwave and upended" contracts with thousands of nonprofit groups, businesses and others "was a rational precursor to reviewing programs," the judge said.

Lawyers for the administration had failed to show they had a "rational reason for disregarding...the countless small and large businesses that would have to shutter programs or shutter their businesses altogether," the judge added.

The ruling also bars Secretary of State <u>Marco Rubio</u> and other Trump officials from enforcing stopwork orders that the Trump administration and Musk have sent to the companies and organizations carrying out foreign aid orders.

The funding order applies to contracts that were in place before Trump issued his Jan. 20 executive order declaring a freeze on foreign assistance.

Ali also rejected the Trump administration's argument that it was buffering the impact of the funding freeze, offering waivers to allow funding to keep flowing to some aid partners.

Ali cited testimony that no such waiver system yet existed and that the online payment system at

USAID no longer functioned.

He rejected a request from the health organizations to challenge Trump's executive order itself, limiting his ruling to temporarily blocking Rubio and other administration officials from enforcing it.

Earlier Thursday, a judge in a separate case over the Trump administration's dismantling of USAID and U.S. aid programs abroad said that his order halting the Trump administration's plans to pull all but a fraction of USAID staffers off the job worldwide will stay in place for at least another week.

U.S. District Judge Carl Nichols ordered the extension after a nearly three-hour hearing Thursday, much of it focused on how employees were affected by abrupt orders by the Trump administration and Musk, who leads Trump's Department of Government Efficiency, to put thousands of USAID workers on leave and freeze foreign aid funding.

The judge said he plans to issue a written ruling in the coming days on whether the pause will continue.

Nichols closely questioned the government about keeping employees on leave safe in high-risk overseas areas. When a Justice Department attorney could not provide detailed plans, the judge asked him to file court documents after the hearing.

USAID staffers who until recently were posted in Congo had <u>filed affidavits</u> for the lawsuit describing the aid agency all but abandoning them when looting and political violence exploded in Congo's capital last month, leaving them to evacuate with their families.

The funding freeze and purge of top USAID officials meant agency staffers are now stranded in Washington, without homes or agency funding, and facing the loss of their jobs, staffers said in the affidavits.

The judge handed the administration a setback last week by temporarily halting the <u>plans that would</u> <u>have put thousands of workers on leave</u> and given those abroad only 30 days to return to the United States at government expense. His order was set to expire by the end of Thursday.

Two associations representing federal employees asked him to continue his stay, as well as suspend Trump's freeze on almost all foreign assistance. The president's pause has shut down almost all of the thousands of <u>U.S.-funded aid and development programs</u> around the globe, USAID workers and humanitarian groups say.

Nichols grilled lawyers for USAID unions in Thursday's hearing, probing how workers were being affected by the stoppage of funding for the agency's work.

The judge's questions probed the concept of legal standing — whether the unions can show the kind of legal harm that would justify a continued block on the Trump administration's plans.

Standing is a legal technicality, but an important one. A different judge cited it when he sided with the Trump administration and allowed a Musk-backed plan to cut the federal workforce through deferred resignations, often known as buyouts.

While the administration and DOGE, Musk's cost-cutting initiative, have taken aim at other agencies, they have moved most destructively against USAID, <u>asserting without evidence that its work is wasteful</u>.

In a court filing, deputy USAID head Pete Marocco argued that "insubordination" made it impossible for the new administration to undertake a <u>close review of aid programs</u> without first pushing almost all USAID staffers off the job and halting aid and development work. He did not provide evidence for his assertion.

USAID staffers, in court filings, have denied being insubordinate. They said they were doing their best to carry out what they describe as vague and confusing orders, some of which were said to come from a Musk associate and other outsiders.

Agency supporters <u>told Democratic senators</u> earlier this week that the shutdown — along with other administration steps, including revoking USAID's lease on its Washington headquarters — was really about eradicating USAID before lawmakers or the courts could stop it.

The employee groups, the Democratic lawmakers and others argue that without congressional approval, Trump lacks the power to shut USAID or end its programs. His team says the power of courts or lawmakers to stand in the way is limited at best.

"The President's powers in the realm of foreign affairs are generally vast and unreviewable," government lawyers said in court documents.



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