

TRANSPORTATION

Trump kicks off potentially messy fight over Biden's infrastructure money

One of Trump's executive orders could imperil billions in funding for projects that states have already begun working on, some experts said.



Traffic moves along Interstate 405 in the Bel Air section of Los Angeles. | Mark J. Terrill/AP

By TIMOTHY CAMA, KELSEY TAMBORRINO, JESSIE BLAESER, CHRIS MARQUETTE and JAMES BIKALES

01/21/2025 07:00 PM EST



An executive order by President Donald Trump requiring agencies to stop paying money for two mammoth Biden-era laws could bring a wide range of infrastructure, transportation and energy projects to a halt — including those already delivering jobs to Republican-led states.

The language in question, in [one of dozens of orders Trump issued on his first day in office](#), commands agencies to “immediately pause the disbursement of funds” under former President Joe Biden’s 2021 infrastructure law and his 2022 climate statute. That wording could imperil billions of dollars in funding for projects that states have already begun working on, some lawmakers and policy experts said Tuesday, for everything from roads and bridges to broadband and notwithstanding the effects of climate change.

Some said it also implies that Trump, who has threatened to defy decades of accepted law by blocking congressionally approved spending, could go even further — by refusing to honor contracts in which the federal government promised funding for states, cities and other recipients.

And the havoc could range far beyond the targets Trump specified in his order, such as Biden’s [slow-rolling \\$7.5 billion effort](#) to install electric vehicle chargers from coast to coast.

The White House, Transportation Department and Energy Department didn’t respond to requests for comment.

But some Democrats, including Oregon Sen. Jeff Merkley, said the late-Monday order shows Trump is already preparing to usurp Congress’ spending powers.

“The law is very clear that he has to do what has been passed by Congress,” said Merkley, the top Democrat on the Senate Budget Committee. “He is not a king. ... I call on him to abide by the law.”

New Jersey Rep. Frank Pallone, the top Democrat on the House Energy and

Commerce Committee, also cried foul.

“Congress passed landmark infrastructure and climate investments, and now President Trump is attempting to illegally withhold that money from American businesses, communities, and workers,” Pallone said in a statement. “While Trump has a long history of stiffing contractors who worked on his failed business ventures, the American government must uphold its commitments.”

Chris Spear, president of the American Trucking Associations, said the pause on disbursements from the infrastructure law could at the very least present serious issues for states, all of which have been guaranteed money through a complicated formula included in the law. Such guarantees have long been the way that Washington doles out money to states for highways, bridges and other transportation projects.

A stop on the flow of funds “gets really sticky, and I’m not sure if you want to do that. You could see strong objections from states with projects underway,” Spear said.

Some GOP senators who voted for the bipartisan infrastructure law said they hope Trump’s action wouldn’t stop the flow of infrastructure money to their states and local communities.

Sen. Mike Crapo (R-Idaho) said his understanding is that Trump was just declaring a pause. It's a "concern, but again I don't know how big a concern," Crapo said. "I think he's just pausing it right now. That doesn't mean the payments aren't going to be made."

And Sen. Roger Wicker (R-Miss.) said he hoped any disruption in funds would be "a brief pause."

The order paused the disbursement of funds until agencies review whether their "processes, policies, and programs" for issuing the funding align with the administration's policy agenda.

Trump's handling of the infrastructure and climate money is just one of many fights to come over the fate of [Biden's \\$1.6 trillion effort to use spending and tax breaks](#) to tackle carbon pollution, restore U.S. manufacturing, rebuild roads and bridges and out-compete China in advanced chips technology. Biden's administration spent its final months in office trying to obligate as much of the money as possible.

Now a major question is whether Trump will honor those obligations.

Congress appropriated \$144 billion in direct spending under the climate law, known as the Inflation Reduction Act, and \$836 billion under the infrastructure law, according to data maintained by the previous administration.

Federal agencies have obligated \$378 billion in the infrastructure law dollars as of Nov. 30, including \$162 billion that the government has actually paid out, according to federal spending data. No similar breakdown exists for IRA money.

Projects funded by the infrastructure law could be especially vulnerable to any effort by Trump to halt obligated money.

The law essentially promises a certain amount of infrastructure funding to each state, which then embarks on projects with the federal government's agreement. As work is completed, the state files for expenses to be reimbursed. Stopping the flow of funding for projects already in the works would place pressure on states to come up with the money some other way — or could lead them to mothball the project altogether.

Charlie Ellsworth, a senior adviser to the Checks and Balances War Room of the Congressional Integrity Project, noted the order text doesn't make a distinction between obligated and unobligated dollars from the infrastructure and climate laws — leaving large questions for the administration to answer.

"It's certainly even a step further than we thought the administration would go. Now they're violating contract laws as well as the Constitution," Ellsworth, former budget staffer to Senate Minority Leader Chuck Schumer (D-N.Y.) said.

Sen. Deb Fischer (R-Neb.), who was among the Republicans who voted to pass the infrastructure law, said the executive order is “the president’s decision and he’s doing it.” She singled out “billions spent on a handful of electric charging stations … things like that are what the president told the people of this country he was going to look at and that’s what he’s doing.”

Asked if she was concerned about impacts to projects underway in Nebraska, she expressed confidence in her state’s “very strong projects … that truly make those investments in hard infrastructure, and it’s those types of investments that I’ll continue to support.” But she acknowledged that she didn’t know if Trump’s order would affect any of her state’s projects.

Trump [vowed during the presidential campaign](#) to unilaterally hold back congressionally approved spending he considers wasteful or foolish, a practice known as “impoundment,” despite a [1974 law that declares that illegal](#). Trump occasionally blocked or diverted spending during his previous term in office — most infamously by [withholding \\$250 million in military aid to Ukraine](#), an action that led to his [first impeachment](#).

Russ Vought, Trump’s nominee to lead the White House Office of Management

and Budget, [has also argued that the Impoundment Control Act is unconstitutional](#).

Bobby Kogan, senior director for federal budget policy at the liberal Center for American Progress, said Trump's new order on spending could lead to the government not paying money that it has promised.

"What they said here, 'no new disbursements,' means it doesn't even matter if they already signed. No money can go out the door," Kogan said.

"That causes us to be in breach of our contracts," he said. "That is extremely illegal. The United States is not allowed to default" on contracts.

Transportation budget expert Jeff Davis said the government would guarantee "a ton of lawsuits" if it tried to limit spending by refusing to disburse money after a recipient has done the work. A law called the Prompt Payment Act requires agencies to pay their bills in a timely way.

Davis, a senior fellow at the nonpartisan think tank Eno Center for Transportation, said that if "disbursement" refers to outlays, that means the "immediate shutdown" of many ongoing bridge projects. He noted that a part of the infrastructure law includes more than \$5 billion for each fiscal year for bridge repair and construction.

Over \$21 billion in tentative awards have been announced under this program, representing nearly all of the program's available appropriations.

Not everyone is certain that Trump's action is an immediate problem. Nicholas Bagley, a professor of administrative law at the University of Michigan, said it's unclear what the order's reference to "disbursements" means and whether that would stop money that the government is legally required to spend. He said presidents can and do temporarily stop money from going out the door to ensure it complies with laws.

"These executive orders, as a general matter, they come out with some really

aggressive rhetoric, and then back it up with fairly milquetoast instructions to agencies,” Bagley said.

“I want to see what the agencies actually do, and I wouldn’t put too much weight on the executive orders themselves.”

Andrew Rogers, who served as deputy federal highway administrator under Biden, said it isn’t shocking for a new administration to pause and review funding going out the door when it takes office. He also noted that most of the money for the National Electric Vehicle Infrastructure program, which Trump called out as an example in his executive order, has already been allocated to states, [giving it an extra layer of protection from rollbacks](#).

“What is surprising is in their zeal to single out EVs and EV-related programs, they drafted an executive order that effectively pauses all transportation and infrastructure dollars, which is a hell of a way to start out infrastructure week,” said Rogers, who is now a senior vice president at Boundary Stone Partners.

Sam Ogozalek contributed to this report.

FILED UNDER: INFRASTRUCTURE, JOE BIDEN, DONALD TRUMP, [•••](#)

Playbook

The unofficial guide to official Washington, every morning and weekday afternoons.



EMAIL

Your Email

EMPLOYER

Employer

JOB TITLE

Job Title

By signing up, you acknowledge and agree to our Privacy Policy and Terms of Service. You may unsubscribe at any time by following the directions at the bottom of the email or by contacting us here. This site is protected by reCAPTCHA and the Google Privacy Policy and Terms of Service apply.

SIGN UP

[About Us](#)

[Advertising](#)

[Breaking News Alerts](#)

[Careers](#)

[Credit Card Payments](#)

[Digital Edition](#)

[FAQ](#)

[Feedback](#)

[Headlines](#)

[Photos](#)

[Press](#)

[Print Subscriptions](#)

[Request A Correction](#)

[Write For Us](#)

[RSS](#)

[Site Map](#)

[Terms of Service](#)

[Privacy Policy](#)

© 2025 POLITICO LLC