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The Impacts of the Recent Executive Orders on Nonprofits

Background

Executive orders (EOs) signed by the President provide guidance and directives to federal agencies on their operations and policies and [have the force of law](#). Once they are signed, they remain in effect unless they expire, are revoked, or nullified in court. [Only a sitting President can rescind executive orders signed by a previous administration](#). However, executive orders are not legislation, and while Congress can advance legislation that supports or hinders the effects, it [cannot overturn them](#). After he was sworn into office, President Trump signed dozens of EOs covering a broad range of issues.

Why it Matters to Nonprofits

The work of charitable nonprofits cover a wide range of causes and efforts, and executive orders have the potential to impact funding, staffing, and general operations of critical community services. The implications of the executive orders vary greatly from immediately taking effect to immediately being challenged in court. Staying abreast of the executive orders and their related actions is crucial for

ensuring nonprofits are aware of upcoming hurdles to their work.

Nonprofits with federal grants and contracts, especially those providing diversity, equity, and inclusion trainings and programs to or in partnership with the federal government, or work in immigration, LGBTQ+ rights, or environmental protection, should review their programs and contract language immediately as it pertains the various EOs.

Key Resources

[Read about Chart of Executive Orders](#)

Chart of Executive Orders

In an effort to aid the swift analysis of the recent executive orders, we have crafted a chart of the most pertinent executive orders, expected impacts, and related actions that we will be updating regularly.

[Read about General FAQs on Executive Actions Impacting Nonprofits](#)

General FAQs on Executive Actions Impacting Nonprofits

To answer some of the pressing questions on the minds of nonprofits, we compiled a document with frequently asked questions.

[Read about A Nonprofit Checklist: What to Do When Your Federal Grant or Contract is Terminated](#)

A Nonprofit Checklist: What to Do When Your Federal Grant or Contract is Terminated

Initial steps that nonprofits should engage in when they learn that their federal grant or contract is terminated by a federal agency.

Noteworthy Related Actions

OMB Litigation

On January 27, 2025, the Office of Management of Budget (OMB) [issued an memo](#) in response to some of the executive orders, including [Executive Order Ending Illegal Discrimination and Restoring Merit-Based Opportunity](#), that called for the pausing of all OMB grants and loans. The National Council of Nonprofits, American Public Health Association, Main Street Alliance, and SAGE, represented by Democracy Forward, filed to stop the memo from going into effect ([see the Complaint](#)).

On January 28, 2025, minutes before the memo went into effect, a DC federal judge [ordered an administrative stay](#). On Jan. 29, OMB [rescinded](#) the memo. The judge [issued a temporary restraining order](#) on Feb. 3, 2025 prohibiting the “implementing, giving effect to, or reinstating under a different name the directive to halt federal spending broadly.”

A preliminary injunction ([order](#) and [opinion](#)) extending the prohibition against the funding freeze was issued on February 25.

“The preliminary injunction is a tremendous relief for thousands of nonprofit organizations throughout the country that are struggling to continue their vital work in the midst of the chaos and confusion caused by the administration’s attempted federal funding freezes,” said Diane Yentel [praising the order](#).

In a [separate suit](#) by 23 state Attorneys General, a second federal judge issued a [preliminary injunction](#) on March 6, 2025.

Inflation Reduction Act and Infrastructure Investment and Jobs Act Litigation

On March 13, 2025, Woonasquatucket River Watershed Council, National Council of Nonprofits, Eastern Rhode Island Conservation District and Green Infrastructure Center filed a [lawsuit](#) challenging the Administration’s freeze on funding from the Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA), known also as the Bipartisan Infrastructure Law. Read the [press release](#).

- **National Webinar: *Executive Actions and their Impact on Charitable Nonprofits*** (57:38) [recording](#) and [slides](#), National Council of Nonprofits, Feb. 7, 2025.
- **National Webinar: *The Legal Landscape and Path Ahead for Nonprofits and Philanthropy*** (1:02:23) [recording](#) and [slides](#), National Council of Nonprofits, Mar. 17, 2025.

Where We Stand

This order is a potential five-alarm fire for nonprofit organizations and the people and communities they serve. From pausing research on cures for childhood cancer to halting food assistance, safety from domestic violence, and closing suicide hotlines, the impact of even a short pause in funding could be devastating and cost lives. This order could decimate thousands of organizations and leave neighbors without the services they need.

- National Council of Nonprofits' President & CEO, Diane Yentel.

Official Statements & Press Releases

- [Suit Filed to Restore Critical Infrastructure and Investment Funds](#), press release, National Council of Nonprofits, Mar. 13, 2025.
- [Judge Issues National Injunction to Block Trump Administration's Devastating Attempt to Halt Funding For Essential Services](#), press release, National Council of Nonprofits, Feb. 25, 2025.
- [National Council of Nonprofits Statement on White House Memorandum for the Heads of Executive Departments and Agencies](#), official statement, National Council of Nonprofits, Feb. 7, 2025.

- [National Council of Nonprofits Reacts to Rescinding of OMB Memo Ordering Funding Freeze](#), official statement, National Council of Nonprofits, Jan. 29, 2025.
- [Nonprofits, Public Health Leaders, Small Businesses File Suit to Block OMB Attempt to Halt Essential Services](#), press release, National Council of Nonprofits, Jan. 28, 2025.
- [National Council of Nonprofits Statement on Pause to Federal Grants and Contracting](#), official statement, National Council of Nonprofits, Jan. 28, 2025.
- [National Council of Nonprofits Statement on Executive Orders from President Trump](#), official statement, National Council of Nonprofits, Jan. 27, 2025.

Action Items

To help get a better sense of the real-world effects of the announced executive orders or the new freeze in federal funding, we have set up a form for nonprofits to share the effects on their missions and the people they serve.

[Fill out our brief form](#)

Additional Resources

- [Why We Filed a Lawsuit Against the Administration](#), Diane Yentel, National Council of Nonprofits, Feb. 10, 2025.
- ["Head on a Swivel" Advocacy](#), National Council of Nonprofits, Jan. 27, 2025.
- [Presidential Actions](#), White House.
- [What Is an Executive Order?](#), American Bar Association, Jan. 25, 2021.
- [Multi-State Guidance Concerning Diversity, Equity, Inclusion, and Accessibility Employment Initiatives](#), Commonwealth of Massachusetts, The State of Illinois Offices of the Attorney General, and 14 state attorneys general, Feb. 13, 2025.
- [Litigation Tracker: Legal Challenges to Trump Administration Actions](#), Just Security

- [Alaska Nonprofits - Essential to Our Way of Life](#), The Foraker Group, Feb. 24, 2025.

Related Insights and Analyses

[See all](#)