

August 28, 2025

The Honorable Russell Vought U.S. Office of Management and Budget 725 17th Street, NW Washington, DC 20503

Sent electronically to: <a href="mailto:OMBLegislativeAffairs@omb.eop.gov">OMBLegislativeAffairs@omb.eop.gov</a>

RE: OMB Treatment of Tribal Nations in Implementation of Executive Order 14332

Dear Director Vought:

On behalf of the undersigned members of the Coalition for Tribal Sovereignty (CTS), consisting of more than 35 Tribal organizations serving Tribal Nations and Tribal citizens and communities, we write concerning President Trump's recent Executive Order (EO)14332, *Improving Oversight of Federal Grantmaking*. While we agree with the President that there is a need "to streamline[] agency grantmaking," the federal government must make efforts to ensure that implementation of EO 14332 in no way negatively impacts fulfillment of its trust and treaty obligations to our Tribal Nations, Tribal citizens, and Tribal communities. Federal grants are currently an integral component of how the United States delivers on its trust and treaty obligations to Indian Country. We request a meeting with you as soon as possible to discuss how implementation of EO 14332 may impact Tribal Nations and Tribal-serving organizations. Additionally, we strongly urge the Office of Management and Budget (OMB) to initiate formal Tribal consultation on how to best implement EO 14332 in accordance with the United States' trust and treaty obligations.

## The implementation of EO 14332 must *not* interfere with the delivery of the United States' trust and treaty obligations.

We understand the intent of EO 14332 is to ensure that federal grantmaking continues to advance Administration priorities and national interests, in part by permitting agencies to terminate grant awards for convenience and by requiring additional justification requirements for drawdowns of funding. It is imperative that the Administration insulate delivery of its trust and treaty obligations to Tribal Nations, Tribal citizens, and Tribal communities from these provisions.

As we explained in our February 14, 2025, letter to you, [2] Tribal Nations are and always have been inherently sovereign governments. Tribal Nations also have political, government-to-government relationships with the United States, and the United States assumed ongoing trust and treaty obligations for which we prepaid with our lands and resources. The United States fulfills its trust and treaty obligations through direct delivery of Tribal programs and services, through the provision of federal funding to Tribal Nations and Tribal-serving organizations, and, critically, through discretionary awards and grants. [3] Any Tribal program, service, or funding delivered to Tribal Nations—including through Tribal Colleges and Universities, Urban Indian Organizations, Native community development financial institutions, Tribal-serving organizations and other entities—is provided in furtherance of the United States' trust and treaty obligations. We acknowledge the need for transformational reform in this space, but any such reform must be led by Tribal leaders working with Congress and the Administration.

Protecting discretionary awards and grants serving Tribal Nations, Tribal citizens, and Tribal communities is not only a legal obligation, but one of the Administration's stated priorities. To date, numerous federal agencies have taken steps to acknowledge this obligation, including the Departments of Agriculture, Education, Health and Human Services, Housing and Urban Development, Interior, and Justice. These agencies have issued written guidance or statements recognizing that implementation of the Administration's policy priorities should not impact the United States' delivery of its trust and treaty obligations and that such delivery is *not* race-based or the type of diversity, equity, and inclusion initiative that runs afoul of the President's executive orders.

We urge OMB to issue similar direction to all federal agencies to ensure that Tribal Nations and Tribal-serving organizations are not impacted by implementation of EO 14332. Indeed, EO 14332 states it "shall be implemented consistent with applicable law," and thus it should not be implemented in ways that impede the United States' ongoing legal obligations to Indian Country.

Any modification of the Uniform Guidance must *not* negatively impact Tribal Nations and Tribal-serving organizations, including with respect to termination for convenience as well as indirect costs.

EO 14332 charges the Director of OMB to revise the Uniform Guidance and other relevant guidance, including requiring discretionary grant terms and conditions that allow for "termination for convenience" and limit "the use of discretionary grant funds for costs related to facilities and administration." While there may be good reason to reconsider the limits on these types of indirect costs in other contexts, Tribal Nations and Tribal-serving organizations must be fully funded to provide necessary programs and services the federal government would otherwise be obligated to provide, such as services related to health, law enforcement and public safety. In short, Tribal programs are not like other federal programs or grants, and the United States must ensure complete and full funding to support those services—including for indirect costs.

Indeed, in the context of Tribal Nations and Tribal-serving organizations that assume programs or services under the Indian Self-Determination and Education Assistance Act, the Supreme Court has repeatedly affirmed that the federal government must pay contract support costs—which are similar to indirect costs—in part so that cost differences between the federal government providing services and bringing those services into local hands are not borne by Tribal Nations and Tribal communities. It is for these same reasons that prioritizing lower indirect cost rates in any grant review would be inappropriate for Indian Country.

As OMB reviews potential revisions to the Uniform Guidance, we ask that you and your staff work with Tribal Nations and Tribal-serving organizations—including members of CTS—to ensure that federal programs, services, and funding provided to Tribal Nations and Tribal-serving organizations are protected and that you look for ways to better identify and exempt funding for Indian Country.

OMB is critically important to fulfillment of the United States' trust and treaty obligations to Tribal Nations, Tribal citizens, and Tribal communities and *must* engage in regular and meaningful government-to-government consultation with Tribal leaders.

The United States has a duty to consult government-to-government with Tribal Nations on federal actions that may have Tribal implications, including implications on the delivery of trust and treaty obligations. These actions are not discretionary; they are legal obligations rooted in treaties, trust obligations, the U.S. Constitution, and long-standing federal statutes.

During the first six months of the current Administration, the President has repeatedly charged OMB with the implementation of key priorities, as is once again the case in EO 14332. OMB's contemplated and actual actions to be taken with respect to EO 14332 will have a direct and substantial impact on Indian Country. Despite the direct and substantial impacts on Indian Country, OMB has thus far failed to engage in any formal government-to-government consultation with Tribal Nations. Neither has OMB filled its permanent Tribal Policy Advisor position—which in the past has served as the critical point of contact between Tribal Nations and OMB—nor has OMB issued the important Native American Funding Crosscut<sup>[4]</sup> that provides critical funding data.

**Requested Action.** In insulating delivery of federal trust and treaty obligations from implementation of EO 14332, we call for OMB to issue in writing that:

- 1. All funding opportunity announcements made available to Tribal Nations and Tribal-serving organizations be un-paused;
- 2. Officials leave all grants made available to Tribal Nations and Tribal-serving organizations in place;
- 3. Grants for Tribal Nations and Tribal-serving organizations be exempted from any new grant terms and conditions that allow termination for convenience or that add new draw-down justifications;
- 4. Officials exempt Tribal Nation and Tribal-serving organization grants from the review principles of EO 14332—especially as they relate to indirect cost rate preferences and racial preference, which would be highly inappropriate and administratively catastrophic if applied to Indian Country; and
- 5. Agencies implement any new procedures with respect to discretionary grants or awards "consistent with applicable law," as required by EO 14332 to ensure that Congressional directives found in authorizing statutes incorporating trust and treaty obligations through specific due process requirements for grant termination and flexibility around indirect costs are fully followed.

We urge OMB to ensure that each federal agency explicitly commits to and implements the above affirmative OMB statements regarding Indian Country funding. We ask that OMB act quickly, as EO 14332 requires federal agencies to report on their implementation plans within 30 days of issuance.

Further, we also call on OMB to:

- 6. Initiate formal Tribal consultation on EO 14332 *before* it is implemented;
- 7. Initiate separate Tribal consultations on other Administration policies that directly impact Tribal Nations, Tribal citizens, and Tribal communities;
- 8. Fill the Tribal Policy Advisor position at OMB; and
- 9. Issue the Native American Funding Crosscut as soon as possible.

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EO 14332 notes that the federal government holds tax revenue in "trust" for the American people, but its implementation must first align with the sacred trust and treaty obligations the United States owes to Indian Country. We look forward to continued partnership with the Administration on mutual policy priorities—including with regard to local control and more efficient federal funding mechanisms—and to working with OMB on the implementation of those priorities in a manner that is efficient and beneficial to Tribal Nations, Tribal citizens, and Tribal communities.

We reiterate our request to meet with you about EO 14332 so that we can continue working together to better serve Indian Country.

## Sincerely,

Affiliated Tribes of Northwest Indians (ATNI)

Alaska Native Health Board (ANHB)

American Indian Higher Education Consortium (AIHEC)

California Tribal Chairpersons' Association (CTCA)

California Rural Indian Health Board (CRIHB)

Great Plains Tribal Chairmen's Association (GPTCA)

Indian Gaming Association (IGA)

National American Indian Court Judges Association (NAICJA)

National Association of Tribal Historic Preservation Officers (NATHPO)

National Congress of American Indians (NCAI)

National Council of Urban Indian Health (NCUIH)

National Indian Child Welfare Association (NICWA)

National Indian Education Association (NIEA)

National Indian Head Start Directors Association (NIHSDA)

National Indian Health Board (NIHB)

National Indigenous Women's Resource Center (NIWRC)

Native American Rights Fund (NARF)

Northwest Portland Area Indian Health Board (NPAIHB)

Self-Governance Communication & Education Tribal Consortium (SGCETC)

United South & Eastern Tribes Sovereignty Protection Fund (USET SPF)

<sup>[1]</sup> A CTS briefing paper on the formation and messaging of CTS can be found <u>here</u>, and more information about CTS can be found on our website <u>here</u>.

<sup>[2]</sup> See https://coalitionfortribalsovereignty.org/wp-content/uploads/2025/04/2025.02.14-FINAL-Tribal-Org-Ltr-to-OMB-1.pdf.

<sup>[3]</sup> As defined in 2 CFR § 200.1.

<sup>[4]</sup> See, e.g., https://www.doi.gov/media/document/fy2024-native-american-funding-crosscut.