

**NEWS ADVISORY**

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**Pacifica Clients Urge Ninth Circuit to Find Trump Admin's  
Federal Grant Conditions Coercive**

SEATTLE, WA—A nationwide coalition of cities, counties, and housing and transit authorities represented by Pacifica today urged the United States Court of Appeals for the Ninth Circuit to prevent federal agencies from using grant programs to coerce local governments into adhering to President Trump's political agenda.

Pacifica attorney [Paul Lawrence](#) argued on behalf of the coalition, which filed suit last year against the federal government to safeguard billions of dollars in federal funds relied upon by these local governments to support unhoused people, fund health services and public transit, build and maintain highways and railways, and improve and develop airports.

The agencies named in the appeal include the U.S. Department of Housing and Urban Development, the U.S. Department of Transportation, the Federal Transit Administration, the Federal Aviation Administration, and the Federal Railroad Administration. The U.S. Department of Health and Human Services was named as a defendant after the injunction on appeal was entered.

Lawrence asked the Ninth Circuit to affirm [a district court ruling](#) that found these agencies violated the Separation of Powers doctrine and undermined powers granted to Congress by attempting to condition federal funding on the local governments' agreement to adhere to the Trump administration's policies. The conditions include that the grantees eliminate all forms of diversity, equity, and inclusion (DEI) policies, help with the administration's aggressive and lawless immigration enforcement, target and punish transgender people, and cut off information about lawful abortions.

These conditions, Lawrence argued, were added to existing grant programs without congressional authorization, and are therefore unlawful. "We all agree that Congress holds the spending power and can set criteria and establish grant programs under the terms and conditions they create," Lawrence said. The coalition of local governments is asking the court to look at these established grant programs and determine whether they refer to or include the

conditions the Trump Administration is seeking to impose. “The district court correctly held that [the conditions are]...beyond the statutory authority of the agencies to enact and in violation of the Separation of Powers, and also that they were arbitrarily and capriciously adopted because there was no process or reasoning to explain why this change in the conditions that were being applied to the local governments at issue.”

Pacifica initially filed suit on May 2, 2025 on behalf of eight cities and counties in five states, but after a U.S. District Court issued a temporary restraining order on May 7, 23 additional government entities representing communities in seven more states joined the plaintiff coalition. On June 3, the district court granted a preliminary injunction to the expanded coalition. Pacifica has since filed amended complaints, adding additional plaintiffs to bring the total to 75.

The Pacifica litigation team representing the coalition includes Paul Lawrence, [Jamie Lisagor](#), [Sarah Washburn](#), [Meha Goyal](#), and [Galen Knowles](#). [Public Rights Project](#) is serving as co-counsel in the case.

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