

**AMERICAN PUBLIC TRANSPORTATION ASSOCIATION**  
**FACT SHEET**  
**PRESIDENTIAL MEMORANDUM ON ANARCHIST JURISDICTIONS**  
*October 14, 2020*

**EXECUTIVE SUMMARY**

On September 2, 2020, President Donald J. Trump issued a memorandum to the U.S. Attorney General and the Director of the Office of Management and Budget (OMB) directing them to review Federal funding to state and local government recipients that are permitting “anarchy, violence, and destruction” in American cities. Pursuant to the Presidential Memorandum, the U.S. Department of Justice (DOJ) determined that New York, NY, Portland, OR, and Seattle, WA are such “anarchist jurisdictions”.

On October 8, 2020, the Federal Transit Administration (FTA) issued a Notice of Funding Opportunity (NOFO) for COVID-19 research demonstration grants and stated that it will consider applications pursuant to the Presidential Memorandum. Based on this criterion, APTA is concerned that FTA will restrict the eligibility of, or disfavor applications for, COVID-19 research demonstration grants if applicants are located in New York City, Portland, OR, or Seattle. APTA strongly opposes the inclusion of this restrictive project eligibility criterion in the NOFO. APTA believes that these COVID-19 research funds should be available to all public transit agencies.

**PRESIDENTIAL MEMORANDUM**

On September 2, 2020, the President issued a [\*Memorandum on Reviewing Funding to State and Local Government Recipients of Federal Funds That Are Permitting Anarchy, Violence, and Destruction in American Cities\*](#) to the Attorney General and OMB Director directing them to review Federal funding to state and local government recipients that are permitting “anarchy, violence, and destruction” in American cities. The Presidential Memorandum states:

To ensure that Federal funds are neither unduly wasted nor spent in a manner that directly violates our Government’s promise to protect life, liberty, and property, it is imperative that the Federal Government review the use of Federal funds by jurisdictions that permit anarchy, violence, and destruction in America’s cities. It is also critical to ensure that Federal grants are used effectively, to safeguard taxpayer dollars entrusted to the Federal Government for the benefit of the American people.

***Reporting on All Federal Funds.*** The President directs the OMB Director to issue guidance for each executive department and agency (hereinafter “agency”) to submit a report detailing all Federal funds (e.g., grants, loans, contracts) provided to New York City, NY; Portland, OR; Seattle, WA; and Washington, DC. On September 21, the OMB issued a [memorandum](#) directing Federal agencies to submit a detailed spending report by October 16. Agencies are required to report on obligations from all sources (e.g., grants, loans, contracts) in fiscal year (FY) 2018, FY

2019, and FY 2020, and to report estimated amounts for FY 2021. The OMB memorandum requires that the agencies' spending reports include both Federal assistance provided directly to these city governments, as well as their components and instrumentalities. Agencies are also required to identify funding provided through the sub-granting or sub-allocation of Federal funds from another entity (e.g., State government).

***Designating “Anarchist Jurisdictions”.*** The Presidential Memorandum also directs the Attorney General, in consultation with the Secretary of Homeland Security and the OMB Director, to identify state and local jurisdictions “that have permitted violence and the destruction of property to persist and have refused to undertake reasonable measures to counteract these criminal activities (anarchist jurisdictions).” On September 21, DOJ issued a [Press Release](#) identifying three anarchist jurisdictions: New York City; Portland, OR; and Seattle. Pursuant to the Presidential Memorandum, the Attorney General shall update the list of “anarchist jurisdictions” at least every six months.

***Restricting Eligibility of “Anarchist Jurisdictions” from Receiving Federal Grants.*** Finally, the Presidential Memorandum directs the OMB Director to issue guidance “restricting eligibility of or otherwise disfavoring, to the maximum extent permitted by law, anarchist jurisdictions” from receiving Federal grants. To date, it is unclear if the OMB Director has issued this guidance to agencies.

#### **APPLICABILITY TO FEDERAL TRANSIT ADMINISTRATION GRANTS**

On October 8, FTA issued a [Notice of Funding Opportunity \(NOFO\) for the Public Transportation COVID-19 Research Demonstration Grant Program](#).<sup>1</sup> FTA will provide a total of \$10 million of grants to public transit agencies and other applicants under the program.

As part of the Project Evaluation Criteria, the FTA NOFO states that:

[T]he Department will review and consider applications for funding pursuant to this Notice in accordance with the President’s September 2, 2020 memorandum, entitled *Memorandum on Reviewing Funding to State and Local Government Recipients of Federal Funds that Are Permitting Anarchy, Violence, and Destruction in American Cities*, consistent with guidance from the Office of Management and Budget and the Attorney General and with all applicable laws.

Based on this criterion, APTA is concerned that FTA will restrict the eligibility of, or disfavor applications for, COVID-19 research demonstration grants if applicants are located in New York City, Portland, OR, or Seattle. APTA strongly opposes the inclusion of this restrictive project eligibility criterion in the NOFO. APTA believes that these COVID-19 research funds should be available to all public transit agencies.

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<sup>1</sup> 85 Fed. Reg. 63653 (Oct. 8, 2020).