Rhode Island Federal Court Temporarily Blocks DEI and LGBTQ+ Restrictions in Federal Grant Programs

Description

By Elizabeth O. Manchester and Kelley J. O'Donnell

In two closely watched rulings, the U.S. District Court for the District of Rhode Island has temporarily blocked enforcement of federal grant restrictions targeting diversity, equity, and inclusion (DEI) initiatives and services for transgender and LGBTQ+ individuals. These decisions mark a significant judicial rebuke of the Trump administration's efforts to reshape federal funding priorities through executive directives and agency guidance.

On July 28th, 2025, Judge Melissa R. DuBose issued a temporary restraining order (TRO) in *Rhode Island Coalition Against Domestic Violence v. Kennedy*, halting new conditions imposed by the Departments of Health and Human Services (HHS) and Housing and Urban Development (HUD). These conditions would have required grant applicants to certify that they do not engage in DEI programming or provide services specifically tailored to transgender individuals. The court found that the restrictions posed an imminent threat to service providers, particularly in light of a July 30 grant deadline. While HHS had begun to roll back some language, HUD had not, prompting urgent judicial intervention. The TRO remains in effect pending further order from the Court

Just two weeks later, on August 8th, Senior District Judge William E. Smith issued a partial preliminary injunction in *Rhode Island Coalition Against Domestic Violence v. Bondi*, blocking similar restrictions on grants administered under the Violence Against Women Act (VAWA). The court concluded that the Department of Justice's Office on Violence Against Women (OVW) had likely violated the Administrative Procedure Act by adopting the new conditions without adequate justification or public input, holding that the decision to impose those conditions was "in such a vague and haphazard manner to be arbitrary, capricious, and an abuse of discretion in, violation of 5 U.S.C. § 706(2)(A)." The ruling emphasized the risk of irreparable harm to survivors and service organizations, including potential program shutdowns and exposure to False Claims Act liability for applicants forced to misrepresent their programming.

Together, these decisions preserve access to federal funding for dozens of advocacy and service organizations nationwide, including coalitions in Massachusetts and Rhode Island. They also signal strong judicial skepticism toward ideologically driven funding conditions that conflict with statutory mandates and constitutional protections. While the litigation remains ongoing, affected entities may continue applying for HHS, HUD, and VAWA grants without certifying compliance with the challenged restrictions.

Organizations are advised to monitor further developments closely and engage PSH Partner and Nonprofit & Tax-Exempt Chair Elizabeth Manchester or Associate Kelley O'Donnell for tailored advise amid this evolving legal landscape.

Date Created August 22, 2025