IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS

AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES, AFLCIO and AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES Council 31, Plaintiffs, v. RUSSELL VOUGHT, in his official capacity as Director of the Office of Management and Budget, *et al.*, Defendants.	No. 26-cv-2656

DEFENDANTS' MOTION TO TRANSFER AND STAY FURTHER PROCEEDINGS

For the reasons described in the accompanying memorandum of law, Defendants respectfully move this Court to transfer this case to the Court of Federal Claims pursuant to 28 U.S.C. § 1631, and stay further proceedings in this case pursuant to 28 U.S.C. § 1292(d)(4)(B).

Dated: March 17, 2026

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MEMORANDUM IN SUPPORT OF
DEFENDANTS' MOTION TO TRANSFER AND STAY FURTHER PROCEEDINGS

On February 9, 2026, the Department of Health and Human Services (HHS) notified Congress of the Centers for Disease Control and Prevention's (CDC) intention to terminate various public health grants. Per their terms and conditions, these grants could "be terminated in part or [their] entirety . . . if an award no longer effectuates the program goals or agency priorities." 2 C.F.R. § 200.340. Defendants notified the grantees that this was the basis for the terminations three business days later, as Congress contemplated. *See* Consolidated Appropriations Act, 2026, Pub. L. No. 119-75, § 524 (Feb. 3, 2026) (directing HHS to give appropriations committees notice "3 full business days" before the "termination or non-continuation of any grant").

Plaintiffs here—the American Federation of State, County, and Municipal Employees, AFL-CIO (AFSCME) and AFSCME Council 31—are not grantees themselves, but claim that they have "members in numerous government agencies and departments that perform public health

work funded by the grant money at issue." ECF No. 1 ("Compl.") ¶ 12; *see also id*. ¶ 14. Regardless, because the crux of their case stems from the existence of the grants, their claims sound in contract. As such, under the Tucker Act, jurisdiction, if any, lies exclusively in the Court of Federal Claims (COFC). 28 U.S.C. § 1491; *Nat'l Inst. of Health v. Am. Pub. Health Ass'n* (*NIH*), 145 S. Ct. 2658 (2025); *Dep't of Educ. v. California*, 604 U.S. 650, 651 (2025). Defendants therefore respectfully move this Court to transfer this case to the COFC pursuant to 28 U.S.C. § 1631. Defendants further request that the Court stay proceedings in this case pending resolution of this motion, as required by statute. 28 U.S.C. § 1292(d)(4)(B).

Plaintiffs try to plead around these bedrock requirements by positing the existence of a so-called "Targeting Directive" allegedly issued by the Office of Management and Budget (OMB). Compl. ¶¶ 2, 40. But Plaintiffs may not circumvent the requirements of the Tucker Act by pleading contract claims under another name. The Court should transfer the case to the COFC and stay all further proceedings.

BACKGROUND

A "Federal award may be terminated. . . [b]y the Federal agency or pass-through entity pursuant to the terms and conditions of the Federal award, including, to the extent authorized by law, if an award no longer effectuates the program goals or agency priorities." 2 C.F.R. § 200.340(a). These terms are typically incorporated into grants, which are in effect contracts.

This Administration has placed an increased focus on ensuring that Federal spending on discretionary grants is consistent with its priorities. In *Department of Education v. California*, the Department of Education issued termination letters explaining that "[i]t is a priority of the Department of Education to eliminate discrimination in all forms of education through the United States" and "this priority includes ensuring that the Department's grants do not support programs

or organizations that promote or take part in [DEI] initiatives." 769 F. Supp. 3d 72, 77 (D. Mass. 2025) (quoting Termination Letter). On appeal, the Supreme Court issued a stay explaining that "the Government is likely to succeed in showing the District Court lacked jurisdiction to order the payment of money under the APA," because "the Tucker Act grants the Court of Federal Claims jurisdiction over suits based on 'any express or implied contract with the United States.'" 604 U.S. 650, 651 (2025) (quoting 28 U.S.C. § 1491(a)(1)).

Similarly, in *National Institutes of Health ("NIH") v. American Public Health Ass'n*, the NIH, which like CDC is a component of HHS, conducted a review of grants in light of the new Administration's goals and terminated various awards. No. 1:25-CV-10787-WGY, 2025 WL 1747128, at *1 (D. Mass. June 23, 2025). On appeal, the Supreme Court granted a stay "as to the District Court's judgments vacating the Government's termination of various research-related grants." *NIH v. Am. Pub. Health Ass'n*, 145 S. Ct. 2658 (2025). The Supreme Court explained that, on remand, the district court might retain jurisdiction only over NIH's own "internal guidance documents" for how "the agency will not fund research related to DEI objectives, gender identity, or COVID-19" or "based on race." *Id.* at 2661 (Barrett, J., concurring); *see also id.* (describing documents as "internal agency guidance" and "internal policies related to grants"). The Court acknowledged but did not adjudicate "claims about the guidance," such as whether "NIH's guidance is final agency action." *Id.* at 2662.

HHS has published its 24 priorities. These include: ending illegal race discrimination, combatting gender ideology and protecting children, and ending taxpayer subsidies for illegal immigration. *See* HHS Priorities, https://www.hhs.gov/about/priorities/index.html. CDC's priorities are: (1) gold-standard science, trust, transparency, and credibility; (2) global leadership; (3) rapid, evidence-based responses to crises; (4) vaccine safety and efficacy research;

(5) advancing understanding of Autism Spectrum Disorder, Neuro-Divergent Disorders, and Chronic Disease; (6) modernizing public health infrastructure and health data; (7) avoiding conflicts of interest; (8) immigration; (9) protecting life and the family; (10) ending disorder on America's streets; (11) gender ideology and protecting children; (12) deprioritizing diversity, equity, and inclusion (DEI); and (13) parental rights. *See* CDC Priorities, https://www.cdc.gov/about/cdc/index.html.

In August 2025, President Trump issued Executive Order 14332, titled "Improving Oversight of Federal Grantmaking," 90 Fed. Reg. 38,929 (Aug. 7, 2025), which directed agencies "to review discretionary grants to ensure that they are consistent with agency priorities and the national interest" through "coordination with OMB." *Id.* at 38,930, § 3. On January 20, 2026, OMB issued a budget data request to collect "a detailed spending report on Federal funds provided to entities in a select list of States" to better understand the scope of funding and to facilitate efforts to reduce the improper and fraudulent use of those funds through administrative means or legislative proposals to Congress. Compl. ¶ 42 (citation omitted). As part of this process, HHS reviewed the grants principally at issue here using artificial intelligence (AI) to confirm whether there were specific examples of misalignment between language in recipients' grant-related documents and agency priorities. The AI was prompted to "[c]arefully read each grant application," "[i]dentify specific content that contradicts or fails to align with CDC priorities," "[e]xtract direct quotations from the application that demonstrate the contradiction," and "[p]rovide precise citations (page number, section) where the contradictory contents appears." *Id.* ¶¶ 64-72.

For each grant, CDC confirmed that the terms and conditions clearly specified termination provisions, consistent with 2 C.F.R. § 200.340(b). The notices of award include the following two

terms: (1) the award is subject to the applicable provisions of 2 C.F.R. part 200 after October 1, 2025; and (2) the award is subject to the termination provisions at 2 C.F.R. 200.340 starting on October 1, 2025 and that the recipient agrees that continued funding for the award is subject to a decision by the agency that the award continues to effectuate program goals or agency priorities. In each case, CDC considered whether a modification or partial termination of these awards could bring them into alignment with agency priorities. But in each case, CDC determined that was not possible because it was an issue of agency priorities unrelated to the conduct of the recipient. Compl. ¶ 78. CDC also considered the potential reliance interests of recipients, beneficiaries, and the public, as well as the potential impacts on public health and subrecipients. But the agency determined that the continuation of a program not in alignment with HHS or CDC priorities justified termination, despite these considerations. In particular, CDC concluded that reliance interests were outweighed by the agency's substantial interest in being able to effectively advance its current priorities through a smaller and more focused portfolio. *Id.* ¶¶ 79-80.

CDC transmitted notification letters to the recipients of these grants effective February 11, 2026. *Id.* ¶ 80. These letters explained that the agency was invoking its authority pursuant to the terms of the awards in accordance with 2 C.F.R. § 200.340(a)(4), identified the agency's current priorities published on its website, and communicated the agency's decision to adjust its discretionary award portfolio by terminating some of the program awards to better prioritize agency resources. The letters acknowledged that CDC may suspend, rather than immediately terminate, an award to allow the recipient to take appropriate corrective action before the agency makes a termination decision. But the agency determined that no corrective action was possible in these cases since no corrective action could align the awards with current agency priorities.

LEGAL STANDARD

Under 28 U.S.C. § 1631, when a court "finds that there is a want of jurisdiction, the court shall, if it is in the interest of justice, transfer such action" to any court in which the case could have been filed. A court lacks jurisdiction where the federal government has not waived its sovereign immunity for the types of claims at issue. *See FDIC v. Meyer*, 510 U.S. 471, 475 (1994) ("Sovereign immunity is jurisdictional in nature.").

ARGUMENT

Because any jurisdiction over Plaintiffs' claims, which fundamentally sound in contract and seek money damages, lies exclusively in the COFC, the Court should transfer this case. Further proceedings are stayed pending resolution of Defendants' motion to transfer, by operation of statute. 28 U.S.C. § 1292(d)(4)(B).[1]

I. Any Jurisdiction Over Plaintiffs' Claims Lies Exclusively In The Court Of Federal Claims

To sue a federal agency or its officials, Plaintiffs must identify an express waiver of sovereign immunity and show that their claims fall within the waiver's scope. *FAA v. Cooper*, 566 U.S. 284, 290 (2012). Plaintiffs necessarily rely on the APA's waiver of sovereign immunity. Yet APA review is unavailable where there is an adequate remedy in another court, or if another statute impliedly precludes relief. Both are true here.

[1] Defendants do not concede that Plaintiffs, as nonparties to the grants at issue, have standing to assert their claims in any court, given the attenuated connection between the grant terminations and their alleged harms, and Defendants reserve the right to make this and other threshold arguments. But for purposes of this motion, even if Plaintiffs had standing, this matter should be transferred to the COFC.

A. Claims Regarding The Grants At Issue Have An Adequate Remedy In The Court Of Federal Claims

Congress expressly limited APA review to situations where "there is no other adequate remedy in a court." 5 U.S.C. § 704. This bar is jurisdictional. *Christopher Vill., L.P. v. United States*, 360 F.3d 1319, 1327 (Fed. Cir. 2004). The key question is "can the [COFC] provide an adequate remedy under the Tucker Act for the alleged wrong?" *Suburban Mortg. Assocs., Inc. v. U.S. Dep't of Hous. & Urb. Dev.*, 480 F.3d 1116, 1125 (Fed. Cir. 2007). Here, the answer is "Yes." The Federal Circuit has long held that "[t]he availability of an action for money damages under the Tucker Act or Little Tucker Act is presumptively an 'adequate remedy' for § 704 purposes." *Telecare Corp. v. Leavitt*, 409 F.3d 1345, 1349 (Fed. Cir. 2005). As a result, if the government can be sued "for money damages in the Court of Federal Claims," there is "an 'adequate remedy' that precludes an APA waiver of sovereign immunity in other courts." *Christopher Vill.*, 360 F.3d at 1327 (quoting *Consol. Edison Co. of New York v. U.S. Dep't of Energy*, 247 F.3d 1378,1384 (Fed. Cir. 2001)).

In making this determination, courts ask three questions. First, are the agreements at issue contracts with the United States? Second, are the contracts enforceable for money damages in the COFC? Third, does Plaintiffs' complaint, regardless of how it is framed, ultimately seek a monetary reward from the government—in essence, to keep contract funds flowing? If the answer to all three questions is yes, then the adequate-remedy bar precludes reliance on the APA's waiver of sovereign immunity, and the COFC possesses jurisdiction.

1. The grant agreements at issue are contracts with the United States

The grant agreements at issue are contracts for purposes of the COFC. "[F]ederal grant agreements a[re] contracts when the standard conditions for a contract are satisfied, including that the federal entity agrees to be bound." *Columbus Reg'l Hosp. v. United States*, 990 F.3d 1330,

1338 (Fed. Cir. 2021). The Federal Circuit has a four-part test for such a contract: "(1) mutuality of intent to contract; (2) offer and acceptance; (3) consideration; and (4) a government representative having actual authority to bind the United States." *Id.* at 1339. All are met here.

First, the "the language of the agreement[s] . . . speaks in terms of binding obligations." *Id.* These are explicit contracts awarding definite sums of money in exchange for services described in the application, subject to CDC's General Terms and Conditions, which are incorporated by reference. Similarly, regulations may provide additional evidence that the contracting agency has expressed an intent to be bound. *See id.* Here, for example, the detailed regulations governing this program, promulgated by OMB, make clear that grant-making agencies intend to be bound by their agreements. *See* 2 C.F.R. part 200; *see also id.* § 200.340 (providing detailed procedures for termination when terms and conditions are violated, further evincing an intent to be bound).

Second, the awards were offers from HHS. *See Columbus Reg'l Hosp.*, 990 F.3d at 1339. They "evinced [the agency's] willingness to enter into a bargain and justified [the recipient's] understanding that its assent would consummate the bargain." *Id.* And "[a]cceptance was effected when the parties' authorized agents signed the agreement." *Id.* at 1339-40.

Third, consideration "turns on the conditions attached to [the agency's] grants." *Id.* at 1340. So long as the grantee "agreed to comply with an array of requirements" set by the terms of the agreement, consideration is satisfied. *Id.* Here, the terms and conditions of the awards set a variety of terms recipients are required to abide by. "The conditions attached to the [federal] grants constitute consideration because they imposed a variety of duties on [the grantee] in implementing the [grant] agreement." *Id.* And whether the bargaining lacked "haggling" is

immaterial, as a "standard-form agreement" satisfies consideration as well as any bespoke contract would. *Id.*

Finally, Defendants agree that actual authority is satisfied here, which is sufficient to establish that element. *See id.* The grant agreements at issue are therefore contracts. They "set the terms of and receive commitments from recipients" of federal grant programs. *Boaz Hous. Auth. v. United States*, 994 F.3d 1359, 1368 (Fed. Cir. 2021); *see also McGee v. Mathis*, 71 U.S. (4 Wall.) 143, 155 (1866) ("It is not doubted that the grant by the United States to the State upon conditions, and the acceptance of the grant by the State, constituted a contract."). That places them within the jurisdiction of the COFC.

2. The contracts are enforceable with money damages

Next, the Court considers whether the contracts are enforceable with money damages. "[I]n the area of government contracts, as with private agreements, there is a presumption in the civil context that a damages remedy will be available upon the breach of an agreement." *Sanders v. United States*, 252 F.3d 1329, 1334 (Fed. Cir. 2001). The mere fact that the contracts at issue are "government financial grants does not warrant a different standard." *San Juan City Coll. v. United States*, 391 F.3d 1357, 1361 (Fed. Cir. 2004). As a result, "the presumption [is] that damages are available upon the breach" of these grant agreements. *Boaz Hous. Auth.*, 994 F.3d at 1365. This is true even if the statutory scheme does not expressly contemplate money damages in a subsequent suit. "[C]ontracts impose obligations on parties, for which damages are the default remedy upon breach" regardless of the statutory or regulatory terms underlying the program. *Id.* at 1367.[2]

[2] There are three narrow exceptions to this presumption, all of which are inapplicable, and Plaintiffs do not allege otherwise. *See Boaz Hous. Auth.*, 994 F.3d at 1365 (holding that "contracts

3. Plaintiffs' claims ultimately seek monetary reward specified in the contracts

Plaintiffs' claims are fundamentally based on the premise that Defendants should have kept paying funds pursuant to the grant agreements. *See, e.g.*, Compl. ¶ 1 (complaining of "crucial public health funding"); *id.* ¶ 4 ("A gap in access to these funds will disrupt this essential work and cause the layoffs of Plaintiffs' members"); *id.* p. 43 ¶ d (Prayer for Relief) (seeking relief in the form of "prohibiting Defendants from treating any of the grants at issue in this case as terminated"). Regardless of how they are styled, the claims "in essence . . . seek[] to obtain the financial benefit of a prior contract-based obligation that allegedly has not been honored by the Government." *Suburban Mortg. Assocs.*, 480 F.3d at 1126. Since "a money judgment will give . . . plaintiff[s] essentially the remedy [they] seek[,]" this Court lacks jurisdiction. *See id.*

Even where a plaintiff alleges that continued contract payments are required by statute, an adequate remedy is available in the COFC. In *Boaz Housing Authority v. United States*, for example, plaintiffs sought to recover funds that the Department of Housing and Urban Development (HUD) refused to pay to public housing authorities as part of a mandatory federal grant subsidy program. *See* 994 F.3d 1359, 1362-63 (Fed. Cir. 2021). While Congress required the subsidies by statute, HUD effectuated its grants through contracts with the recipients. *Id.* at 1366-67. Those contracts laid out various terms and conditions recipients were required to follow in exchange for HUD's continued payments. Because legislation mandated the subsidies, HUD argued that the plaintiffs' claims really stemmed from the "statutorily mandated subsidy program" rather than any contract enforceable with monetary damages. *Id.* at 1368.

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that expressly disavow money damages" are excepted from the presumption); *id.* ("agreements that are entirely concerned with the conduct of parties in a criminal case" are not enforceable with money damages); *Rocky Mountain Helium, LLC v. United States*, 841 F.3d 1320, 1327 (Fed. Cir. 2016) (the third exception is situations "where a special government cost-sharing agreement" is the contract to be enforced).

The Federal Circuit rejected HUD's argument. It held that the "contracts impose obligations on [the] parties, for which damages are the default remedy upon breach" notwithstanding the background statutory requirement. *Id.* at 1367. Nor did it matter that "contractual provisions . . . [were] required by or incorporate governing regulations." *Id.* "If [a federal agency] chooses to employ contracts to set the terms of and receive commitments from recipients with respect to [federal] subsidies," the United States is generally "subject to suit in the Claims Court for damages relating to an alleged breach." *Id.* at 1368. In sum, even when a statute mandates the grant program, or federal regulations support the contractual relationship, the existence of a contract places the dispute squarely in the COFC's jurisdiction. *See id.*

Constitutional claims are also barred. When a constitutional claim is merely a vehicle to block the termination of a contract obligating money, an adequate remedy exists in the COFC. *See, e.g.*, *Suburban Mortg. Assocs.*, 480 F.3d at 1128. Here, all the constitutional claims are invoked to require the government to perform under the parties' contracts. "The [COFC], like the Court of Claims before it, has jurisdiction of such" constitutional "claims." *Holley v. United States*, 124 F.3d 1462, 1466 (Fed. Cir. 1997). Indeed, the Federal Circuit has repeatedly held the "adequate remedy" provision to bar claims when the result is payment of money under the terms of an agreement, regardless of the self-styled theory of the claims. *Columbus Reg'l Hosp.*, 990 F.3d at 1353 (explaining that when an action is "explicitly one for money" an adequate remedy exists in the COFC); *Consol. Edison*, 247 F.3d at 1385 ("This court and its sister circuits will not tolerate a litigant's attempt to artfully recast its complaint to circumvent the jurisdiction of the [COFC]."); *Brazos Elec. Power Coop., Inc. v. United States*, 144 F.3d 784, 787 (Fed. Cir. 1998) ("[COFC] jurisdiction cannot be circumvented by such artful pleading and, accordingly, we customarily look to the substance of the pleadings rather than their form.").

In sum, "[t]he relief sought [here] was to require the Government to perform its contract obligations so that" the grantees, and indirectly Plaintiffs, "could get the money allegedly due . . . under the [grant] agreement." *Suburban Mortg. Assocs.*, 480 F.3d at 1117. "[D]espite [Plaintiffs'] valiant effort to frame the suit as one for declaratory or injunctive relief, this kind of litigation should be understood for what it is." *Id.* at 1118. Jurisdiction therefore lies in the COFC.

B. The Tucker Act Impliedly Precludes Relief

Likewise, the "APA's waiver of sovereign immunity does not apply 'if any other statute that grants consent to suit expressly or impliedly forbids the relief which is sought.'" *California*, 604 U.S. at 651 (quoting 5 U.S.C. § 702). This exception "prevents plaintiffs from exploiting the APA's waiver to evade limitations on suit contained in other statutes." *Match-E-Be-Nash-She-Wish Band of Pottawatomi Indians v. Patchak*, 567 U.S. 209, 215 (2012). The Supreme Court's recent decisions affirmatively resolve this question. In *Department of Education v. California*, the district court had "enjoin[ed] the Government from terminating various education-related grants" and "require[d] the Government to pay out past-due grant obligations and to continue paying [grant] obligations as they accrue." 604 U.S. at 650. But the district court likely lacked jurisdiction because the APA's waiver of sovereign immunity "does not extend to orders 'to enforce a contractual obligation to pay money' along the lines of what the District Court ordered." *Id.* at 651 (quoting *Great-West Life & Annuity Ins. Co. v. Knudson*, 534 U.S. 204, 212 (2002)). Instead, such suits must be brought in the COFC, in which Congress vested "jurisdiction over suits based on 'any express or implied contract with the United States.'" *Id.* (quoting 28 U.S.C. § 1491(a)(1)).

That ruling reflects basic jurisdictional principles. Given the federal government's sovereign immunity, federal courts generally lack jurisdiction over "suits against the United States absent Congress's express consent." *United States v. Miller*, 604 U.S. 518, 527 (2025). The

APA's waiver does not reach situations where another statute impliedly precludes relief. *See* 5 U.S.C. § 702. The Tucker Act provides that the "[COFC] shall have jurisdiction to render judgment upon any claim against the United States founded" on "any express or implied contract with the United States." 28 U.S.C. § 1491(a)(1). And in *California*, those principles established that the respondents' claim was just a disguised breach-of-contract claim that belonged in the COFC. *California* "squarely control[s]" this materially identical case. *Trump v. Boyle*, 145 S. Ct. 2653, 2654 (2025).

NIH confirms these basic tenets. There, the plaintiffs brought APA claims alleging that the government's terminations of their DEI-related research grants were arbitrary and capricious, and the district court vacated the terminations on those grounds. 145 F.4th 39, 43-44, 47 (1st Cir. 2025). The First Circuit denied the government's request for a stay, concluding that the district court "likely had jurisdiction to enter the orders . . . to set aside an agency's actions as arbitrary and capricious," and reasoning that "the fact that the orders may result in the disbursement of funds did not divest the court of its jurisdiction." *Id.* at 52 (citation modified). The Supreme Court disagreed. It stayed the district court's judgment "vacating the Government's termination of various research-related grants." *NIH*, 145 S. Ct. at 2659. The Court held that the APA's "limited waiver of sovereign immunity does not provide the District Court with jurisdiction to adjudicate claims based on the research-related grants," *id.* (citation modified), meaning that claims reliant on a grant agreement are impliedly precluded. Moreover, a district court is not just barred from asserting jurisdiction over a claim based on a grant agreement. If the relief sought is "relief designed to enforce any obligation to pay money pursuant to those grants" then that too is barred. *Id.* (internal quotation marks omitted) (quoting *California*, 604 U.S. at 651). Notwithstanding various "objection[s]" that have been raised to adjudication of these claims in the Court of Federal

claims, such arguments "to sending the grant-termination claims to the [Court of Federal Claims]" are "already addressed" by *California* and have been conclusively rejected. *Id.* at 2662 n.1 (Barrett, J., concurring).

To the extent that Plaintiffs challenge the "CDC Grant Termination Decision," Compl. ¶ 4, *NIH* is plainly dispositive. *See* 145 S. Ct. 2660 (granting stay "as to the District Court's judgments vacating the Government's termination of various research-related grants"). Plaintiffs cannot plead around this result by positing what they characterize as an "OMB[] Targeting Directive." Compl. ¶ 4. In *NIH*, the Supreme Court left open the possibility of an APA challenge to "NIH . . . internal guidance documents describing" that "[g]oing forward, the agency will not fund research related to DEI objectives, gender identity, or COVID-19" or "continue the practice of awarding grants to researchers based on race." 145 S. Ct. at 2661 (Barrett, J., concurring). Here, by contrast, Plaintiffs do not challenge any HHS guidance documents at all. Rather, they hypothesize that unspecified communications between OMB and HHS amount to some sort of interagency command, without ever offering a theory about how OMB could require CDC to terminate the grants at issue. It is hardly unusual for OMB and HHS to communicate about funding priorities or for OMB to collect data from agencies on the allocation of federal funds. Indeed, EO 14332 requires such coordination. 90 Fed. Reg. at 38,390, § 3. Such communications do not give rise to APA claims.[3]

[3] Indeed, another court in this district recently explained that allegations by the grantees themselves about the existence of an OMB "Targeting Directive" were "circumstantial" and "a matter of inference," and that the term itself is an inappropriate "catch-all," as the "breadth of the term is akin to a programmatic challenge that is not subject to review under the [APA]." ECF No. 63 at 4, *Illinois v. Vought*, No. 26-1566 (N.D. Ill.). Defendants respectfully disagree with that court's decision to nevertheless grant preliminary relief, and have likewise moved to transfer that case to the COFC.

Recently, the Fourth Circuit applied this logic to the President's directive to DHS "to review all grants providing funding" to organizations providing services to illegal aliens. *Sols. in Hometown Connections v. Noem*, 165 F.4th 835, 837 (4th Cir. 2026) (citing Exec. Order, 14159, Protecting the American People Against Invasion, 90 Fed. Reg. 8443 (Jan. 20, 2025)). There, the Secretary issued a memorandum to put on hold pending review all such grants and applications. *Id.* at 837-38. Yet notwithstanding the existence of a clear presidential directive (the President's EO) and clear agency directive (the Secretary's memorandum), the court rejected the plaintiffs' APA and constitutional claims on the theory that such challenges were barred by the Tucker Act under *California* and *NIH*. *Id.* at 844. All the more so here, where Plaintiffs have not identified any OMB guidance document—much less a "directive"—amenable to APA review.

II. The Court Must Stay Further Proceedings In This Case

By operation of statute, further proceedings in this case are stayed pending resolution of Defendants' motion to transfer to the COFC. Specifically, 28 U.S.C. § 1292(d)(4)(B) provides:

> When a motion to transfer an action to the Court of Federal Claims is filed in a district court, no further proceedings shall be taken in the district court until 60 days after the court has ruled upon the motion. If an appeal is taken from the district court's grant or denial of the motion, proceedings shall be further stayed until the appeal has been decided by the Court of Appeals for the Federal Circuit. The stay of proceedings in the district court shall not bar the granting of preliminary or injunctive relief, where appropriate and where expedition is reasonably necessary. However, during the period in which proceedings are stayed as provided in this subparagraph, no transfer to the Court of Federal Claims pursuant to the motion shall be carried out.

The Court should therefore stay further proceedings in this case. *See, e.g.*, *Consol. Edison Co. of New York v. United States*, 54 F. Supp. 2d 364, 365 (S.D.N.Y. 1999).

CONCLUSION

For these reasons, the Court should grant Defendants' motion to transfer and stay further proceedings in this case.

Dated: March 17, 2026

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