



Decision

Matter of: Department of the Interior—Applicability of the Impoundment Control Act to Pause of Large-Scale Water Recycling and Reuse Program

File: B-337233

Date: July 23, 2025

DIGEST

Congress appropriated amounts for the Department of the Interior, Bureau of Reclamation (DOI), to carry out its Large-Scale Water Recycling and Reuse Program over a period of five years as specified in the Infrastructure Investment and Jobs Act (IIJA). An executive order then directed DOI to pause disbursements under this program, which DOI did for a period of thirty days.

Unless Congress enacts a law providing otherwise, executive branch officials must take care to ensure that they prudently obligate appropriations during their period of availability. The Impoundment Control Act of 1974 (ICA) allows the President to withhold funds from obligation, but only under strictly limited circumstances and only in a manner consistent with that Act. However, GAO has recognized that ordinary programmatic delays are not impoundments under the ICA.

Considering the circumstances, including DOI's discretion under relevant IIJA provisions, the purpose of the pause, the short length of the pause, its timing, and DOI's representation that it has now released and plans to use all program funds during their period of availability, we find that DOI's thirty-day pause was not an impoundment but a permissible programmatic delay. We therefore find no violation by DOI of the ICA.

DECISION

On January 20, 2025, President Trump issued Executive Order No. (EO) 14154, § 7(a), which directed that "all agencies shall immediately pause the disbursement of funds appropriated through the . . . Infrastructure Investment and Jobs Act (Public Law 117-58) . . . and shall review their processes, policies and programs . . . for consistency with the law and the policy outlined in [the EO]." See Exec. Order No. 14154, *Unleashing American Energy*, 90 Fed. Reg. 8353 (Jan. 29, 2025). Following

this directive, the Department of the Interior, Bureau of Reclamation (DOI) paused obligations and expenditures for its Large-Scale Water Recycling and Reuse Program for a period of thirty days. Letter from Acting Associate Solicitor, DOI, to Managing Associate General Counsel, GAO, May 2, 2025 (Response Letter).

Our practice when rendering decisions is to contact the relevant agencies to obtain their legal views on the subject of the request. GAO, *GAO's Protocols for Legal Decisions and Opinions*, GAO-24-107329 (Washington, D.C.: Feb. 2024), *available at* <https://www.gao.gov/products/gao-24-107329>. Accordingly, we reached out to DOI to obtain the agency's legal views. Letter from General Counsel, GAO, to Advisor to the Secretary, DOI (Mar. 11, 2025); *see also* E-mail from Managing Associate General Counsel, GAO, to Acting Assistant Solicitor, DOI (May 8, 2025). DOI responded to GAO's first inquiry on May 2, 2025, *see* Response Letter, and it responded to follow-up questions from GAO on May 22, 2025, *see* Letter from Acting Associate Solicitor, DOI, to Managing Associate General Counsel, GAO (May 22, 2025) (Supplemental Response).

In the past, in addition to requesting the agency's factual assertions and legal views, we have typically analyzed apportionment schedules and obligational data from an appropriation to determine whether there is any indication of an improper withholding.¹ However, the Office of Management and Budget (OMB) has removed agency apportionment data from its public websites, which in GAO's view is both contrary to OMB's duty to make such information publicly available and to GAO's statutory right to access such information. *See* Enclosure to B-337581, Apr. 8, 2025. DOI, moreover, did not provide apportionment schedules in response to GAO's request. *See* Supplemental Response, at 2. Having access to such information aids in our review of issues under the Impoundment Control Act of 1974 (ICA) and our support of congressional oversight of programs. In this case, while we did not have access to apportionment data, we did receive sufficient information from DOI to make a determination on the legal issue at hand.

Pursuant to our reporting responsibilities under the ICA, we are issuing this decision.² As explained below, based on the information and response we received from DOI, we were able to determine that no improper withholding has occurred, and that DOI did not violate the ICA by pausing obligations and expenditures for the Large-Scale Water Recycling and Reuse Program for a period of thirty days. Under the circumstances, including DOI's discretion under relevant provisions of the

¹ *See* B-335747, Apr. 22, 2024 (reviewing obligation data from three years of funding to assess whether the Department of Homeland Security (DHS) improperly withheld amounts appropriated for border barrier construction).

² Additionally, on March 31, 2025, the Ranking Members of the House and Senate Budget Committees sent a request to GAO to examine several directives, including Executive Order 14154. Letter from Ranking Member Merkley and Ranking Member Boyle, to Comptroller General (Mar. 31, 2025).

Infrastructure Investment and Jobs Act (IIJA),³ the purpose of the pause, the short length of the pause, its timing, and DOI's representation that it has now released and plans to use all program funds during their period of availability, this was a permissible programmatic delay, not an unlawful impoundment.

BACKGROUND

Congress created the Large-Scale Water Recycling and Reuse Program through the IIJA. See Pub. L. No. 117-58, div. D, title IX, § 40905, 135 Stat. 1122. That Act directed DOI to “establish a program to provide grants to eligible entities on a competitive basis for the planning, design, and construction of large-scale water recycling and reuse projects that [would] provide substantial water supply and other benefits to the Reclamation States” See *id.*⁴ The IIJA further indicated that these grants were for projects that would reclaim and reuse wastewater or “impaired groundwater or surface water”; that would have a total estimated cost of \$500,000,000 or more; that would be located in Reclamation States; and that would “provid[e] a Federal benefit in accordance with [relevant] laws.” *Id.* § 40905(c). In order to evaluate proposed projects, the IIJA directed DOI to assess, pursuant to a feasibility “or equivalent” study prepared by the eligible entity, whether such projects were “technically and financially feasible”; whether they provided a “Federal benefit” and were consistent with applicable laws; and whether the eligible entity had “sufficient non-Federal funding” and was “financially solvent” See *id.* § 40905(d).⁵ Additionally, the IIJA directed DOI to “give priority to eligible projects” that would do “1 or more” of the following five things: (1) provide “multiple benefits,” including “water supply reliability benefits,” “fish and wildlife benefits,” or “water quality improvements”; (2) be “likely to reduce impacts on environmental resources from water projects owned or operated by Federal and State agencies”; (3) “advance water management plans across a multi-State area” (4) be “regional in nature”; and/or (5) be “collaboratively developed or supported by multiple stakeholders.” See *id.* § 40905(e). And for any grant issued under this program, the IIJA stipulated that

³ See Pub. L. No. 117-58, div. D, title IX, § 40905, 135 Stat. 429, 1122 (Nov. 15, 2021)

⁴ The IIJA defines an “eligible entity” to include: (1) “State[s], Indian Tribe[s], municipalit[ies], irrigation district[s] . . . or other organization[s] with water or power delivery authority”; (2) “State regional or local authorit[ies]] [including] 1 or more organizations with water or power delivery authority”; or (3) “agenc[ies] established under State law for the joint exercise of [water or power deliver authority].” See IIJA § 40905(a)(1)(A)-(C).

The IIJA defines “Reclamation States” by reference to 43 U.S.C. § 391, which lists seventeen states and four U.S. territories. See IIJA § 40905(a)(4); see *also* 43 U.S.C. § 391.

⁵ Additionally, DOI must provide written notice to Congress “not later than 30 days after” it determines that a proposed project is eligible to receive grant funds. See *id.* § 40905 (d)(1)-(4).

“the Federal share . . . shall not exceed 25 percent of the total cost of the eligible project.” *Id.* § 40905(f)(1).

Congress directed DOI to issue guidance on the Large-Scale Water Recycling and Reuse Program within one year of the IIJA’s enactment. See IIJA § 40905(h). Pursuant to this directive, DOI provided what it deemed “temporary” guidance on November 3, 2022 (with updates indicated on October 26, 2023, and October 31, 2024). See DOI Reclamation Manual Directives and Standards, WTR TRMR-128, *available at*: https://www.usbr.gov/recman/temporary_releases/wtrtrmr-128.pdf (last visited July 15, 2025).

The IIJA also appropriated funds to DOI for the Large-Scale Water Recycling and Reuse Program. Specifically, Congress provided that \$1,660,000,000 would become available to DOI for “Water and Related Resources” in fiscal years 2022, 2023, 2024, 2025, and 2026, respectively, with each amount available “until expended.” See IIJA, 135 Stat. at 1364–65.⁶ Of the total amount appropriated by this provision, Congress specified that “\$450,000,000 shall be for large-scale water recycling and reuse projects in accordance with [the Large-Scale Water Recycling and Reuse Program].” *Id.*

Since the inception of the Large-Scale Water Recycling and Reuse Program in November 2021, DOI states that it has conducted two rounds of grant application reviews. Supplemental Response, at 2. In the first round of reviews, DOI states that it selected four projects to receive \$179,738,736. See *id.* In the second, DOI states that it selected five projects to receive \$128,250,000. See *id.* Although these figures combine to make \$307,988,736, which would be about sixty-eight percent of the total IIJA appropriated amount (*i.e.*, \$450,000,000), DOI states that it has only finalized two grant award documents obligating a total of \$215,951,212. See *id.* DOI issued these two awards to the Metropolitan Water District of Southern California (MWDSC), which received a grant of \$125,472,855, and the City of San Buenaventura, which received a grant of \$90,478,357. See *id.*; see also Enclosure to Supplemental Response (providing grant award documents). DOI finalized its award to MWDSC on January 10, 2025, and its award to the City of San Buenaventura on January 14, 2025. See Supplemental Response at 2.⁷ According to DOI, several other awards remain under review pursuant to agency policy requiring “financial assistance agreements above [these awards] dollar amount [to]

⁶ Although providing amounts “until expended,” Congress also stipulated that DOI’s “authority to carry out [the Large-Scale Water Recycling and Reuse Program] terminates on the date that is 5 years after the date of enactment of this Act.” IIJA, § 40905(k). The IIJA’s date of enactment was November 15, 2021, see IIJA, which means that DOI’s authority to carry out the Large-Scale Water Recycling and Reuse Program will expire on November 15, 2026.

⁷ According to DOI, MWDSC has drawn down \$17,397,350.17 of its grant funding, and the City of San Buenaventura has yet not drawn down any of its grant funding. Supplemental Response at 2.

undergo leadership review.” *See id.* at 3. “[A]ccounting for administrative costs,” DOI says that it has \$132,750,000 (out of the total IIJA amount of \$450,000,000) remaining for Large-Scale Water Recycling and Reuse Program grants. *See id.* at 2. DOI states that it “intends to make [this] funding available in a future third round of awards.” *See id.*

On January 20, 2025, President Trump issued the EO, which directed that “[a]ll agencies shall immediately pause the disbursement of funds appropriated through the . . . [IIJA] . . . and shall review their processes, policies and programs . . . for consistency with the law and the policy outlined in section 2 of [the EO].” *See* Exec. Order No. 14154, § 7(a). Section 2 of the EO declared that “it is the policy of the United States” to “ensur[e] that an abundant supply of reliable energy is readily accessible in every State and territory”, to “ensure that all regulatory requirements related to energy are grounded in clearly applicable law”, to “guarantee that all executive departments and agencies provide opportunity for public comment and rigorous, peer-reviewed scientific analysis”, to “ensure that the global effects of a[n] . . . action shall, whenever evaluated, . . . be reported separately from its domestic costs and benefits”, and to “ensure that no Federal funding be employed in a manner contrary to the principles outlined [in section 2] unless required by law”, among other things. *Id.* § 2.

Following this directive, DOI paused obligations and expenditures for its Large-Scale Water Recycling Program for a period of thirty days. *See* Response Letter. Specifically, DOI says that it paused obligations and expenditures on January 20, 2025, and that it resumed making disbursements on February 19, 2025. *Id.* at 1. DOI states that the purpose of the review “included an assessment of the current funding plans for the program, including the need for any revisions to such plans.” *Id.* DOI further states that this funding pause “allowed time for a broad programmatic review of [DOI] operations, to ensure compliance with applicable law and priorities as set forth in the EO.” *See* Supplemental Response, at 3. Ultimately, however, DOI says that “[n]o funding plan revisions or adjustments were made during the review period.” *See id.* DOI says that it continues to review award documents for the entities with approved projects other than MWDSC and City of San Buenaventura, and that it intends to obligate the remainder of its IIJA appropriation for Large-Scale Water Recycling and Reuse Projects. *See id.* at 2-3.

In its response to us, DOI stated that the thirty-day pause was not an unlawful impoundment but a permissible “programmatic delay[.]” Response Letter at 2. Specifically, DOI cited B-335747, Apr. 22, 2024, as support for the proposition that a “temporary pause during [a] review of program plans pursuant to [a] Presidential directive” do not violate the ICA. *See id.*

DISCUSSION

At issue here is whether DOI's actions in pausing obligations and expenditures under the Large-Scale Water Recycling and Reuse Program for a period of thirty days violated the ICA. For the reasons explained, we find that the thirty-day pause was a permissible programmatic delay, not a violation of the ICA.

It is important to understand the constitutional and historical underpinnings of the ICA with respect to the critical role of Congress in exercising its constitutional powers. The Constitution specifically vests Congress with the power of the purse, providing that "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law."⁸ The Constitution also gives Congress the exclusive power to legislate, and it sets forth the procedures of bicameralism and presentment, through which the President may accept or veto a legislative bill passed by both houses of Congress, and Congress may subsequently override a presidential veto.⁹ This process does not grant the President the authority to pass his own laws or to ignore or amend a law duly enacted by Congress.¹⁰ Instead, the President must "faithfully execute[]" the law as Congress enacts it.¹¹ It follows from this that Executive Orders cannot function to repeal or undo legislation.

Once enacted, an appropriation is a law like any other, and the President must implement it by ensuring that appropriated funds are obligated and expended prudently during their period of availability unless and until Congress enacts another law providing otherwise.¹² In fact, Congress was concerned about the failure to prudently obligate according to its congressional prerogatives when it enacted and later amended the ICA.

The Constitution grants the President no unilateral authority to withhold funds from obligation.¹³ Instead, Congress has vested the President with strictly circumscribed authority to impound, or withhold, budget authority only in limited circumstances as expressly provided in the ICA.¹⁴ The ICA separates impoundments into two exclusive categories – deferrals and rescissions. First, the President may seek to

⁸ U.S. Const. art. I, § 9, cl. 7.

⁹ *Id.* at art. I, § 7, cls. 2, 3.

¹⁰ See B-331564, Jan. 16, 2020, at 5 (citing *Clinton v. City of New York*, 524 U.S. 417, 438 (1998)).

¹¹ U.S. Const., art. II, § 3.

¹² See B-331564, Jan. 16, 2020; B-329092, Dec. 12, 2017 (The ICA operates on the premise that the President is required to obligate funds appropriated by Congress, unless otherwise authorized to withhold).

¹³ See B-135564, July 26, 1973.

¹⁴ See 2 U.S.C. §§ 681–688.

temporarily withhold funds by proposing a “deferral.”¹⁵ Second, the President may seek the permanent cancellation of funds for fiscal policy or other reasons, including the termination of programs for which Congress has provided budget authority, by proposing a “rescission.”¹⁶

In either case, the ICA requires the President to first transmit a special message to Congress outlining the amounts in question and the reasons for the proposed deferral or rescission.¹⁷ These special messages must provide detailed and specific reasoning to justify the withholding, as set out in the ICA.¹⁸ The burden to justify a withholding of budget authority rests with the executive branch.

While the ICA does not circumscribe when funds can be proposed for rescission, it only permits deferral of budget authority in a limited range of circumstances: to provide for contingencies; to achieve savings made possible by or through changes in requirements or greater efficiency of operations; or as specifically provided by law.¹⁹ With respect to deferrals, the ICA specifies that the funds at issue are only temporarily withheld and must still be obligated before expiration.²⁰ And with respect to proposed rescissions, the funds must still be obligated unless Congress acts within 45 days to pass a new law rescinding them.²¹ The ICA’s fourth disclaimer further clarifies that the ICA’s deferral and proposed rescission mechanisms do not provide any process by which the President may withhold from obligation or expenditure funds that are “require[d]” by law to be spent; rather, such withholdings are categorically prohibited.²²

¹⁵ *Id.* § 684. However, agencies may not withhold amounts from obligation or expenditure for policy reasons. B-335747, Apr. 22, 2024. “Faithful execution of the law does not permit the President to substitute his own policy priorities for those that Congress has enacted into law. B-331564, Jan. 16, 2020, at 5.

¹⁶ *Id.* § 683.

¹⁷ 2 U.S.C. §§ 683–684.

¹⁸ *See id.*; B-237297.4, Feb. 20, 1990 (vague or general assertions are insufficient to justify the withholding of budget authority).

¹⁹ 2 U.S.C. § 684(b).

²⁰ *Id.* §§ 683–684; B-329092, Dec. 12, 2017; 54 Comp. Gen. 453 (1974).

²¹ 2 U.S.C. § 683. The ICA also does not authorize the withholding of budget authority through its date of expiration. *See* B-330330, Dec. 10, 2018. As such, so-called “pocket rescissions” are not consistent with the ICA.

²² 2 U.S.C. § 681(4). Section 681 sets out four disclaimers with respect to the application of the ICA. The first three disclaimers, none of which are relevant here, provide that nothing in the ICA shall be construed as (1) asserting or conceding the constitutional powers or limitations of the Congress or the President; (2) ratifying or approving any impoundment except as pursuant to statutory authority; or (3)

(continued...)

Importantly, however, GAO has recognized that not all delays in obligation or expenditure of budget authority constitute impoundments under the ICA. We have recognized, for example, that “delays in the obligation or expenditure of budget authority that result from agency compliance with statutory requirements” are “programmatic” in nature and therefore permissible. See B-337137, May 22, 2025, at 15 (citing B-333110, June 15, 2021). Similarly, we have said that “when an agency is taking reasonable and necessary steps to implement a program or activity, but the obligation or expenditure of funds is unavoidably delayed,” that delay is a “programmatic” one, not an impoundment. *Id.* (citing B-331564.1, Feb. 10, 2022).

GAO’s institutional role is to support the Congress, including in Congress’s exercise of its constitutional power of the purse. This includes GAO’s functions under the ICA, such as reviewing special messages²³ and reporting impoundments the President has not reported.²⁴

Application of the ICA to DOI’s Pause on Obligations and Expenditures Under the Large-Scale Water Recycling and Reuse Program

In this case, considering DOI’s discretion under relevant IIJA provisions, the purpose of the funding pause, the short length of the pause, its timing, and DOI’s representation that it has now released and plans to use all program funds during their period of availability, DOI’s thirty-day pause was a permissible programmatic delay, not a violation of the ICA.

When analyzing whether an agency has complied with the ICA, we look for actions that are required by law or instances where an agency’s discretion is limited with respect to the obligation of funds.²⁵ The level of agency discretion over program funding has bearing, from an ICA standpoint, on the reasonableness of a potential delay in obligations or expenditures. Thus, we have said that while executive branch officials must take care to ensure that they prudently obligate and expend appropriations during their period of availability, the amount of time required for prudent obligation and expenditure will vary from one program to another. B-335747, Apr. 22, 2024; B-330330, Dec. 10, 2018. The ICA imposes no specific requirements on the executive branch as to the rate at which it must obligate or expend budget authority. B-335747, Apr. 22, 2024; B-319189, Nov. 12, 2010. Where an agency shows its actions are within its statutory authority, we will not find an improper impoundment. *Id.*

affecting the claims or defense of any party to litigation concerning any impoundment. See *Id.* § 681(1)–(3).

²³ 2 U.S.C. § 685.

²⁴ 2 U.S.C. § 686.

²⁵ B-337142, June 16, 2025; see also B-335747, Apr. 22, 2024.

We also look at the reason for any delay in agency obligations or expenditures. In general, as explained above, the ICA requires the President to transmit a special message to Congress before withholding funds for any reason. See discussion, *supra*, p. 6. However, ordinary programmatic delays attendant to program administration do not rise to the level of a withholding triggering the ICA and its requirements. Thus, for example, in B-333110, Jun. 15, 2021, President Biden issued a Proclamation on the first day of his presidency directing a pause in the Department of Homeland Security’s (DHS) construction of a border wall, as well as a pause in DHS’s obligation of funds for this wall. See *id.* This Proclamation further directed DHS to develop a plan within 60 days that would “redirect” funds where allowable, but also provide for continued use of funding for the border wall where Congress had “expressly appropriated” funds for that purpose. See *id.* at 8. DHS explained that it would use this pause to “engage in more substantive consultation with stakeholders, such as property owners and border community residents, as required under [a DHS] statutory consultation provision.” See *id.* at 10-11. DHS also explained that it would consider “rescinding or revising previously issued waivers of environmental and other laws.” *Id.* at 10. As a result of anticipated increased stakeholder engagement and potential revisions to previously issued environmental waivers, among other things, DHS said it would “rescope” its construction plans as necessary following the pause. See *id.* at 11. Under these circumstances, GAO found a “programmatic delay,” explaining that “delays associated with the review of whether statutory prerequisites [are] satisfied are programmatic delays outside the reach of the ICA.” See *id.* at 11-12 (citing B-290659, July 24, 2002; B-291241, Oct. 8, 2002; and B-221412, Feb. 12, 1986). More specifically, GAO found that “a delay in obligation of funds while DHS determine[d] project needs in light of changed circumstances”—which we defined to include DHS’s decision to follow “standard environmental planning” and to aim for more “robust stakeholder consultation”—was permissible and programmatic in nature. See *id.* at 14.

The facts of DOI’s current situation line up closely with the facts from B-333110, June 15, 2021. Here, as in that case, the President issued a directive on the first day of his term ordering a pause in relevant activities so that affected agencies could reassess and, as necessary, adjust their funding plans in view of the discretion granted by the applicable law. Compare EO with B-333110, June 15, 2021 (Proclamation issued on January 20, 2021). Specifically, the EO directed agencies to “ensur[e] that an abundant supply of reliable energy is readily accessible in every State and territory”, to “ensure that all regulatory requirements related to energy are grounded in clearly applicable law”, to “guarantee that all executive departments and agencies . . . provide opportunity for public comment and rigorous, peer-reviewed scientific analysis”, to “ensure that the global effects of a[n] . . . action shall, whenever evaluated, be reported separately from its domestic costs and benefits”, and to “ensure that no Federal funding be employed in a manner contrary to the principles outlined [in section 2] unless required by law”, among other things. Exec. Order No. 14154 § 2.

The EO's directives had potentially complex implications for DOI's administration of the Large-Scale Water Recycling and Reuse Program considering the responsibilities the IIJA assigned to DOI in connection with this program. For example, the IIJA directed DOI to evaluate, pursuant to a feasibility "or equivalent" study, whether proposed projects were "technically and financially feasible"; whether they provided a "Federal benefit" and were consistent with applicable laws; and whether the eligible entity had "sufficient non-Federal funding" and was "financially solvent." See IIJA, § 40905(d). The IIJA also directed DOI to "give priority" to projects that would provide "multiple benefits" from a list provided in the Act. See *id.* § 40905(e). Just as we found that DHS had the legal discretion to pursue increased stakeholder engagement and revisit environmental and other legal waivers associated with border wall construction based on the Presidential Proclamation at issue in B-333110, June 15, 2021, it would also be within DOI's legal discretion to revisit its funding determinations under the Large-Scale Water Recycling and Reuse Program to ensure that its "Federal benefit" findings, its determinations regarding particular applicants' "financial solvency," and its prioritization of projects comported with the IIJA's provisions governing those things.²⁶

This legal discretion afforded to DOI under the IIJA, along with the EO's clear invocation of this discretion by directing agencies to ensure "consistency with the law," see Exec. Order No. 14154, § 7(a), is the key to our decision today. As we recognized in B-333110, June 15, 2021, because of the legal discretion afforded to DHS under applicable laws, its decision to increase stakeholder engagement and revisit legal waivers attendant to border wall construction did not constitute an impoundment. *Id.*

Timing considerations also support our conclusion that DOI's thirty-day pause was a permissible programmatic delay. Other than specifying that DOI's overall program authority would expire in November 2026, the IIJA did not dictate a specific timeframe for DOI to carry out obligations and expenditures under the Large-Scale Water Recycling and Reuse Program. See IIJA § 40905(k); see also B-335747, Apr. 22, 2024 (amount of time required for prudent obligation and expenditure will vary from one program to another); B-330330, Dec. 10, 2018 (ICA imposes no specific requirements on the executive branch as to the rate at which it must obligate or expend budget authority). Indeed, DOI had just finalized the first two grant awards under this program on January 10 and 14, 2025. Supplemental Response, at 2. This was mere days before the beginning of the Trump Administration and the accompanying EO-directed pause on January 20, 2025. Considering that DOI had

²⁶ Put differently, this was not an instance where DOI's "discretion" was clearly "limited with respect to the obligation of funds." See B-337137, May 22, 2025. Rather, the IIJA assigned DOI considerable discretion to evaluate and prioritize grant proposals before deciding which ones to fund, as outlined above. While DOI did not specify in its responses to GAO the particular considerations involved in its review, during the at-issue pause to ensure compliance with law, the IIJA specifies requirements and findings DOI must make and allows it such latitude.

taken more than three years to complete these first two obligating instruments, and that grant expenditures had only just begun, *see id.*, at 2, a thirty-day delay cannot be understood to have meaningfully slowed DOI's existing pace of program administration. By February 19, 2025, funds were once again available for obligation and expenditure. *See id.* Here, as DHS did in B-333110, Jun. 15, 2021, DOI has represented to us that they plan to obligate their full appropriation during its period of availability. *Id.*

The circumstances here are distinguishable from those in our recent decision in B-337375, June 16, 2025, where we found that the Institute of Museum and Library Services (IMLS) had unlawfully impounded funds. *Id.* In that decision, the agency's Acting Director was not seeking to ensure compliance with legal requirements but only to prevent spending for purposes "counter to the administration's priorities." *Id.* at 11 (citation omitted). And in that decision, unlike in the current situation, IMLS's Acting Director made clear that he was not seeking to repurpose or re-obligate withheld funds for other mission activities, he was simply planning not to use them at all, contrary to the enacted appropriations. *See id.* Thus, no evidence supported the finding of a programmatic delay. Given this contrast, and the similarities between DOI's situation and that considered in B-333110, June 15, 2021, we find that DOI's actions in pausing obligations and expenditures under the Large-Scale Water Recycling and Reuse Program for thirty days was a permissible programmatic delay.

CONCLUSION

DOI did not violate the ICA by pausing obligations and expenditures for the Large-Scale Water Recycling and Reuse Program for a period of thirty days consistent with EO 14154. Considering DOI's discretion under relevant IIJA provisions, the purpose of the pause, the short length of the pause, its timing, and DOI's representation that it has now released and plans to use all program funds during their period of availability, this pause was a permissible programmatic delay, not an improper impoundment.

Our analysis and conclusions here help ensure compliance with the ICA and advance congressional oversight including in Congress's exercise of its constitutional power of the purse. We do not take a position on the policy goals of the directives and programs at issue. Changes to these policies and priorities can be addressed through the legislative process with Congress and the Administration.



Edda Emmanuelli Perez
General Counsel