New Federal Rule Will Disrupt Federal Grants

The most consequential federal funding rule change goes into effect Dec. 12, 2026.

The downstream effects will impact much more than government agencies.

Instead, it will affect every person, business, or agency that touches a federal dollar.

Summit County Business B plans to build mixed-use, affordable housing.

2026 Business B secures funding, including federal grant money, to build new development with tax incentives.

Work begins and continues through 2027.

2028 A new president is elected with new political priorities.

Grant is cancelled by new admin for any reason, no appeal process available.

Both spent & unspent grant funds are clawed back, and the project is cancelled.

Community is left with a vacant building, no new affordable housing, and contractors/subcontractors lose their jobs.