

August 25, 2025

Recently, the U.S. Department of Homeland Security updated the Fiscal Year (FY) 2025 Standard Terms and Conditions, which apply to all new federal awards of federal financial assistance (federal awards) under the Nonprofit Security Grant Program, including HHS grants, FEMA grants, and other types of federal financial awards that have historically supported ELCA ministries and congregations. These newly added requirements to the Standard Terms and Conditions require, in part, that any grant recipient certify that they will cooperate with ICE agents and will not engage in any DEI (Diversity, Equity, and Inclusion) or DEIA (Diversity, Equity, Inclusion, and Accessibility), or "discriminatory prohibited" boycotts, such as those relating to the Israeli-Palestinian conflict.

Additionally, according to the <a href="HHS Grants Policy Statement">HHS Grants Policy Statement</a>, award recipients must file an Assurance of Compliance documenting not only their compliance with the above requirements but also that they will not promote "discriminatory equity ideology" under the meaning outlined in Section 2 (b) of <a href="Executive Order">Executive Order</a> 14190 of January 29, 2025. While many of the prohibited activities are likely constitutionally protected under the First Amendment, it is unclear to what extent those protections would apply if a congregation or other ministry voluntarily accepts the terms and conditions of these grants.

We encourage all ELCA-affiliated entities, including congregations and synods, to carefully review these changes and consult with their legal counsel when considering applying for any federal award(s). The terms and conditions of any federal award should be carefully examined to ensure that acceptance would not interfere with religious or ministerial activities or dictate what religious or ministerial activities a church or ministry may engage in or with whom a church or ministry may associate.