



Federal Update

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Congress' Focus: Appropriations and Budget Reconciliation

FY 2025 Appropriations

- Finalized March 14
- Runs through September 30, 2025
- Extension of FY 2024 levels via CR with flexibility for Administration
- Potential rescissions

FY 2026 Appropriations

- Starts October 1, 2025
- Begins with Presidential budget request - asking Congress for certain funding
- Congress to consider proposal
- Impacts next academic year
- Senate released its education bill

Budget Reconciliation

- Impacts mandatory spending program
- Potential cuts to Medicaid
- Extension of tax cuts and debt limit
- Only requires a simple majority in the Senate

FY 2025 Approps: Potential rescissions

- **Agencies' operating plans have been submitted to Congress; plans have not been shared with the public.**
 - Unsure how much education funding is still unallocated
- **FY 2025 funding given to states.**
 - Title I, Parts A and B
 - Perkins
 - IDEA Part B
 - Impact Aid
 - Other formula grants 'unfrozen'
- **No news on competitive grants.**
- **No news on rescissions for education funding yet.**
 - Impact of RIFs with remaining funding
 - Potential impact of ESEA waivers with remaining and future funding



Unpacking the Budget Reconciliation

- “One big, beautiful bill” for mandatory spending
- Passed along thin margins
- Policy changes
 - New state contributions to SNAP requirement
 - Expanded work requirements for SNAP
 - New work requirements for Medicaid
 - Potential cuts to school-based health programs
 - New school choice tax credit
- Congress talking about additional budget reconciliations



FY 2026 Approps: Starting with the President's request

ED - \$66.7b (-\$12b)

Funds requested:

- Title I, Part A - \$18.4b
- K-12 Simplified Funding Program - \$2b
 - Consolidation of 18 programs
 - Overall cut of \$4.5b to K-12 programs
- Special Education - \$15.4b
 - Grants to states - \$14.98b (+ \$677m)
 - Grants for infants and families - \$540m
- Charter Schools - \$500m (+ \$60m)
- CTE - \$1.4b
- Impact Aid - \$1.6b
- Indian Education - \$194.7m

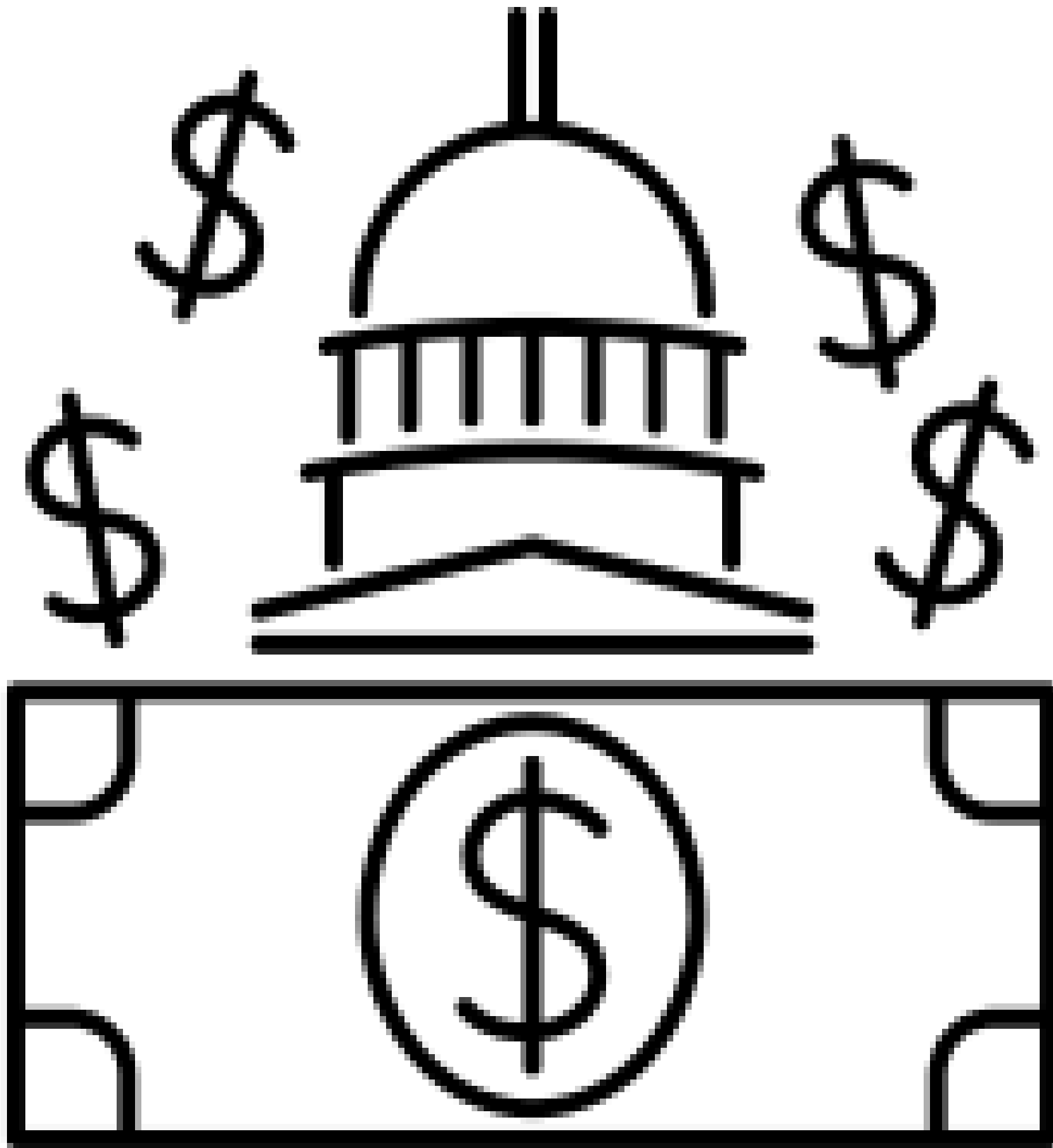
Consolidations suggested:

- Title I, Part B – State Assessment
- Title I, Part D – Neglected and delinquent youth
- Title II, Part A – Supporting Effective Educators
- Title IV – Student Support and Enrichment
- Title V – Rural education
- Title VIII – McKinney-Vento

Eliminations suggested:

- Title I, Part C – Migrant students
- Title III – English language acquisition
- EIR grants
- Adult Education (WIOA Title II)

FY 2026 Approps: What's happened so far



- **Senate Labor, Health and Human Services, and Education approps bill released end of July**
 - Majority of programs level funded with a few increases
 - Title I, Part A – increased by \$50m
 - IDEA Part B – increased by \$50m
 - Rural education (Title V) - increased by \$5m
 - No program eliminations or consolidations
 - No new block grants or agency reconfigurations
 - Bill affirms support for the Department of Education - explicitly rejecting its elimination and requiring staffing levels sufficient to carry out its responsibilities
 - Bill requires timely distribution of formula funds
- **House pushed back bill release to September**
- **Impact of rescissions is unclear**