
TESTIMONY

Testimony To: House and Senate Education Committees

Respectfully Submitted by: Anne Bordonaro, Ph.D., Division Director, Federal & Education Support Programs

Subject: Federal Programs Update

Date: March 13, 2025

Background

The Agency of Education is closely monitoring funding and policy discussions in Washington in collaboration with our partners at the Council of Chief State School Officers (CCSSO), the Bruman Group, and our Congressional delegation. The funding situation in Washington is in flux and as of March 12th states received word of a major workforce reduction at the Department of Education. This analysis is based on the latest information we have. We expect the details of FY25 and FY26 funding to become clearer after the expiration of the current Continuing Resolution on 3/14/25 and especially in late March or early April when the President is expected to unveil his FY26 budget. In addition, the Agency continues to monitor and provide guidance to LEAs on the implications of the Administration's Executive Orders and other guidance documents. We will continue to keep you updated on both funding and programmatic considerations as we learn new information.

Federal FY25 Appropriations:

March 14, 2025, is the deadline for Congress to either pass another Continuing Resolution (CR) or one or more appropriations bill to fund the government for the remainder of federal FY25. A CR would require Democratic support. Appropriations passed via reconciliation would not. Since House and Senate appropriators and leaders are deeply divided, both options appear increasingly unlikely by this date. If Congress cannot pass either by March 14, it would prompt a government shutdown. In that event, we would receive specific instructions from the US Department of Education and USDA regarding which functions will continue during the shutdown and which will not. Neither side appears to want an extended shutdown. Congress must pass an FY25 spending bill (either through a CR to September 30 or one or more appropriations bills) before it can move on to FY26 funding).

Formula education programs (e.g., "Title" programs, IDEA, and the majority of Perkins funding) are forward-funded, and therefore, their funding is secure through the end of Vermont's fiscal year (6/30/25). There is



no indication at this time that education programs would face any significant cuts for FY25 (school year 2025-2026).

Child Nutrition Programs per-meal reimbursements are set in federal statute, so AOE is advising that schools continue to serve meals and expects that they will continue to receive funding. However, there could be some delays in processing reimbursements if the staff who manage these payments at the federal level are furloughed. To mitigate this possibility, AOE asked child nutrition program operators to submit outstanding claims ahead of the 60-day claim filing deadline if they could. Many did submit early, and we paid out those claims on March 6.

Title Program Allocations for School Year 2025-2026:

We fully expect delays in preliminary Title program allocations, which are supposed to be released to SEAs in the early spring, and even potentially delays in final allocations, which are supposed to be released to SEAs in late June. We will continue to monitor the timing of allocations and respond accordingly, as we have done in prior years when faced with delays in allocations.

Federal FY26 Appropriations:

We expect the Administration to release its Federal FY26 budget proposal in late March or early April and for Congressional Republicans to use the “reconciliation” strategy to pass one or more appropriations bills without needing Democratic support. Republican leadership in the House and Senate are looking for substantial savings to offset proposed increases in military and immigration enforcement funding, extension of the 2017 tax cuts, and lifting of the debt ceiling.

Proposed cuts include a reduction in the federal share of Medicaid funding to states and increases in eligibility requirements for Medicaid. In addition, substantial cuts have been proposed to SNAP funding and eligibility requirements.

Given that last year’s House education budget proposal called for substantial cuts to education programs (which ultimately were blocked by the Senate), we expect some cuts to ESEA and possibly IDEA and Perkins education programs in FY26, though to which programs and in what amounts is not at all clear. **However, because of forward-funding of education formula programs, any cuts that may be enacted for FY26 would not impact schools until the 26-27 school year.**

ED Staffing Reductions:

ED staffing was significantly reduced this week. With inclusion of the previous cuts, staffing has been cut by about 50%. The primary targets of the cuts are: the Office of Civil Rights (OCR), the Institute for Education Sciences (ED’s research and statistics arm), and the Office of Postsecondary Education. Staffing of the Office of Elementary and Secondary Education that administers ESSA, the Office of Special Education Programs, and the Office of Career and Technical Education have largely been spared. We have been advised that ED will be issuing further instructions to state agencies in the next day or so regarding who their program contacts will be. We will continue to monitor this situation closely.

Executive Orders:

The Administration has issued a number of Executive Orders and guidance documents related to educational programming and practices over the past six weeks. The most significant in terms of K-12 education are the following:

ED's [Dear Colleague Letter on Title IX Enforcement](#) – this letter communicates that ED's Office of Civil Rights (OCR) will enforce Title IX through the 2020 regulations, not the 2024 regulations promulgated by the Biden Administration. The 2024 regulations were vacated by a court in January 2025. The Dear Colleague letter makes clear that discrimination based on gender identity or sexual orientation will not be considered to be discrimination based on sex under Title IX.

ED's [FAQ on DEI and Title VI](#) and their [Dear Colleague Letter](#) on Title VI elaborate on the kinds of curricular, instructional, and policy actions – or inactions – that might trigger an investigation by OCR and how such an investigation would proceed. In the FAQ, OCR acknowledges that the federal government does not have authority to control local curricular or instructional decisions or to restrict teachers' or students' free speech in a way that would conflict with the First Amendment. However, they say that the First Amendment and curricular prerogatives of school districts do not relieve schools of their Title VI obligations not to create hostile environments through race-based policies and stereotypes; nor does it relieve them of their duty to respond to racial harassment that creates a hostile environment. The FAQ identifies some considerations OCR might consider when determining whether a racially hostile environment might exist.

In terms of the investigatory process, the FAQ explains the steps that OCR will take if it determines that a school is out of compliance with Title VI. The investigation is just the first step in a series of procedural stages prior to administrative or judicial enforcement proceedings.

Finally, although OCR has prominently rolled out a new, simplified [Webform](#) for parents, students, teachers, and community members to report complaints of possible discrimination and harassment, individuals have had this right for many years. AOE will continue to follow longstanding Vermont law with regard to grounds for licensing investigations; the standard for educator misconduct has not been amended by any federal executive action.

AOE's general advice to educators in the face of these EOs and guidance documents has been to proceed with their planned professional development and instructional activities in accordance with SU/SD instructional priorities, needs assessment activities, and State Board of Education Rules, and to consult with their SU/SD legal counsel if they have concerns about any specific activity or action.

This advice was reinforced last week by the publication of [Multistate Guidance](#) by Vermont's Attorney General along with the AGs of 13 other states and the District of Columbia. Their guidance instructs schools that "nothing in the 'Dear Colleague' letter or FAQ changes existing law and well-established legal principles that encourage—and even require—schools to promote educational opportunity for students of all

backgrounds,” and reminds schools of existing State civil rights protections which “in many cases exceed federal civil rights protections.” The letter includes a legal overview of existing Supreme Court precedent. They write, “The ‘Dear Colleague’ letter has inspired fear, and the Attorneys General write to mitigate that fear.”

The Agency will continue to keep a regular (weekly) cadence of communications to the field to ensure that education leaders and educators know that they have the Agency’s support as we all navigate these uncertain waters.