AASA Federal Education Update

AASA Advocacy Team

aasa.org

FY26 (Money for SY2027)

Program	House FY26 Proposal	Senate FY26 Proposal	Final FY26 Proposal
Title I, Part A	$14.626 billion (-$3.78 billion)	$18.457 billion (+50 million)	$18.427 billion (+20 million)
IDEA, Part B	$14.234 billion (+20 million)	$14.264 billion (+50 million)	$14.234 billion (+20 million)
Title II, Part A	$0 (-$2.19 billion)	$2.19 billion (level funds)	$2.19 billion (level funds)
Title I, Part C	$0 (-$376 million)	$376 million (level funds)	$376 million (level funds)
Title III, Part A	$0 (-$890 million)	$890 million (level funds)	$890 million (level funds)
Title IV, Part A	$1.385 billion (+5 million)	$1.380 billion (level funds)	$1.380 billion (level funds)
REAP	$225 million (+5 million)	$225 million (+5 million)	$225 million (+5 million)
Impact Aid	$1.630 billion (+5 million)	$1.625 billion (level funds)	$1.630 billion (+5 million)
Head Start	$12.272 billion (level funds)	$12.357 billion (+85 million)	$12.357 billion (+85 million)

Final Thoughts on FY26

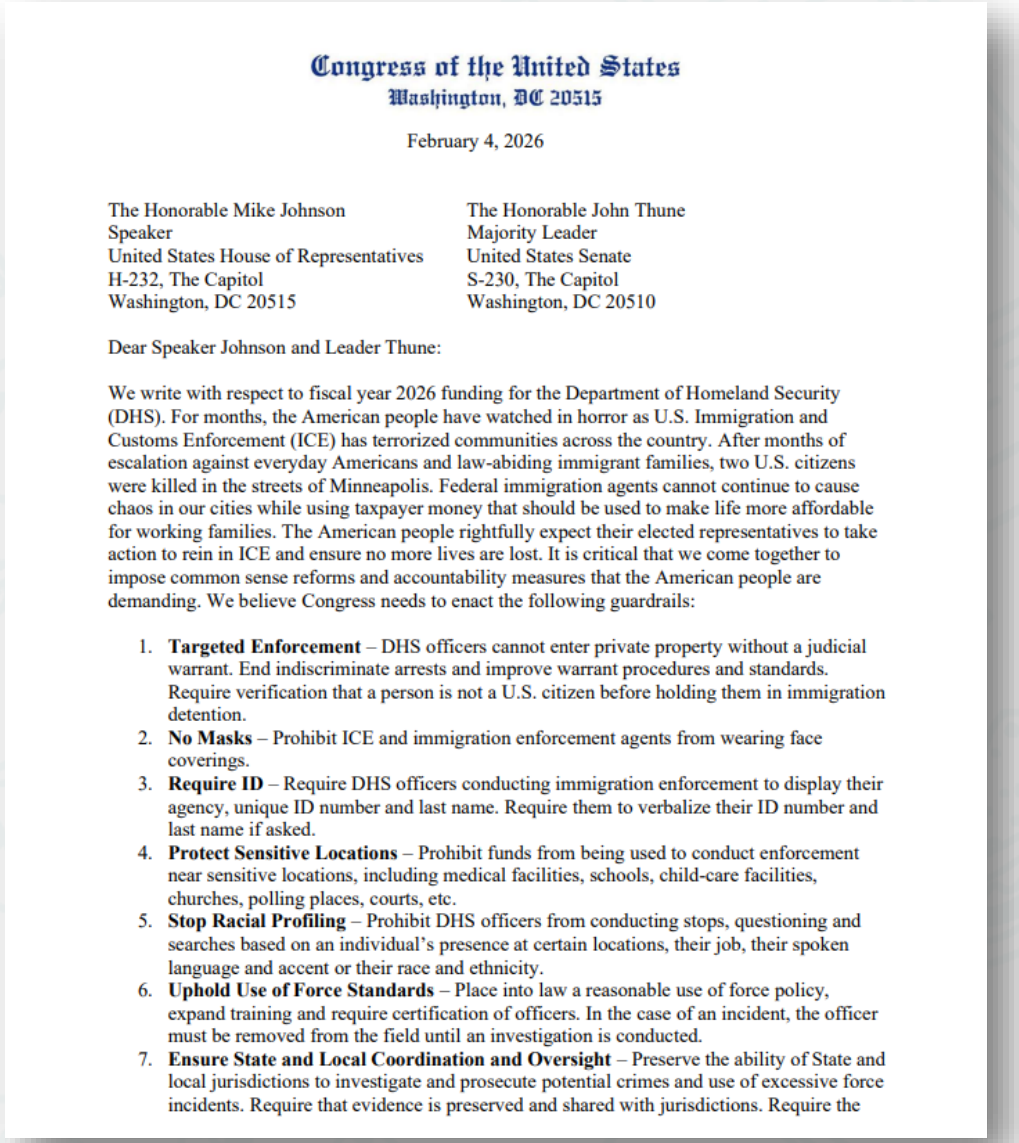
- The language that funding be made available to districts ON July 1 was included. This is BIG win.

- A few next steps and considerations.
  - If your member of Congress voted for these funding levels, THANK THEM. Seriously.
  - Tell them how important funding is, why it matters and that you are glad to see that Congress *wants* it to go out on time (July 1).

- But be prepared for it NOT to get to you on time.

Protected Areas/Sensitive Locations

- Department of Homeland Security is currently shutdown as Congress negotiates reforms to immigration enforcement
- Protecting Sensitive Locations is one demand from Democrats
- This would prohibit immigration enforcement on or near school grounds
- Reinstating a longstanding policy at the Department that was rescinded in January 2025



Congress of the United States
Washington, DC 20515

February 4, 2026

The Honorable Mike Johnson
Speaker
United States House of Representatives
H-232, The Capitol
Washington, DC 20515

The Honorable John Thune
Majority Leader
United States Senate
S-230, The Capitol
Washington, DC 20510

Dear Speaker Johnson and Leader Thune:

We write with respect to fiscal year 2026 funding for the Department of Homeland Security (DHS). For months, the American people have watched in horror as U.S. Immigration and Customs Enforcement (ICE) has terrorized communities across the country. After months of escalation against everyday Americans and law-abiding immigrant families, two U.S. citizens were killed in the streets of Minneapolis. Federal immigration agents cannot continue to cause chaos in our cities while using taxpayer money that should be used to make life more affordable for working families. The American people rightfully expect their elected representatives to take action to rein in ICE and ensure no more lives are lost. It is critical that we come together to impose common sense reforms and accountability measures that the American people are demanding. We believe Congress needs to enact the following guardrails:

1. **Targeted Enforcement** – DHS officers cannot enter private property without a judicial warrant. End indiscriminate arrests and improve warrant procedures and standards. Require verification that a person is not a U.S. citizen before holding them in immigration detention.
2. **No Masks** – Prohibit ICE and immigration enforcement agents from wearing face coverings.
3. **Require ID** – Require DHS officers conducting immigration enforcement to display their agency, unique ID number and last name. Require them to verbalize their ID number and last name if asked.
4. **Protect Sensitive Locations** – Prohibit funds from being used to conduct enforcement near sensitive locations, including medical facilities, schools, child-care facilities, churches, polling places, courts, etc.
5. **Stop Racial Profiling** – Prohibit DHS officers from conducting stops, questioning and searches based on an individual's presence at certain locations, their job, their spoken language and accent or their race and ethnicity.
6. **Uphold Use of Force Standards** – Place into law a reasonable use of force policy, expand training and require certification of officers. In the case of an incident, the officer must be removed from the field until an investigation is conducted.
7. **Ensure State and Local Coordination and Oversight** – Preserve the ability of State and local jurisdictions to investigate and prosecute potential crimes and use of excessive force incidents. Require that evidence is preserved and shared with jurisdictions. Require the

FY26 is done, now on to FY27

- President's budget request expected in late March/Early April
- Will any education priorities change?
- More efforts to block grant K-12 funding?
- Now is a good time to meet with your Members of Congress!

What else?

Student privacy continues to be a priority –

- Kids Online Safety Act (KOSA)
- Children and Teens Online Privacy Protection Act (COPPA) 2.0
- Kids Off Social Media Act

HR. 1 – The One Big, Beautiful Bill Act

- 3 big components for supts to be aware of: 1) Cost-shifting re SNAP, 2) Cost-shifting re Medicaid, 3) Creation of national voucher program

- Creates multiple financial issues for school meal programs

- Financial implications: Direct Certification numbers will go down given Medicaid and SNAP denials which force districts to return to FRPL forms and could jeopardize CEP.

National School Voucher Program or Education Freedom Tax Credit Accou

Timeline for implementation

December 2026: Request for comment on Treasury guidance/regs
Spring 2026: Anticipated publication of guidance and regulations
Summer 2026: Publication of regs
January 1, 2027: OBBB requires that donors can begin to contribute to SGO.

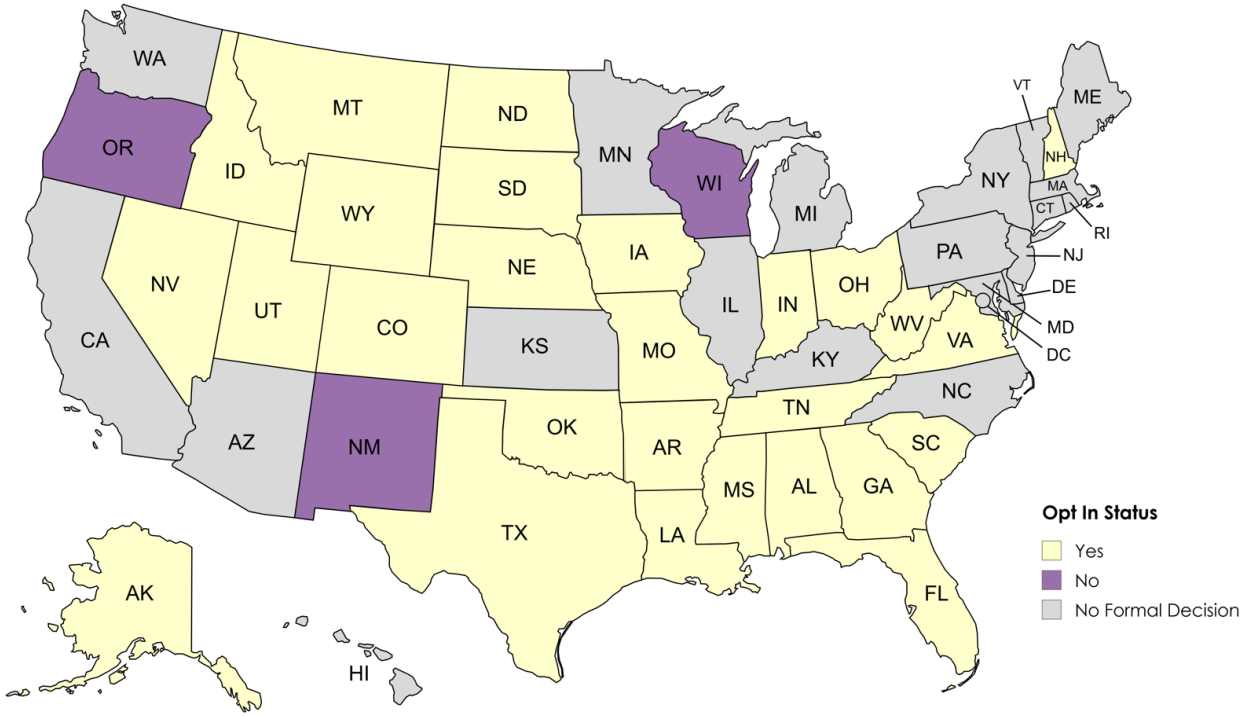
A permanent, uncapped dollar-for-dollar tax credit to individuals who donate up to $1,700 annually to Scholarship Granting Organizations (SGOs)

States choose whether to opt-in or out, annually.

Meant to compliment existing school voucher policies in states.

To be eligible for these tax credits individuals must donate to SGOS which are 501c3 organizations that would collect and distribute funding to eligible students for elementary and secondary education expenses including tuition for private schools.

Map of States where the Governor has expressed interest in opting into the tax credit



A bit of a contradiction…

- Governors and states that opt-in are reduced to rubber stamps.
- States will **not** be able to put bar to entry requirements on SGO including:
  - Exclusively awarding funds to public school and public school connected uses
  - Academic accountability, oversight, and reporting
  - Civil and disability rights protections
  - Parent right to know protections
  - Targeting to families with low-incomes in public schools or those that may require extra support
  - Fiscal controls to prevent states from being on the hook for unforeseen costs
  - Quality control and protections against waste, fraud, and abuse

If you're in a state that's opted in, think about:

- Forming an education foundation if one not already established.
- Discuss with your colleagues and regional educational service agency to determine if it would be more practical for the ESA to create or enhance their foundation.
- IRS approval for 501(c)(3) status- anticipate time delays.
- Does your existing education foundation distribute scholarships? If so, may need to establish another organization

ED Dismantling

9 Interagency Agreements

The big one for K12: Office of Elementary and Secondary Education is moving to the Department of Labor

- McMahon programs are being moved out of ED “on a temporary basis.” These are “proofs of concept” for Congress.
- ED has said the transfer will take place before July 1. Staff will be going w/offices. Many unanswered questions but most important: **Will the money go out on time?**

ED Waivers

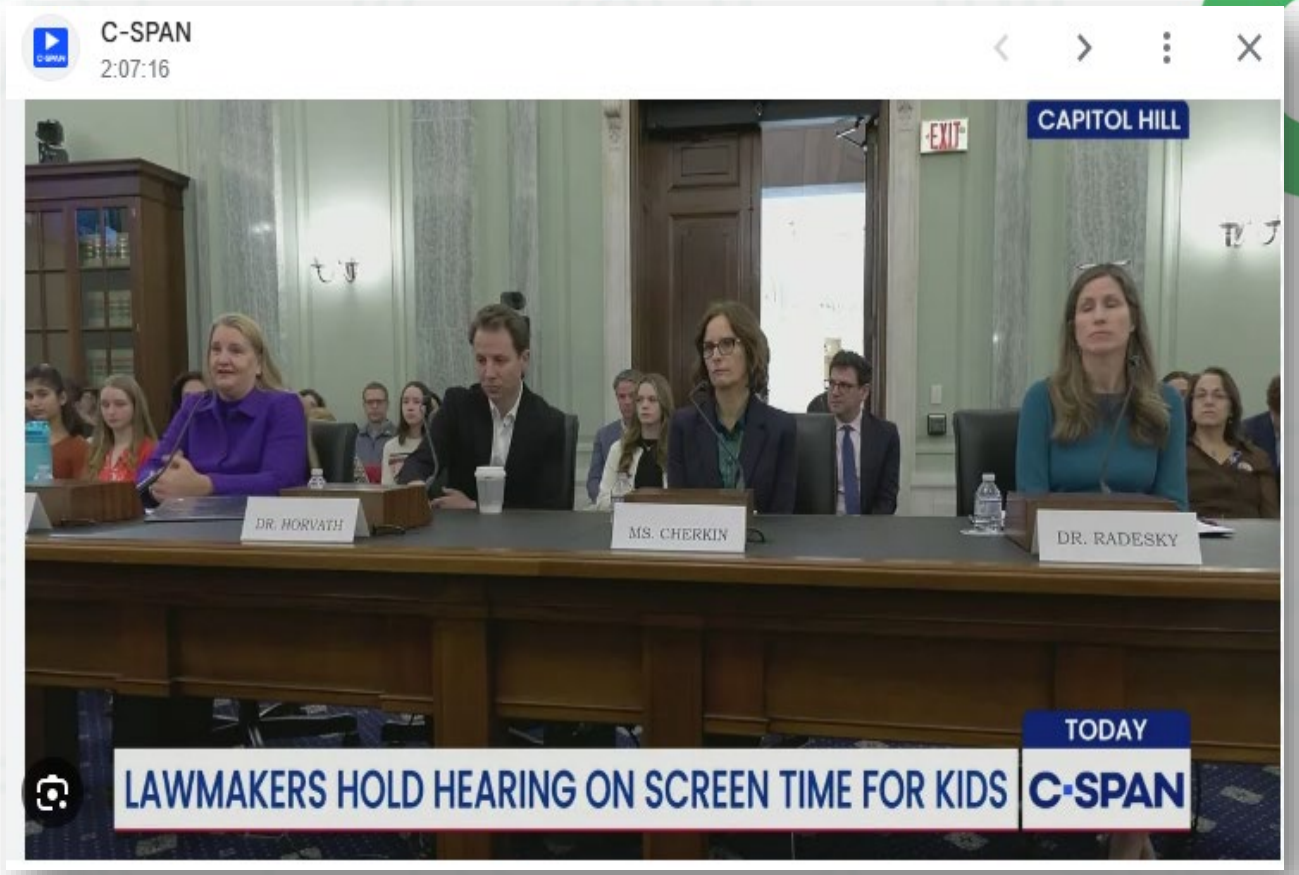
- Two types of waivers available: assessment and accountability
  - Missouri received assessment waiver in July
  - Iowa granted accountability waiver in January
- Two other states in the queue re accountability– more states to come.
- ED cannot grant any waiver that would change or alter allocations of funding to states or districts.

FCC: E-Rate

FCC has rolled back flexibilities provided by the previous Administration to schools to use E-Rate funds for hotspot devices and WiFi on school buses.

Another suit challenging constitutional authority of the Universal Service Fund –the E-Rate funding mechanism. It's not clear whether this suit will be more successful.

Meanwhile, huge push to “limit screens in schools.” Will prescriptive screen-time policies be tied to connectivity funding? That’s the fear.



Another Round of School Meal Regs

- New school nutrition regulations are expected this quarter
- Will align with the new Dietary Guidelines for Americans
- What we're watching:
  - New limits on "highly processed foods"
  - Implementation timeline
  - Opportunities for flexibility

DOJ: ADA WCAG 2.1

In 2024, the Americans with Disabilities Act was amended to require municipalities (including LEAs) to adopt the Web Content Accessibility Guidelines (WCAG) 2.1 AA standards

Municipalities larger than 50k must meet the new standards by April 2026; all others must comply by April 2027

The new standards require public facing as well as password protected content (including individual websites) to meet the new standards. This would encompass any school app, platform or teacher/class website.

AASA Concerns:

Awareness of the standards is far from universal, particularly for rural schools.

Compliance costs are unknown for many districts and considered untenable for those able to estimate costs. Imposing technical accessibility standards on the volume of teacher-created class content is operationally unsustainable. The cost simply to evaluate, monitor, and audit all teacher-posted and third-party content across the district to ensure continuous compliance would be astronomical for many districts.

The regulations are so broad that they cover dozens of platforms and apps for many districts. Many districts may be unable to change or verify Third-Party Vendor Compliance.

Proposed Rule to Amend Student Loan

- Codifies significant changes made to higher education and student loans in H.R. 1
- New regulation defines “professional student” and “professional degree” that will be eligible for higher federal loan limits
  - Professional students: $50K/year (Aggregate $200K borrowing limit) - NEW
  - Other graduate or doctoral students: $20,500/year for full time, $10,250 for part-time (Aggregate $100K borrowing limit - NEW)
- Explicitly not included in the “professional degree” definition: Education, Social Work, Occupational Therapy, and Nursing

PRWORA

- Personal Responsibility and Work Opportunity Reconciliation Act
- Last year, the Administration issued various new interpretations expanding what was considered “public benefits” and therefore, not eligible to noncitizens
- Most notably for K-12, Head Start and CTE were included but acknowledges the impact of Plyler
- Currently in litigation, injunction in place for the states involved in the case but Administration has said it is not **engaging in piecemeal enforcement while the case is ongoing**.

DHS: Public Charge

- **Trump has resurrected regulations to change what programs are used to consider individuals a "public charge" and deny citizenship to green card holders**
- Data shows when the 2017 policy was implemented it led to a "chilling effect" and less children accessed these critical basic needs because families feared it would impact their immigration status. Families withdrew further from social safety nets they were legally entitled to.
- Biden Administration undid regulation, but it's back again…. And broader
- Adding to these concerns, CMS plans to share enrollee data with ICE, a practice being challenged in court by advocacy organizations warning of devastating impacts. Such data sharing is likely to heighten fears among immigrant families about enrolling in or maintaining health coverage, even when they, or more likely, their children are fully eligible.

"This rule could force millions of immigrant families to choose between meeting the needs of their children—such as taking them to the doctor or putting food on the table—and trying to secure a more stable immigration status. The chilling effect will be widespread, with families reluctant to enroll their kids in services for which they qualify that support their education, well-being, and healthy development, out of fear that it will be used against them when applying for a green card. In no version of the U.S. that values children could this policy be justified."

Plyler v. Doe

- Coordinated effort to overturn Plyler v. Doe – the landmark Supreme Court decision that established that all students are entitled to a public education, regardless of their immigration status or that of their parents
- Six states have introduced legislation that, if passed, would challenge or undermine the decision
- On March 18, the House Judiciary Committee's Subcommittee on the Constitution and Limited Government held a hearing entitled "Immigration Policy by Court Order: The Adverse Effects of *Plyler v. Doe*."

Questions?

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