

Keeping Pace with Federal Shifts

Advance Illinois

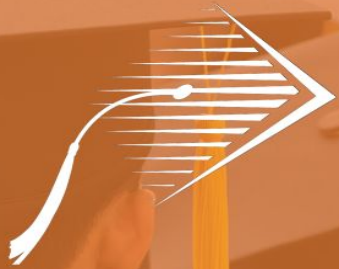


This is the best-available data as of 2/12/26, but federal data is rapidly changing



Our Mission

*requires systemic
change...*



Advance
ILLINOIS

All students deserve equitable access to a high-quality education. We work towards a healthy public education system that prepares students to achieve success in college, career, and civic life...

...We are committed to equitable and quality opportunities and outcomes for all students – by building an education system that strives for equity, stresses college and career readiness and completion, and supports the whole child from the earliest years through adulthood.

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Agenda

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The role of the federal government in education

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Changes to the Department of Education (USED)

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Impact of recent federal actions on Illinois' schools

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Impact of OBBBA in Illinois

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Illinois Federal Education Response Group

We're paying attention to at least 10 stated administration priorities



1. Eliminate USED & Reduce Other Agencies



2. Reduce Federal Role & Transfer Responsibility to States



3. Reduce Funding for Public Education and Safety Net Programs



4. Increase Public Funds for Private & Religious School Choice



5. Prohibit "DEIA" & Reverse Civil Rights Enforcement



6. Redefine Gender Equity Rights, Particularly for LGBTQ Students



7. Disrupt and Remake Higher Education



8. Increase Immigration Enforcement & Reduce Benefits and Rights



9. Limit Education R&D & Data



10. Advance Other Select Education Priorities

The role of the federal government in education

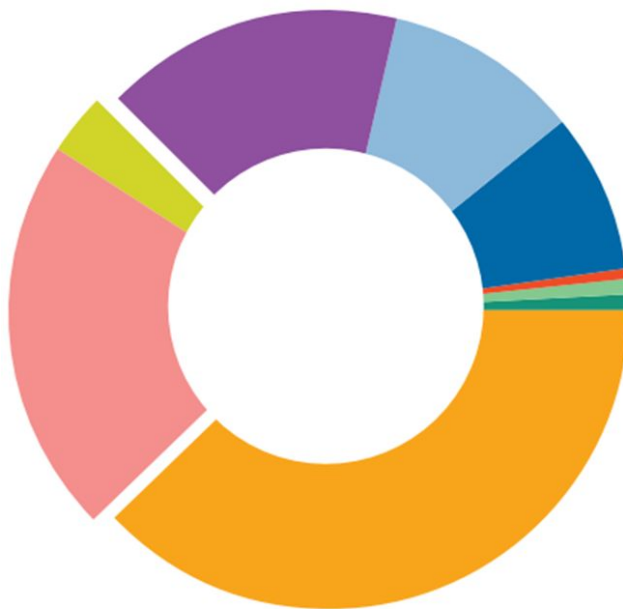


Early Childhood Funding

- Federal programs and grants fund a significant portion of early childhood services in Illinois

- Use of funds vary
 - Child Care & Development Block Grant (CCDBG) go to families

- Head Start funds go directly to programs



FEDERAL INVESTMENT

\$389M CCDBG and Mandatory Funds²⁹

\$248M Head Start Preschool³⁰
(includes AIAN when applicable)

\$207.1M Early Head Start³¹
(includes AIAN when applicable)

\$0 PDG B-5³²

\$11.9M MIECHV³³

\$17.8M IDEA Part C³⁴

\$19.4M IDEA Part B, Sec. 619³⁵

\$896.4M TANF Early Care and Education³⁶

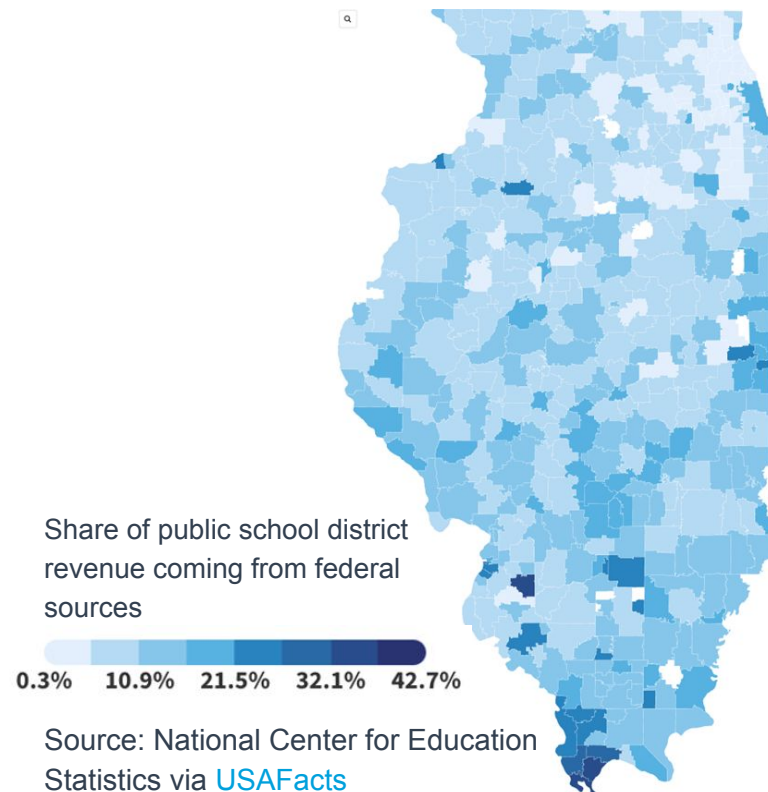
\$0 TANF Transferred to CCDBG³⁷

•2025 State Fact Sheet, [First 5 Years Fund](#)

K-12 Funding

- In 2022, **11% of funding** for Illinois school districts was from the federal government
 - About \$2.5k per student
- Before COVID relief funds were being distributed, that figure was 6%
 - **About \$1.4k per student**
- **Major federal sources** include the Every Student Succeeds Act (ESSA) or, for students with disabilities, the Individuals with Disabilities in Education Act (IDEA)
 - Special grant programs provide additional funding to states or districts for individual projects

Federal funding made up **0.3% to 43%** of Illinois school district budgets in 2021-2022



Post Secondary Funding

- On average 18% of revenue for public, 4-year institutions comes from federal sources
- Most federal support for institutions falls into three buckets:

Student Aid

- Does not provide additional revenue to institutions, but lowers student costs
- Includes Pell grants, loans, and work-study

Research and Development Grants

- Often through contracts with the National Institute of Health, National Science Foundation, and the Department of Defense

Institutional Support

- Funds for Historically Black Colleges and Universities and Minority Serving Institutions

- For SY2023-24, 33% of undergraduate students in Illinois received Pell funds

Civil Rights Enforcement

- Through the **Department of Education's Office for Civil Rights (OCR)** and through the **Department of Justice**, the federal government has undertaken the role of addressing civil rights complaints
- OCR has traditionally been the last stop for families experiencing discrimination in their schools and districts.
- After an investigation, the department has historically aimed to form **resolution agreements** with districts, **remediating discrimination and harassment** complaints, **preserving districts' funding** and **upholding federal protections** for students
 - This administration's approach has departed from that historic collaboration
 - Fund cancellation is often the first step
 - Timelines are shortened

Guidance

Districts and institutions turn to federal agencies for guidance on interpreting various laws.

- In 2015, USED published guidance for schools and district to provide a meaningful and accessible education for English Learners.
 - This guidance was **rescinded** on August 19th, 2025
- More recently, USED has issued various Dear Colleague letters encouraging states to seek ESSA waivers in an effort to “return education to the states”
- DOJ rescinded guidance for using **disparate impact** as a tool to interpret discrimination, with USED expected to do so as well
 - Disparate impact identifies discrimination that explicitly embedded into policies, but that arises due to the implementation of the policy
 - For instance: Facially neutral discipline policies overwhelmingly impacting students of color
 - In response, IL agencies and advocates have began discussing how the state can codify disparate impact into state law to ensure the protection will always exist at the state level

Changes to the Department of Education (USED)



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A Drastic Reduction in Staff

Pre-Reduction Status	<ul style="list-style-type: none">•4,054 FTEs•Smallest agency workforce	<ul style="list-style-type: none">•4th largest agency budget•Highest grantee satisfaction rate
March 2025 RIF	<ul style="list-style-type: none">•Staff reduced to an estimated 2,000 FTEs	<ul style="list-style-type: none">•USED is being sued over RIF•Some civil rights staff ordered to return, but return has been slow
2025 Gov. Shutdown RIF	<ul style="list-style-type: none">•Reduction of another 465 staff members	<ul style="list-style-type: none">•Reversed through the funding deal reached in November 2025 that ended the shutdown
What Now?	Government workers were protected from further RIFs through Jan 30. The administration's next steps are unclear	

Moving Staff to Other Agencies

Department of Labor



Department of State



Over
\$20B
per
year

Office of Elementary and Secondary Education

- Title funding
- Rural school programs
- Impact Aid
- Some competitive grant programs
- Office of Indian Education

Office of Postsecondary Education

- TRIO and GEAR UP
- Select graduate assistance
- Teacher prep programs at HBCUs, other minority-serving institutions
- Some funding initiatives for colleges and universities
- Support for tribal colleges and universities
- CCAMPIS: childcare services for low-income college-going parents
- International and foreign-language education Programs

Department of the Interior



Will also manage:

- Competitive grants for tribal postsecondary career and technical institutions
- Grants providing special education support for tribes

Department of Health and Human Services



Moving Staff to Other Agencies

Why This Matters

- USED has the highest grantee satisfaction rate. Shifting programs to other agencies complicates the process for districts
 - Other agencies have complex grant rules that districts will have to navigate on a grant-by-grant basis
- Shifting education priorities to sub-lines in other agencies makes them easier to cancel or shrink
- USED is an agency with centralized educational expertise. Dismantling the department distributes its responsibilities to agencies less equipped to handle them

Department of
Labor



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Department of Health
and Human Services



Department of
State



Reduction in research capacity

- Over 100 research contracts **worth over \$1B** were cancelled
 - 10 Regional Education Laboratories were gutted, which directly support local, regional, or state decisions about education policies, programs, and practices via technical assistance
 - An 11-year longitudinal study **tracking youth with disabilities** was cancelled
- Some federal datasets were eliminated while others have been delayed.
- The National Center for Education Statistics has been reduced from a staff of **100 to 4**
 - The Nation's Report Card (NAEP) cancelled over a dozen assessments scheduled over 7 years and the release of test results was delayed.
 - The Condition of Education report missed its congressionally-mandated June deadline **for the first time ever** and has only released portions in the last few months.

Why this Matters

These disinvestments in data and research will likely inhibit our ability to understand:

1. Many factors of student success
2. The efficacy of billions dollars in education investments for many years beyond the term of this administration

Changes to the Office for Civil Rights (OCR)

- OCR serves states by investigating allegations of civil rights violations in schools. It is often used as a final resource by students and families who haven't been properly served by schools, districts, or the state.
- Despite significant reductions at the office, OCR has dismissed civil rights complaints at a record pace, raising alarm among former officials and advocates

299

Employees on leave of
575

25,000

Total backlogged cases

7 of 12

Regional enforcement offices
shuttered

90%

Of resolved complaints over a
6-month period were dismissed
without investigation

- Many OCR cases ensure equal access to education, accommodations, and facilities for students with disabilities.
- The administration's focus on DEI and transgender student policies raise concerns that other populations aren't getting the support they need

Without a staffed federal entity to oversee complaints, students with disabilities and their families are left with few options for ensuring civil rights protections.

Other Inefficiencies due to Insufficient Staff Levels

Reduced staff have not been able to maintain grant procedures.

- Judges have **frozen grant application** processes
- Some announced grants did not have the appropriate application process
- Some grants have been re-awarded while the cancellation of initial grants is still under litigation
- Student mental health efforts and afterschool / FSCS programs are directly impacted.

The department has yet to publish the annual Agency Financial Report which details FY25 spending.

- Without that document, it's difficult to understand the full scope of federal funding changes and impact

The impact of the recent federal actions on Illinois' schools



Early Childhood Funds Frozen

- Administration is freezing all funds (about \$1B) for services provided through the Child Care and Development Block Grant, Social Services Block Grant, and Temporary Assistance for Needy Families in Illinois
- [According to the administration](#), these funds will remain frozen until they "complete a review and determine that states are in compliance with federal requirements"
- Funds have been frozen for Illinois and four other states, totaling about \$10B
 - A preliminary injunction has mandated the release of the funds as the lawsuit plays out in court
- **Federal funding provides 60% of childcare subsidy funding to Illinois**

K-12 Funds Canceled across Illinois

Student Mental Health Grants

- 223 of 339 grants cancelled for engaging in “illegal DEI”
- Through legal challenges, 49 grantees secured a reversal of the cancellation
- \$208 of \$270 million cancelled funds have already been re-awarded to new grantees

Full-Service Community School programs

- FSCS programs help school districts, colleges and universities, and nonprofit organizations provide food and housing assistance, medical care, and other services in school buildings
- Millions of dollars cancelled two weeks before new funding was set to arrive
- 2 lawsuits currently challenging cancellations

Educator Preparation Grants

- \$13.4 million of supporting Effective Educator Development (SEED) grants and Teacher Quality Partnership (TQP) grants were cancelled in Illinois

Illinois entities who lost mental health grants

- Cook County School District 130
- Skokie School District 69
- Board of Education City of Chicago
- Region 06 West Cook ISC 2
- Illinois State Board of Education
- Crystal Lake Community Consolidate School District #47
- La Moille Community Unit School District #303

- Dominican University
- DePaul University
- Northeastern Illinois University

Diverse Impacts on Higher Education

- **Grant terminations**
 - As of April 2025, [UIC](#) has received **29 grant termination** notices, totaling approximately \$12 million.
 - University of Illinois' Prairie Research Institute received an abrupt notice of a cancellation of \$23 million in **research funding** ([NOW](#)).
- **International student enrollment** dropped 6.5 across public universities in Illinois for SY24-2025. This change was driven by a 14% decline in graduate international students ([IBHE](#)).
- Governor Pritzker has **withheld 2%** (more than \$29 million) of funding allocated for higher education institutions in Illinois in response to federal funding uncertainty. The governor's office has said they do not intend to release the funds until they see an increased stability in federal education policy ([Capital News](#)).

Reinterpretation of Civil Rights and DEI

- Through Executive Orders and public commentary, the administration has indicated the priority of enforcing their understanding of civil rights and combatting Diversity, Equity, and Inclusion efforts.

The EO *Ending Illegal Discrimination and Restoring Merit-Based Opportunity* states,
“I further order all agencies to enforce our longstanding civil-rights laws and to combat illegal private-sector DEI preferences, mandates, policies, programs, and activities.”

- USED has issued various anti-DEI guidance and letters, many of which have been challenged and shutdown in court
 - February 14th Dear Colleague Letter calling for the end of DEI initiatives in schools
 - April 3rd Letter asking for SEAs and LEAs to sign on and pledge they are not engaging in DEIA practices or risk losing federal funds
 - HE Compact: Institutions were encouraged to sign on, assure they would not engage in DEI practices, would limit protests on campus, would restrict trans students' rights, among other things in exchange for favorable access to federal funds
- Northwestern was subject to investigations by multiple federal agencies over allegations of civil rights violations
 - The government froze \$790 million in federal research funds as investigations played out
 - Final agreement resulted in Northwestern adopting a new student conduct code and paying \$75 million to the government



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How have recent federal actions impacted how you fulfill your role?

Impact of OBBBA in Illinois



Reductions in Revenue and Services

- Changes to tax regulations have resulted in less revenue for Illinois
- Changes to Medicaid and SNAP eligibility can impact access to these key social services for Illinois' most vulnerable populations
 - As federal investment decreases over the next 10 years, it will be difficult for Illinois to take on the **\$8.3 billion gap**
 - SNAP and Medicaid coverage reductions will **leave districts responsible** for students who still need services
- Reductions to Illinois' overall revenue will **make it more difficult to fully fund the state's educational priorities** - which are already facing significant funding gaps

Diverse Changes for Higher Education

Loans

- OBBBA called for the elimination of parent Plus loans, changes to GRAD PLUS, and changes to federal loan limits for various professions
- Existing loan repayment programs have been altered, reducing options for borrowers

Changes to Pell

- Students who otherwise qualify for Pell will no longer be awarded the funds if an outside scholarship covers the full cost of room and board
- Creation of the Workforce Pell which allows students in short-term programs to access federal funding support.

Accountability

- New accountability metrics for program earnings compare the degree holders to those of high school graduates
 - Programs that don't meet the requirements risk losing federal student aid
 - Some programs at risk include under the new regulations include social service workers and early childhood educators given that the professions have historically low wages.

Illinois Federal Education Response Group



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How We Respond as Advocates

- The Illinois Federal Education Response Group is a convening of over 40 education-focused organizations in Illinois that meets every 3 weeks to:
 - Update the group on recent developments in federal education policy impacting children and students from birth to age 20
 - Discuss state-level responses
 - Connect stakeholders with advocacy opportunities
- **Goal:** Share information and insight re. changes to federal budget and policy and identify how we might strategize collectively in Illinois
- **Our areas of focus:** Students with Disabilities; Immigration; Assessments, Data Collection, and Research Infrastructure; Civil Rights, DEI, and Special Populations; Funding; Higher Education



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Activity: In a small group with those around you (20 mins)

Ice breaker: Please go around and share your **name**, **organization**, and **one federal action** that has impacted you.

1. How have the changes at the federal level impacted the populations you serve? What concerns arise when you think of the future of these students?
2. What interventions, if any, have you seen mitigate the impact of federal actions on student wellbeing?
3. What is giving you **hope** these days?

Come back together for a brief share out



**Interested in sharing
your federal impact
story to raise
awareness?**

Thank you for your time!

If you're interested in learning more about federal changes please reach out to us!

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