

The information provided in this document are answers to frequently asked questions and other important considerations resulting from a member webinar held on Feb. 4, 2025. This is intended solely for informational purposes and should not be considered legal advice. For specific legal concerns, please consult an attorney.

➔ Federal and State Funding

How should school districts plan their budgets for FY 2025-26?

Budgeting for the future with unknown impacts is undoubtedly a challenge. We will share updates on any federal cuts as soon as available, but state revenues are currently up from last year's projections.

Will federal funds (e.g., Title, IDEA, etc.) be cut or reallocated?

Minor reductions are expected, but complete eliminations are unlikely.

Will changes to the Department of Education impact Title I funding distribution and oversight?

A diminished DOE could create oversight issues. Schools should review policies, assess compliance risks, and consult legal counsel regarding potential funding and regulatory impacts.

Are Title 1C, Title III, or Pell Grants at risk due to changes in federal policies?

While concerns exist, no direct threats to these programs have been identified.

Will the federal funding freeze impact grant funding for programs and services such as Grow Your Own, WIOA, EPA Clean Bus, DHHS, etc.?

Agencies are currently pulling many competitive grants down for review and/or pauses and some grants such as the EPA clean bus grant may be jeopardized. The more "left" the grant is perceived to be the more likelihood of a longer lapse in funding.

Could federal block grants be used to pressure states into restricting certain ideologies?

This is a concern tied to the recent Executive Order, which may influence federal agencies' enforcement priorities.

How should schools navigate ELCRA in light of the recent Executive Order?

When federal civil rights interpretations clash with state laws, it creates complex legal challenges. Districts should seek legal guidance to navigate these conflicts carefully. Schools should review policies, assess compliance risks, and consult legal counsel regarding federal funding, civil rights obligations, and curriculum decisions. Policies or practices related to a student's "social transition" of gender identity (particularly without parental involvement), concepts like "white privilege" or "unconscious bias" in instruction and training, or the use of affirmative action or preference-based programs are likely to face scrutiny. (<https://tinyurl.com/5yw7hbkt> – AASA, *Two Education-Related Executive Orders Issued*)

➔ Department of Education

Could the U.S. Department of Education (DOE) actually be eliminated?

Completely eliminating the DOE would require congressional approval (60 Senate votes), making it unlikely.

Would abolishing the DOE impact federal orders, such as the anti-DEI order?

The contradiction between expanding and eliminating DOE authority creates uncertainty, but compliance remains a key concern.

→ Title IX

Which version of Title IX should schools follow?

Schools should ensure that administrators are trained in and follow the 2020 Title IX Rule.

Does the 2020 Title IX Rule recognize sexual orientation and gender identity?

There is ongoing legal debate whether Title IX protections extend to gender identity and sexual orientation. While court decisions generally lean toward inclusion, the issue remains highly contested. (<https://tinyurl.com/ydm92kbe> – AASA, ECR Cross-Post: *Title IX, Sex, and Gender Identity – Chaos or Calculation?*)

→ Legal Impact & Court Cases

Has the Supreme Court ruled on bathroom access for transgender students?

No, the U.S. Supreme Court has not issued a definitive ruling on whether schools must allow transgender students to use bathrooms that align with their gender identity. The Court declined to hear appeal involving a school district in Indiana. This left the lower court's ruling in place, which had sided with a transgender student's right to use the bathroom corresponding to their gender identity. While this decision does not set a national precedent, it suggests that lower courts' rulings in favor of transgender student rights will stand unless the Supreme Court takes up a future case.

What's the timeline for the Supreme Court's ruling on E-Rate?

A decision is expected by the end of the Court's current term in June.

Could the *Mahmoud v Taylor* case affect holiday and cultural programs in schools?

It's possible, but the impact remains uncertain until the Court issues its ruling – which is expected by June.

Given the current makeup of the Supreme Court, how do you see its role in interpreting the legality of presidential actions and enforcing the limits of presidential authority?

We can only make informed predictions based on past legal precedent and the facts of these legal cases. However, we believe many of these orders present serious constitutional and factual concerns.

→ Vouchers

Are federal or state funds being considered for vouchers?

The Executive Order focuses on the use of federal funds. While Michigan's *Blaine Amendment* (Article VIII, Section 2 of the Michigan Constitution) prohibits the use of state tax dollars for private schools, it does not address the use of federal funds. There is currently a major proposal to embed a federal voucher program into the GOP tax bill, which would mandate vouchers in Michigan. Learn more at novouchers.org.

Could Michigan's *Blaine Amendment* be affected or overturned by the Supreme Court's decision in *Oklahoma Statewide Charter School Board v Drummond* overturn?

It is very unlikely. Last year, the U.S. Supreme Court denied certiorari to the case *Hile v. Michigan*, which challenged Michigan's Constitution. The lower court's ruling upheld Michigan's *Blaine Amendment* as a facially neutral law that does not single out private religious schools. While the Supreme Court struck many states' *Blaine Amendments* in *Espinoza v. Montana Department of Revenue*, 591 US 464 (2020), Michigan's amendment continues to stand because of its prohibition against the use of funds for any private education, not just religious programs. Chief Justice Roberts made it clear in *Espinoza* that Michigan's amendment is on strong footing when he wrote, "A State need not subsidize private education. But once a State decides to do so, it cannot disqualify some private schools solely because they are religious."