

## EducationCounsel Alert for May 14, 2026

This EducationCounsel Alert shares updates about various recent actions by the federal government relevant to education, including:

1. [HHS Advances Plans to Rescind Head Start Compensation Requirements](#)
2. [HHS Finalizes CCDF Rule and Issues Guidance on CCDF and TANF](#)
3. [USED Releases Final Student Loan Regulations Including New Process for Identifying Professional Programs](#)
4. [DOJ Finds UCLA Medical School Admissions Practices Violate Title VI](#)
5. [DOJ Continues Challenging In-State Tuition Laws](#)
6. [USED Launches Title IX Investigation into Smith College](#)
7. [DOJ Announces Investigations into 36 Illinois Districts Over LGBTQ+ Content and Parental Rights](#)
8. [Other Significant Updates](#)

In addition to this week's Alert, please also see these deeper dives into the first two items below:

- [\[NEW\] DEEP DIVE: Unpacking the Head Start Notice of Proposed Rule Making to Remove Compensation Requirements](#)
- [\[UPDATED\] DEEP DIVE: Unpacking the Child Care and Development Fund Notice of Proposed Rule Making](#)

All of our summaries and analysis of the Administration's executive actions are available in one place by [clicking here](#). Please note that these developments are sometimes changing rapidly, and *this Alert and all our materials are meant to provide general guidance and do not constitute specific legal advice.*

### 1. [HHS Advances Plans to Rescind Head Start Compensation Requirements](#)

On 5/12/26, HHS [published](#) a proposed rule that would rescind requirements on wages and benefits for Head Start staff that were added to the Head Start standards in 2024. Specifically, the proposed rule would remove several requirements related to wages and benefits, including:

- paying Head Start educators at a rate commensurate with teachers in public schools;
- paying all staff a wage that covers basic necessities;
- creating a wage scale;
- removing disparities between preschool and infant/toddler teachers; and
- offering benefits such as health insurance and paid time off.

HHS argues that strategies for staff recruitment and retention should be left to the discretion of local programs and that rescinding the 2024 rule is necessary due to the \$2 billion cost associated with full implementation. The requirements put in place in 2024 aimed to address acute staff challenges that were significantly impacting access, staffing challenges which the NPRM acknowledges still persist. The program went from serving approximately one million children prior to the pandemic to now serving 630,000 children, a decline that is largely due to staff attrition driven by low wages.

HHS is accepting [comments](#) on the proposed changes until 6/11/26. See our new [Deep Dive](#) for more information.

## 2. HHS Finalizes CCDF Rule and Issues Guidance on CCDF and TANF

On 5/12/26, HHS [published](#) a final rule removing four requirements for states in the Child Care and Development Fund (CCDF). The final rule codifies, without substantive changes, the agency’s proposed rule, which we unpacked in detail in this (updated) [Deep Dive](#). Specifically, the final rule changes CCDF such that states are no longer required to:

- limit family co-payments to no more than 7% of household income;
- pay child care providers at the beginning of the service period;
- pay child care providers based on a child’s enrollment in the program; and
- use grants and contracts to expand the supply of child care for children in underserved areas as well as infants and toddlers and children with disabilities.

The changes go into effect on 7/13/26. States still have the option of implementing the policies described above, but under the final rule they are no longer a federal requirement. HHS emphasizes that the changes are needed to promote state flexibility and access to child care subsidies. At the same time, HHS’s estimates show that removing these requirements will reduce payments to providers and shift more costs toward families. For example, HHS notes that the provision to pay based on enrollment will create a federal savings of \$16.5 million annually, which represents a cut in payments to providers for students’ occasional absences.

HHS also [announced](#) three new pieces of guidance that address state flexibility in CCDF and the Temporary Assistance for Needy Families (TANF) programs. For CCDF, HHS issued a [Dear Colleague Letter](#) encouraging states to maximize opportunities for faith-based; license exempt; and family, friend, and neighbor providers to engage in the child care subsidy program. For TANF, HHS issued a [memorandum](#) encouraging states to transfer TANF funds to CCDF and to use TANF to support married, two-parent families with an at-home caregiver. Finally, a separate [letter to governors](#) highlights both new pieces of guidance and encourages parent choice in child care, support for two-parent families, and at-home caregiver parents.

## 3. USED Releases Final Student Loan Regulations Including New Process for Identifying Professional Programs

On 4/29/26, USED [published](#) its final Reimagining and Improving Student Education (RISE) regulations, which codify the changes in the One Big Beautiful Bill Act (OBBBA) related to student loan limits and repayment. These regulations will be effective on 7/1/26. For the most part, the final regulations reflect the points of consensus reached in November 2025 by the RISE negotiated rulemaking committee and proposed in the initial Notice of Proposed Rulemaking. (See the end of this entry for a summary of the key changes to student loans.)

The most significant issue that was still under debate between the proposed and final versions of the regulations was how to define a “professional” program that would be eligible under OBBBA for higher graduate loan limits compared to all other graduate school programs. In the final regulations, USED kept the list of named program fields that are eligible for increased limits the same as in the proposed regulations. The named professional programs are pharmacy (Pharm.D.), dentistry (D.D.S. or D.M.D.), veterinary medicine (D.V.M.), chiropractic (D.C. or D.C.M.), law (L.L.B. or J.D.), medicine (M.D.), optometry (O.D.), osteopathic medicine (D.O.), podiatry (D.P.M., D.P., or Pod.D.), theology (M.Div., or M.H.L.), and clinical psychology (Psy.D. or Ph.D.).

In addition to the above list, the final regulations also formalized a process for designating certain other graduate programs as a professional program eligible for higher loan limits. To qualify as “professional,” the following must be true of the graduate degree program:

1. Certifies both completion of the academic requirements for beginning practice in a given profession, and a level of professional skill beyond that normally required for a bachelor's degree;
2. Is generally at the doctoral level, and requires at least six academic years of postsecondary education coursework for completion, including at least two years of post-baccalaureate level coursework;
3. Generally, requires professional licensure to begin practice; and
4. Is within a four-digit Classification of Instructional Programs (CIP) code in the same intermediate group as the core list of the above-listed program fields.

USED specifically rejected expanding the professional category to programs raised by comments on the proposed regulations, including physician assistant, physical therapy, occupational therapy, social work, and graduate nursing programs. Programs that would be added under the new four-part test appear to include counseling psychology, divinity/ministry, school psychology, industrial and organizational psychology, applied behavior analysis, educational psychology, clinical/counseling/applied psychology, pharmaceutical sciences, and performance and sport psychology.

One other notable change from the proposed to the final rule appears to be an application streamlining process. USED will create a single application for borrowers to apply for rehabilitation of a defaulted loan and an income-driven repayment (IDR) plan simultaneously (using federal tax information to calculate both the IDR payment amount and the “reasonable and affordable” repayment amount due to rehabilitate the loan).

Besides these changes, the final regulations closely mirror OBBBA’s statutory provisions and the language agreed to during the negotiated rulemaking process. Notable provisions include:

- Limiting graduate student loans to \$20,500 per year (with a \$100,000 aggregate limit and “professional student loans” to \$50,000 per year (with a \$200,000 aggregate limit);
- Defining what qualifies as a “professional” degree and thus is eligible for higher loan limits;
- Creating the Repayment Assistance Plan, a new income-driven student loan repayment plan which prevents negative amortization, enables forgiveness of the remaining balance after 30 years, and provides a \$50 reduction in payment each month per dependent. It also allows for a narrower timeframe to be considered “on-time” when making payments and sets a minimum monthly payment of \$10, regardless of income;
- Creating a new, tiered, standard repayment plan, offering fixed terms—10, 15, 20, or 25 years—based on the loan balance;
- Reducing the aggregate limit for Parent PLUS loans to \$65,000 per dependent student (previously this amount was uncapped and only limited by the student’s annual cost of attendance minus other aid received);
- Eliminating the unemployment and economic hardship deferments, existing IDR plans, and the Grad PLUS program;
- Allowing borrowers to rehabilitate a defaulted loan twice;
- Allowing institutions to establish program-level student loan caps below the statutory limits; and
- Requiring institutions to adjust the annual loan limit for students who enroll on a less than full-time basis.

#### 4. DOJ Finds UCLA Medical School Admissions Practices Violate Title VI

On 5/6/26, DOJ [announced](#) that it has [concluded](#) that the David Geffen School of Medicine at the University of California at Los Angeles (UCLA Med) violated Title VI of the Civil Rights Act of 1964 by continuing to consider race in its admissions process after the U.S. Supreme Court issued its decision in *SFFA v. Harvard* in ways that do not comply with that ruling. The next step is for the parties to explore a voluntary settlement, and if that fails, DOJ can pursue enforcement options such as seeking to rescind UCLA Med's federal funding.

DOJ's letter appears to include both procedural irregularities and legal misstatements, including but not limited to the following:

- DOJ states that it reached its findings by reviewing “documents and data” but did not cite any interviews with UCLA Med admissions officials or staff, a standard step for federal civil rights investigations.
- In several places, the letter casts doubt on the validity of a “holistic review practice” in admissions—including drawing into question the legality of conducting applicant interviews—even though *SFFA* does not prevent schools from considering factors outside of GPA and test scores (such as applicant interviews, essays, and others).
- DOJ relied in significant part on data about the incoming 2023 class, even though that class would have been selected by the admissions office prior to the *SFFA* ruling.

DOJ's letter also has relevance beyond the context of the UCLA Med investigation because it may preview how the Administration will approach analyzing and using new Integrated Postsecondary Education Data System (IPEDS) data from the newly-created Admissions and Consumer Transparency Supplement (ACTS) survey. (See our [8/21/25 Alert](#) for more information about that data collection.) ACTS will provide the Administration, and potentially private litigants, with disaggregated information about the test scores and GPAs of several years' worth of responding schools' admitted classes. The Administration may repeat its UCLA Med analysis to argue that racial disparities across that data help prove intentional discrimination and thus to pressure schools to stop considering factors beyond test score and GPA in admissions, although many of those admissions practices remain lawful.

#### 5. DOJ Continues Challenging In-State Tuition Laws

DOJ has recently taken actions in three states as part of its ongoing effort to challenge state laws allowing undocumented students to access in-state tuition and related financial aid. The Administration argues these states are violating federal law by offering postsecondary education benefits to in-state undocumented students that are not available to out-of-state citizens. Click [here](#) for more information about this set of lawsuits.

- On 4/21/26, DOJ filed a [complaint](#) against **Nebraska**, and simultaneously [joined with the state](#) to file a [proposed consent decree](#) that would permanently enjoin Nebraska from enforcing its laws regarding in-state tuition, scholarships, and other financial assistance and public benefits for undocumented students.
  - Following the filing of the proposed consent decree (which is still pending court approval), two Nebraska-based organizations [filed](#) motions on 5/7/26 seeking to participate in the case to defend the state's law in the wake of the state declining to do so. The organizations [argue](#) they

should be allowed to defend the law because the DOJ/Nebraska settlement would eliminate longstanding statutory benefits without a meaningful adversarial process and would harm students who have relied on these laws.

- On 4/30/26, DOJ [announced](#) that it had filed a [complaint](#) against **New Jersey** challenging its similar state laws. This complaint targets both New Jersey’s in-state tuition eligibility laws and later-enacted laws that extend access to state financial aid and scholarships.
- On 5/1/26, DOJ [appealed](#) a federal district court's dismissal of DOJ’s challenge to **Minnesota**’s in-state tuition and financial aid laws (for more information on the dismissal, see our [4/1/26 Alert](#)).

## 6. USED Launches Title IX Investigation into Smith College

On 5/4/26, USED OCR [announced](#) that it is opening a Title IX investigation into Smith College, a private women’s college in Massachusetts that has since 2015 [admitted](#) both cisgender and transgender women to its undergraduate program. OCR will investigate Smith’s undergraduate admissions policies and its practices around students’ access to dormitories, athletics, and restrooms aligned with their gender identity. This is the first such investigation into an all-women’s college announced under the Trump Administration.

Title IX’s [prohibition](#) on sex discrimination in admissions and recruitment applies only to institutions of vocational education, professional education, graduate higher education, and *public* institutions of undergraduate higher education. Private undergraduate institutions like Smith are not subject to Title IX’s admission requirements. In its announcement, however, OCR stated that it will examine whether Smith qualifies for Title IX’s exemption for single-sex institutions, which allows a public college “which traditionally and continually from its establishment has had a policy of admitting only students of one sex” to deny admissions to students on the basis of sex. Once again, as a private college, Smith’s single-sex status does not rely on that exemption. It is thus unclear how OCR intends to apply Title IX in this case.

It is worth noting that Smith’s graduate programs—which, unlike the undergraduate program, are subject to Title IX—are open to students of all sexes.

## 7. DOJ Announces Investigations into 36 Illinois Districts Over LGBTQ+ Content and Parental Rights

On 5/8/26, DOJ [announced](#) investigations into 36 Illinois school districts to determine if the districts are complying with the Supreme Court’s 2025 ruling in [Mahmoud v. Taylor](#) and Title IX. DOJ will determine whether students were exposed to “sexual orientation and gender ideology (SOGI) content in any class for grades pre-K-12” and, if so, whether parents had sufficient notice to opt their children out of lessons inconsistent with their religious beliefs. DOJ is also investigating the districts’ policies permitting students to access restrooms and other facilities based on their gender identity. This is the second set of investigations launched by DOJ related to the *Mahmoud* case, following an [announcement](#) on 2/18/26 of investigations into three Michigan districts on similar grounds. (See our [3/4/26 Alert](#) for additional information.)

In its Illinois announcement, DOJ also referenced the Supreme Court’s discussion of parental rights in the public school context in its recent “emergency docket” [decision](#) in *Mirabelli v. Bonta*. It is worth noting that the *Mirabelli* case does not concern instructional content but is instead about whether school staff must receive consent from a student before disclosing to their parents any information about the student’s social transition at school (e.g., using a different name and pronouns). (See our [3/4/26 Alert](#) for additional information.)

## 8. Other Significant Updates

All recent updates will appear in the [Executive Actions Chart](#), but some of note include:

**Lawsuits Challenging the Dismantling of USED Proceed to Discovery:** The multiple lawsuits challenging the Administration’s efforts to dismantle USED continue to proceed. In one case, which itself is a consolidation of two lawsuits, the parties recently agreed to a [timeline for the discovery phase](#) through which USED will have to provide information, records, and deposition testimony related to steps it has taken to implement President Trump’s executive order to dismantle the agency, including USED’s reductions-in-force and interagency agreements with other agencies. Discovery has already begun and is scheduled to conclude on 7/31/26, after which time the parties may seek summary judgment. On 5/8/26, the federal court that is hearing a separate lawsuit brought by NAACP, labor unions, and some individuals [denied](#) the Administration’s motion to dismiss, paving the way for the discovery phase in that lawsuit as well.

**USED Launches New Hiring Push for Federal Student Aid Office:** On 5/8/26, it was [reported](#) that USED has begun a hiring push within the Federal Student Aid office (FSA), just over a year after implementing a significant reduction-in-force (RIF) that resulted in large cuts to FSA and across USED. The agency apparently plans to hire up to 334 full-time employees by 2027, roughly a 45% increase over current staffing levels—although that would still be fewer staff than before the March 2025 RIFs. The new hiring also comes as FSA responsibilities are in the process of moving (in three phases) to the U.S. Department of the Treasury per an [interagency agreement](#).

- Relatedly, the Institute of Education Sciences has begun [hiring](#) four employees to manage the IPEDS and Condition of Education data collections for the National Center for Education Statistics (NCES). The March 2025 agency-wide RIF originally reduced the NCES workforce from roughly a hundred employees to three, although there have been some other hires since, primarily to work on the National Assessment of Educational Progress (NAEP).

**DOJ Task Force Publishes an Anti-Christian Bias Report:** On 3/30/26, the multi-agency Task Force to Eradicate Anti-Christian Bias [published](#) a [report](#) of findings and recommendations, as required by President Trump’s “[Eradicating Anti-Christian Bias](#)” Executive Order. The task force examined policies and enforcement practices across federal agencies and identified areas where it claims Christian individuals and organizations have faced discriminatory treatment, primarily by the Biden Administration. The education-related findings include allegations that USED imposed excessive fines on religious institutions of higher education, such as Grand Canyon University and Liberty University; promoted “gender ideology” in classrooms via policies related to transgender students and athletes; and opposed efforts by parents to challenge curricular materials (including books) they find objectionable. The task force also catalogued steps the Trump Administration has taken to counter these actions and recommended additional administrative and policy changes.

**Court Declines to Pause Immigration Enforcement in Minnesota’s “Protected Areas” like Schools:** On 5/6/26, a federal court in Minnesota [denied](#) a request to temporarily halt federal immigration enforcement in or near schools or other “protected areas” in Minnesota while the lawsuit proceeds. In its ruling, the court found that none of the plaintiffs “have demonstrated they are likely to establish standing” to challenge the rescission of prior Administration’s “protected areas” guidance because any harm caused by ICE actions near school properties stemmed from the Trump Administration’s priorities and enforcement decisions rather than its rescission of the prior guidance.

**USED OCR Announces Antisemitism Investigations into Two K-12 School Districts:** In its first year, the Trump administration placed significant emphasis on combating antisemitism in higher education with fewer investigations launched into K-12 districts. This may be shifting, however, as OCR recently announced two investigations into allegations of antisemitic harassment and bullying under Title VI of the Civil Rights Act. (Title VI prohibits discrimination on the basis of race, color, and national origin, interpreted to include [shared ancestry or ethnic characteristics](#) and thus can include allegations related to antisemitism.)

- On 4/23/26, OCR [announced](#) an investigation into New York City Public Schools, focusing primarily on allegations regarding the actions of a group of district educators that, independent of the school or district, organized a series of seminars focused on “Palestine, Zionism, and Resistance.” The complaint alleges that content conveyed in the sessions may have contributed to a hostile learning environment for Jewish students.
- On 5/8/26, OCR [announced](#) an investigation into Bay County School District in Florida, alleging that the district failed to address persistent student-to-student antisemitism harassment in its schools.

**Federal Court Restores NEH Grants:** On 5/7/26, a federal court in New York [ruled](#) that the Administration acted illegally in blanketly terminating more than 1,400 National Endowment for the Humanities (NEH) grants. Finding that the actions of the Department of Government Efficiency and NEH violated the First and Fifth Amendments as well as were unauthorized by law, the court ordered NEH to reinstate all affected grants. Many of these NEH grants were held by higher education institutions and/or support academic research and educator professional development.

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*DISCLAIMER: Consistent with our mission, EducationCounsel is working to update and support the field as federal actions consequential to education are unfolding. The information provided above does not serve as legal counsel and, given the pace of action, could be outdated quickly. Nonetheless we hope this information is helpful. If you have any suggestions or feedback please send it to [info@educationcounsel.com](mailto:info@educationcounsel.com). Updates in this Alert are current as of May 14, 2026 at 9:00 am ET.*