

EducationCounsel Alert for October 15, 2025

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

1. **Government Shutdown Continues**
2. **Reductions in Force Initiated at USED and Other Agencies**
3. **USED Requests Feedback on Postsecondary “Compact”**
4. **Other Significant Updates**
5. **What’s Coming Next?**

You can also find summaries and brief analysis of many other developments in our ongoing [Executive Actions Chart](#), which is continuously updated. 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. Government Shutdown Continues

The government shutdown entered its third week with no clarity on when or how it might end. The following updates cover a number of aspects of the shutdown:

Congressional Negotiations: As previewed in our [9/30/25 Alert](#), fiscal year (FY) 2025 funding expired on 10/1/25 after the Senate failed to pass a continuing resolution to keep the government open. Democrats continue to seek an extension of health insurance subsidies, reversal of Medicaid funding cuts, and an end to fast-track procedures to rescind funds, as well as prohibiting “pocket rescissions.” Republicans remain committed to passing a mostly “clean” continuing resolution that would reopen the government for a limited time. As of this Alert’s publication, the Senate has unsuccessfully voted at least eight times without garnering the required 60 votes and the Majority Leader has said they will no longer vote on the Democrats version of the continuing resolution. Throughout the shutdown, the House has been in Pro Forma session and would need to be called back to consider any other version of a temporary bill that is able to pass out of the Senate.

Implications for Federal Education Grantees: Despite the government shutdown, USED [reportedly](#) disbursed to states funding for key **formula-funded programs**, including Title I, Title II, IDEA, and Perkins CTE, which became available on October 1st. This means that across USED’s grant programs, most recipients are able to draw down on previously awarded funds, but new grants and technical assistance are largely suspended.

The longer the shutdown continues, however, the greater the potential for cascading effects, including potential delays in awarding new grants, research slowdowns, investigations of complaints, monitoring for legal compliance, and limited access to key support systems including technical assistance. For example, **Head Start** grant recipients typically receive a new grant award for each 12-month budget period. A small number of grantees received their funding as part of ACF’s shutdown procedures on 10/1/25, but 134 grantees are due to receive their annual grant funds on 11/1/25. Funds for these grantees—who serve approximately 56,000 children—will be delayed if the shutdown continues, which could impact their ability to serve families. Similarly, **Impact Aid** recipients will begin to experience funding shortages as time passes.

Federal Agency Staffing Plans: Through the duration of the shutdown, federal agencies are largely shuttered with limited “essential” staff expected to continue performing their duties without pay. “Non-essential” employees remain furloughed and are wholly prohibited from working, including accessing their email or using government equipment like laptops and phones. Contingency plans published ahead of the shutdown classified up to 95% of [USED](#) (not including FSA) and 44% of [HHS](#) employees as non-essential. OMB [reportedly](#) produced a memo calling into question if furloughed federal workers will automatically receive backpay after the shutdown ends. According to reporting, the memo examines the longstanding practice by presenting an alternative interpretation of the [Government Employee Fair Treatment Act](#), which President Donald Trump signed into law in 2019. Additionally, the Administration is moving forward with large-scale reductions in force across various agencies, discussed in further detail below.

Hatch Act Lawsuit: As the shutdown began, the standard nonpartisan out-of-office messages from furloughed USED staff email accounts were replaced with a first-person message blaming “Democrat Senators” for the shutdown. On 10/3/25, the American Federation of Government Employees (AFGE) [challenged](#) the action in federal court, arguing that “the Trump Administration is unlawfully compelling agencies and civil servants across the federal government to engage in political rhetoric to serve the interests of the governing party” in violation of the Hatch Act, which generally prohibits federal workers from engaging in political activity while in an official capacity, including support for or opposition to a political party.

2. Reductions in Force Initiated at USED and Other Agencies

On 10/10/25, the Office of Management and Budget (OMB) [confirmed](#) that USED began reduction-in-force (RIF) proceedings for 466 additional staff, who represent roughly 20% of the remaining USED workforce. (This is in addition to RIFs of ~3,700 federal workers in other agencies, including about 1,000 at [HHS](#).) If the new RIF is allowed to proceed—like the Supreme Court [allowed](#) the March one to—USED’s staffing level would be reduced to about 48% of the staff it began the year with, leaving fewer than 2,000 employees. Though OMB is citing the government shutdown as part of the justification for the RIF, these actions represent *permanent* layoffs separate from the temporary furloughs described above that are due to the lapse in appropriations. However, OMB also [advised](#) agencies they could “revise their RIFs as needed,” after FY 2026 appropriations are enacted, though it is unclear if agencies will exercise this option or to what extent. These terminations are consistent with the Administration’s stated goal of eliminating USED and cut deeply into programmatic roles which will likely exacerbate the challenge of fulfilling the agency’s responsibilities (see more below). The American Federation of Government Employees (AFGE) and the American Federation of State County and Municipal Employees (AFSCME) preemptively [challenged](#) the RIFs in federal court on 9/30/25 and a federal judge issued a temporary restraining order (TRO) on 10/15/25 (the written order is not available at publication of this Alert, but will be posted [here](#)). Note that while terminated staff typically receive 60 days notice before they are removed from government service, most employees included in the March RIF were placed on administrative leave and removed from duty shortly after receiving the initial RIF notice. This means currently furloughed staff laid off this week via the RIF may not be able to return to work *at all* if placed on leave before USED reopens.

Many of the cuts appear to include entire teams that serve as the primary point of contact for grant recipients and state and local leaders. There is not yet a public accounting, but initial unofficial information indicates the RIF includes nearly every staff member in the [Office of Special Education and Rehabilitative Services](#), which administers IDEA, along with a large portion of remaining staff in the [Office of Elementary and Secondary Education](#) (OESE), including most staff responsible for overseeing formula programs (such as Titles I, II, III, and IV of the Every Student Succeeds Act (ESSA)), competitive grant programs, and programs serving

migrant students and American Indian and Alaskan Native students. The [Office of Postsecondary Education](#) (including the offices responsible for overseeing the TRIO programs, and the programs supporting Historically Black Colleges and Universities (HBCUs), Tribally Controlled Colleges and Universities (TCCUs), Hispanic-Serving Institutions (HSIs), and other Minority-Serving Institutions (MSIs)) and the [Office of Communications and Outreach](#) were also impacted, including the team responsible for communicating with states and districts.

It is not immediately clear how USED will meet its current statutory obligations without these employees once the government shutdown ends. Many of the affected workers administer statutorily-required programs and functions, including reviewing and approving grant applications, monitoring program performance to ensure funds are used appropriately, and providing technical assistance to states, districts, and other grantees. In their absence, grantees may experience interruptions or delays in federal services and support. Furthermore, the few remaining staff in OESE and other offices may be unable to effectively design, launch, score, award, support, and monitor new competitive grant programs, process continuation decisions for existing multiyear grants, or consider states' requests for increased flexibility under ESSA via waivers, ED-FLEX, or state plan amendments.

Additional Regional Civil Rights Offices Reduced. A least three of the five remaining regional offices within the [Office for Civil Rights](#)—including Atlanta, Seattle, and Washington, D.C.—saw further reductions in staff, despite absorbing thousands of open cases from the seven other regional offices shuttered during the previous RIF in March (San Francisco, Dallas, Chicago, Cleveland, Philadelphia, New York City, and Boston). The new RIF has reduced the D.C. office, for example, to a handful of senior attorneys despite currently being responsible for civil rights enforcement in 14 states and territories. It is unclear if the two other offices, Denver and Kansas City, have been impacted. Combined with the near-total elimination of the offices administering special education programs, these additional cuts to OCR likely leave students with disabilities and their families—along with other students experiencing discrimination or other denials of their rights—without an effective administrative means of enforcing their civil rights on the federal level.

3. USED Requests Feedback on Postsecondary “Compact”

On 10/1/25, USED sent nine institutions of higher education (IHEs) a [letter](#) seeking feedback on the [Compact for Academic Excellence in Higher Education](#) (Compact). This week, the Administration [reportedly](#) extended the invitation to participate in the Compact to all IHEs. The ten-point Compact states that it aims to “renew and strengthen the vital, mutually beneficial relationship between the U.S. Government and higher education.” The “largely” final draft Compact includes several requirements for participating IHEs, aligned with the Administration’s priorities, including but not limited to:

- Committing to “transforming or abolishing institutional units that purposefully punish, belittle, and even spark violence against conservative ideas” and recognizing that “academic freedom is not absolute.”
- Committing to using “lawful force if necessary” to prevent “institutional punishment or individual harassment.”
- Requiring university employees, in their capacity as university representatives, to abstain from “actions or speech relating to societal and political events except in cases in which external events have a direct impact upon the university.”

- Committing to “freezing the effective tuition rates charged to American students for the next five years,” and for institutions with large endowments, “not charg[ing] tuition for admitted students pursuing hard science programs.”
- Limiting participants in the Student Visa Exchange Program to “no more than 15 percent of a university’s undergraduate student population,” capping international enrollment from any one country at 5%, and requiring universities to share “all known information about foreign students, including discipline records” with the Department of Homeland Security and the Department of State.
- Banning the use of “sex, ethnicity, race, nationality, political views, sexual orientation, gender identity, religious associations, or proxies for any of those factors” in admissions and financial aid decisions.

In exchange for committing to these (and other) terms, the Compact offers participating IHEs “multiple positive benefits,” including “allowance for increased overhead payments where feasible, substantial and meaningful federal grants, and other federal partnerships.” DOJ will monitor IHEs’ adherence to the Compact, and any IHEs violating its terms will be required to return “all monies advanced by the U.S. government during the year of any violation.” Additionally, the introductory paragraph concludes with the following warning: “Institutions of higher education are free to develop models and values other than those below, if the institution elects to forego [sic] federal benefits.”

IHEs [reportedly](#) included in the initial outreach are: Brown University, Dartmouth College, the Massachusetts Institute of Technology (MIT), the University of Arizona, the University of Pennsylvania (Penn), the University of Southern California, University of Texas (UT) at Austin, the University of Virginia (UVA), and Vanderbilt University. Feedback from these IHEs on the Compact is due on 10/20/25, but some IHEs (and other stakeholders) have begun to respond in a variety of ways:

- On 10/10/25, MIT became the first IHE to publicly respond to the invitation by publishing its [response](#) to USED in which it declined to participate in the Compact.
- Some IHEs have made public statements about the invitation but not yet shared their feedback or decisions about whether to participate: Dartmouth’s President [said](#), “we will never compromise our academic freedom and our ability to govern ourselves.” Penn’s President, after touting the long-standing relationship with the federal government, [said](#) that “Penn seeks no special consideration.” Meanwhile, the UT Systems Chairman [reportedly](#) said that the System is “honored” that UT Austin has been selected for participation in the Compact and “welcome[s] the new opportunity presented to us.”
- Additionally, several state leaders have weighed in. California Governor Gavin Newsom [stated](#) that any IHE in the state that signs the Compact will “lose billions in state funding—including Cal Grants—instantly.” In Virginia, three Democratic State Senators [reportedly](#) warned UVA it could face “significant consequences in future Virginia budget cycles” if it agreed to the Compact.
- Several associations representing leaders of institutions of higher education have issued sharply critical responses to the Compact, including [American Council on Education](#), [American Association of Colleges and Universities](#), and [Association of Governing Boards of Universities and Colleges](#).

4. Other Significant Updates

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

Federal Communications Commission (FCC) Ends E-Rate Subsidies for Internet Access on School Buses and Wireless Hotspots: On 9/20/25, the Federal Communications Commission voted 2-1 to remove E-Rate subsidies for both internet access on school buses and wireless hotspots that could be checked out of libraries. The subsidies, initiated by the Biden Administration during COVID-era school closures and continued in 2024, were designed to help address the “digital divide” especially for students in rural communities and low-income households who may not have reliable internet access. See our [9/4/25 Alert](#) for additional information, published before the final vote.

Senate Confirms Four USED Appointees and the New Head of ACF: On 10/3/25, the Senate [voted](#) 51-46 to confirm en bloc multiple appointees to USED. The following nominees were approved:

- Kirsten Baesler, Assistant Secretary for Elementary and Secondary Education (USED)
- David Barker, Assistant Secretary for Postsecondary Education (USED)
- Kimberly Richey, Assistant Secretary for Civil Rights (USED)
- Mary Christina Riley, Assistant Secretary for Legislation and Congressional Affairs (USED)
- Alex Adams, Assistant Secretary for the Administration for Children and Families (HHS)

5. What’s Coming Next?

Our [Executive Actions Tracker](#), which is different from our [Executive Actions Chart](#), includes a comprehensive list of specific actions called for in President Trump’s various EOs affecting education. The table below highlights a few particularly significant *upcoming deadlines*. Consult the Tracker for a full list of the EOs’ requirements and deadlines.

Date	Executive Order	Action Expected
10/20	Advancing Artificial Intelligence Education for American Youth	Requires the AI Task Force to work to ensure federal funding mechanisms, including discretionary grants, are ready for use in K-12 instruction following the Task Force’s formal announcement of the first slate of public-private partnerships.

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. Updates in this Alert are current as of October 15, 2025 at 3:00 pm ET.