



Ending the Federal Department of Education: What It Could Mean for States

President Trump has said he would eliminate the US Department of Education (US ED). What might this mean for state policy leaders?

WHAT DOES THE DEPARTMENT OF EDUCATION DO TODAY?

For most of American history, education was understood to be reserved to the states and people; the Constitution gives the federal government no authority to govern in education. Consistent with that, US ED was not created until 1979, at the behest of the country's largest teacher union: the National Education Association. US ED has two primary missions: to run programs to help equalize education resources for low-income communities and to provide aid programs for college students. It also investigates potential civil rights violations by recipients of federal education money and provides funding and oversight for students with disabilities.

US ED eventually added an academic standards enforcement role to its portfolio. This peaked with the No Child Left Behind Act of 2001 (NCLB). In 2015, NCLB was replaced by the Every Student Succeeds Act (ESSA), which returned US ED closer to its original compensatory funding administration, especially by ending adequate yearly progress. Still, US ED must approve state standards and accountability plans.

In addition to controlling major funding sources such as Title I of the Elementary and Secondary Education Act (of which the ESSA is the latest version) and under the Individuals with Disabilities Education Act, US ED administers many small categorical programs, including discretionary grant programs for which it chooses winners and losers. In postsecondary education, while its primary job is administering student aid, US ED provides some funding directly to institutions, especially those with high minority enrollments. Finally, US ED oversees the administration of the National Assessment of Educational Progress—a national testing regime—and collects education data.

HOW MIGHT US ED BE ENDED?

There are many ways to end US ED, and a frequently discussed approach is moving US ED's functions to other departments. This could also include block-granting funding. The Returning Education to Our States Act (REOS), from Sen. Mike Rounds (R-SD), takes this approach.

Simply transferring activities to other departments should not significantly affect states, other than likely temporary logistical hiccups. Under REOS, US ED would have to end within 180 days of the bill's enactment, but that might be too optimistic. A longer time frame is more likely in final legislation. The table below indicates which departments might absorb major US ED functions:



Program/activity authority	Possible new home
Aid for Institutional Development	Department of Health and Human Services
Civil Rights Enforcement	Department of Justice
Direct Loans	Department of the Treasury
Education Sciences Reform Act	Census Bureau, National Science Foundation, Department of the Treasury
Educational Technical Assistance Act	National Science Foundation, Department of the Treasury
Family Education Loan Program	Department of the Treasury
Health Education Assistance Loans	Department of the Treasury
Impact Aid	Department of Health and Human Services, Department of the Interior, Department of Defense
Individuals with Disabilities Education Act	Department of Health and Human Services
Office of Indian Education	Department of the Interior
Pell Grants	Department of the Treasury
Perkins Loans	Department of the Treasury
Title I	Department of Health and Human Services
TRIO Programs	Department of Health and Human Services

Impact on Elementary and Secondary Education

Most K–12 funding would likely be consolidated and block-granted, though blocks might be separated into assistance to low-income students, students with disabilities, and possibly other groupings. States could gain or lose total funding from previous levels, but final legislation would likely start from a baseline of the previous fiscal year's total spending. States and districts would likely save money on administrative costs if block granting was accompanied by removal of many rules and regulations (financial audits and adherence to civil rights laws likely would remain) and as small categorical programs ceased.

Impact on Postsecondary Education

State leaders would see relatively little impact from postsecondary program transitions because, as noted, in higher education, the federal government mainly runs student aid programs, which primarily involve the federal government, students, and institutions, not state governments.

CONCLUSION

US ED is a relatively new creation that largely takes taxpayer money and redistributes it to states, districts, and schools with some funds skimmed off and red tape attached. In higher education, US ED mainly runs student aid programs. Dismantling US ED would likely help states and the people by lowering costs and keeping more education funding in the system to aid students.