

Federal Policy Developments Digest

July 22, 2025

Department of Energy Postpones Implementation of Multiple Civil Rights Rules After Public Opposition (July 14-17, 2025)

The Department of Energy (DOE) [announced](#) significant delays to four direct final rules (DFRs) that would have weakened civil rights protections for colleges receiving federal energy grants. Originally scheduled to take effect July 15, the rules are now delayed until September 12, 2025, after the agency received "tens of thousands of negative comments." The delayed rules would have rescinded protections under Title IX (sex discrimination), Title VI (racial discrimination), and Section 504 (disability discrimination), affecting [over](#) 300 colleges that receive DOE funding. Direct final rulemaking (DFR) is an expedited process that [allows](#) an agency to pass "noncontroversial" regulations through requiring a brief comment period; if there are not "significant adverse comments" against the rule during this period, the rule automatically takes effect.

Implications/next steps: Advocates argued that these four rules were too significant and controversial to go through DFR. Maha Ibrahim, senior attorney for Equal Rights Advocates, stated, "...we're very afraid, as civil rights organizations, that this is an intentional misapplication of the DFR process to try to avoid public scrutiny, to try to do these things through the back door." Additionally, attempting to issue these regulations through the DOE is unusual and may be a way for the administration to attempt to avoid attention. As far as next steps, the DOE must either now withdraw the rules entirely or issue new rules by September 12 that take into account the public comments.

Concerns Grow About Potential Delays in Disbursement of Federal Financial Aid and Grants

Due to workforce reductions at the Department of Education, the disbursement of federal financial aid and grants to colleges and universities could be [delayed](#) this year. This is concerning because many institutions rely heavily on revenue from student tuition and room and board, and a good portion of that revenue is [funded](#) by federal financial aid, which typically arrives in one large deposit at the start of the semester.

Implications/next steps: Robert Kelchen, an expert in student financial aid and professor at UT Knoxville, states that many institutions "live paycheck to paycheck, and their biggest paycheck is when tuition money comes in." Therefore, these delays could be challenging for small institutions, [impacting](#) their ability to make payroll. Institutions have already [reported](#) problems with federal financial aid since the Federal Student Aid office experienced a major reduction in workforce.

Experts Express Concerns about Workforce Pell Grant Implementation and Accountability

The Workforce Pell Grant program, signed into law as part of the One Big Beautiful Bill Act (OBBBA), has [generated](#) concerns about implementation challenges and quality control. With an "aggressive" implementation deadline of July 1, 2026, the Department of Education will likely face challenges in providing oversight for short-term workforce programs as outlined in OBBBA while simultaneously managing massive staff cuts and agency restructuring. Though providers must be accredited and eligibility requirements will be in place, there are still [concerns](#) about short-term programs' return on

investment for students. For example, Wesley Whistle at left-leaning thinktank New America noted that students could be drawn to for-profit programs and mass-produced online programs that are subpar.

Implications/next steps: Regardless of the exact implementation timeline, institutions that want to participate in Workforce Pell will need to [ensure](#) that they are able to provide data to their state and the Department of Education to demonstrate they meet programmatic eligibility standards. There are no other data reporting elements at present, but it's likely the Department of Education will require additional data. The agency will likely hold negotiated rulemaking (a process to create rules and regulations while convening industry experts and listening to public comment) to determine the details of Workforce Pell.