

Federal Policy Developments Digest

July 14, 2025

Supreme Court Allows Layoffs at Department of Education (7.14.25)

The Supreme Court [ruled](#) that the Trump administration can resume its mass layoffs at the Department of Education and its plan to outsource operations to other agencies. This ruling, which did not provide an explanation, [lifts](#) a lower court order that had indefinitely halted the almost 1,400 layoffs and questioned the legality of the administration's plan to dismantle the Department of Education.

Implications/next steps: Secretary of Education Linda McMahon called the ruling a "significant win for students and families" and noted that the department would now "carry out the reduction in force." Justice Sonia Sotomayor [noted](#) in her dissent that this decision "will unleash untold harm, delaying or denying educational opportunities and leaving students to suffer from discrimination, sexual assault, and other civil rights violations without the federal resources Congress intended." While only Congress has the authority to close the Department of Education, Trump and McMahon have suggested that its core functions can be outsourced to other federal agencies. Justice Sotomayor added in her dissent that Trump "has made clear that he intends to close the Department without Congress's involvement."

Votes Secured to Move Forward with Creating New Accrediting Agency (7.11.25)

The State University System of Florida's governing board unanimously [voted](#) to establish a controversial new accrediting agency – the Commission for Public Higher Education (CPHE) – in conjunction with five other state university systems: Texas A&M University System, University System of Georgia, University of North Carolina System, University of South Carolina System, and University of Tennessee System. This vote [follows](#) recent federal policy [changes](#) that make it easier for institutions to switch accreditors and encourage more competition among accrediting agencies. Though the board approved the new accreditor, they raised pushback regarding details about how CPHE would function.

Implications/next steps: The Florida Education Association and United Faculty of Florida [announced](#) last month that they opposed this move, with UFF President Teresa M. Hodge stating that the proposed accreditor "appears designed to align more with political priorities rather than academic independence." Now that the votes are secured, the CPHE can file for incorporation, establish a board of directors, and start the Department of Education's recognition process. CPHE [plans](#) to begin accrediting institutions by June 2026 and to become recognized by the Department of Education by June 2028.

Department of Education Bars Federal Funding for Certain Programs Serving Undocumented Students (7.10.25)

The Department of Education [announced](#) that federal funds may no longer be used to support dual enrollment, adult education, and certain career and technical education (CTE) programs for undocumented students, rescinding guidance from a 1997 Dear Colleague Letter that had permitted such access. The interpretive rule, [published](#) in the Federal Register, [affects](#) both adult learners and K-12 students participating in early college programs. The notice was written in response to President Trump's February [executive order](#) to end taxpayer subsidization of education for undocumented individuals.

Implications/next steps: Augustus Mays, vice president at EdTrust, expressed concern that the change “derails individual aspirations and undercuts workforce development,” especially since undocumented students already do not have access to federal financial aid. The notice [reminds](#) grantees and subgrantees that they must verify the eligibility of participants to ensure funding is not being improperly distributed. Department officials stated that enforcement will generally not occur before August 9, 2025.

Department of Education Tweaks 90-10 Rule (7.7.25)

The Department of Education [announced](#) it is [revising](#) a prior interpretation of the 90-10 rule, which requires that at least 10% of for-profit institutions’ revenue come from non-federal sources. Specifically, the Trump administration reversed a Biden-era prohibition, now allowing for-profit institutions to count revenue from online programs ineligible for federal student aid toward their 90-10 calculation. This modification was justified as a clarification rather than a substantive regulatory change and thus did not go through the formal rulemaking process.

Implications/next steps: This [change](#) should not impact most students, but critics [warn](#) it could set a precedent for making significant regulatory changes to advance the administration’s political priorities without going through the normal rulemaking process. As far as next steps, because interpretive rules such as this one do not have effective dates, the Department of Education [says](#) that institutions may revise their revenue calculated for previous fiscal years.

National Advisory Committee on Institutional Quality and Integrity Meeting Is Postponed (6.5.25)

The Department of Education [postponed](#) a scheduled semi-annual meeting of the 18-person National Advisory Committee on Institutional Quality and Integrity (NACIQI), the committee that [advises](#) the department on which independent agencies should have the power to accredit colleges. The committee’s meeting was scheduled for July but was pushed back to October to balance the “administration’s priorities and resources,” according to the Department of Education. Higher education policy experts have raised concerns because this meeting was to decide whether the Middle States Commission on Higher Education (Columbia University’s accreditor) and the New England Commission of Higher Education (Harvard University’s accreditor) should remain certified to accredit institutions. By delaying the meeting until the fall, six people’s membership on the committee will have expired, and the education secretary will be able to appoint six new people to those seats. This change would give the Trump administration the opportunity to select members who are ideologically aligned with the administration.

For context, on July 9th, the Department of Education and the Health and Human Services Department jointly [notified](#) the New England Commission that Harvard had allegedly violated federal civil rights laws and may fail to meet New England Commission’s accreditation standards. Similarly, on June 4th, the Department of Education publicly [called](#) on Middle States to take action against Columbia; Middle States [notified](#) Columbia University on June 26th that its accreditation “may be in jeopardy.” Higher education policy experts have [said](#) that an administration publicizing accreditation concerns in the news in this way is unusual and seems to indicate that the administration is trying to influence the outcome.

Implications/next steps: Some NACIQI members are [concerned](#) that the Trump administration is attempting to push a political agenda through delaying the NACIQI meeting to Oct. 21-22, and others are concerned that this scheduling change flouts panel rules. Robert Shireman, a member of the committee and senior fellow at the left-leaning Century Foundation, thinks that the administration may be trying to fix the vote, stating: “Maybe it’s a coincidence, but the two accrediting agencies that received notices happen to be the two agencies that are up for review. Theoretically, it’s an opportunity for the Trump administration to cause trouble for these agencies.” Trump has [referred](#) to accreditation as his “secret weapon,” which critics interpret as meaning that the administration will force accreditors to use criteria that align with its political ideology. This has created concern that accrediting agencies and NACIQI will not be treated as independent, even though they are designed to be independent.