

Federal Policy Developments Digest

September 15, 2025

Trump Administration Withholding Approximately \$660M in Aid for TRIO Programs (9.12.25)

The Council for Opportunity in Education (COE), a nonprofit advocacy group that supports TRIO programs, has [estimated](#) that the administration has withheld about \$660M in aid for 2,000+ TRIO programs. Only about 40% of funding for TRIO programs has been distributed on time. TRIO funds that are not allocated by the end of this fiscal year, which ends on Sept. 30th, will likely be sent back to the Department of Treasury and never reach their intended recipients. Though the Education Department has said that the pause is temporary and that fiscal year 2025 TRIO funds will be allocated, members of the Senate and House sent letters to the administration this month asking them to release the funds.

Implications/next steps: Due to the freeze, COE has said that many colleges and nonprofits have had to temporarily pivot to online services, shutter programs, and/or furlough staff. The freeze is hitting community colleges particularly hard, as they receive around half of all TRIO grants. COE president Kimberly Jones is particularly concerned about the timing of the freezes, given how critical the first few weeks of the academic year are critical for students.

Education Department Announces Plan to End Discretionary Grant Funding for Minority-Serving Institutions (MSIs) (9.10.25)

The Education Department announced in a [press release](#) that it will stop funding “racially discriminatory” discretionary grant programs at MSIs. The ED claims that these programs are “unconstitutional” because colleges must meet a particular racial or ethnic quota to qualify. This announcement comes on the heels of the Justice Department [refusing](#) to defend Hispanic Serving Institutions’ grant funding, stating that the funding violates the Supreme Court’s 2023 decision banning affirmative action. The ED’s plan to end MSI grant funding would affect hundreds of colleges serving large shares of Alaska Native, Asian American, Black, Hispanic, Native American, Native Hawaiian and Pacific Islander students; HBCUs and tribal colleges should not be affected. This change would affect \$350M in discretionary funds already allocated by Congress to MSIs for the 2025 fiscal year; specifically, the following seven discretionary grant programs are impacted:

- Strengthening Alaska Native and Native Hawaiian-Serving Institutions (Title III Part A)
- Strengthening Predominantly Black Institutions (Title III Part A)
- Strengthening Asian American- and Native American Pacific Islander-Serving Institutions (Title III Part A)
- Strengthening Native American-Serving Nontribal Institutions (Title III Part A)
- Minority Science and Engineering Improvement (Title III Part E)
- Developing Hispanic-Serving Institutions (Title V Part A)
- Promoting Postbaccalaureate Opportunities for Hispanic Americans (Title V Part B)

The ED will still disburse about \$132M in mandatory funds appropriated by Congress, which “cannot be reprogrammed on a statutory basis.”

Implications/next steps: MSIs have previously [used](#) these grants for a variety of purposes to strengthen their institutions, including student services, campus renovations, and establishing endowment funds. David Mendez, interim CEO of the Hispanic Association of Colleges and Universities, noted that HSI funding has never solely supported Latino students but instead strengthens entire campuses. Emmanuel Guillory, senior director of government relations at American Council on Education, [noted](#) that many institutions impacted by these cuts are already under-resourced. He also noted that he expects to see legal challenges.

Department of Energy Withdraws, Delays Plans to Issue Controversial Civil Rights Rules (9.10.25)

In May 2025, the Department of Energy had quietly [proposed](#) rescinding a requirement that colleges and schools receiving Energy Department funding must provide women and girls a chance to try out for non-contact men's or boys' sports teams when there are no equivalent sports teams. After receiving 21,000+ comments, many in opposition to the proposal, the Energy Department withdrew this [proposed change](#). Other controversial changes do remain on the Energy Department's docket. For example, the department still plans to move forward with a rule that would rescind a requirement that colleges and schools prevent systemic racial discrimination that could result from seemingly neutral policies, although they have delayed this rule's effective date until December 9th.

Implications/next steps: Many civil rights experts have expressed concern about these rules being issued via an expedited process that is typically reserved for uncontroversial regulations. If the Energy Department's proposals had not been challenged, other agencies may have tried to set education policy the same way. Civil rights advocates celebrated the withdrawal of the rule over girls' and women's participation in sports, as they were concerned the rule would reverse progress, but advocates remain concerned that the other rules still on the docket could deepen inequities. Additionally, the Energy Department noted that the withdrawal of this rule "does not preclude DOE from proposing regulatory changes in the future, including proposing a rule(s) that may be substantially identical or similar to those previously proposed."