

The U.S. Department of Education (ED) levels the playing field for students by providing funding, guidance, research, and data to states and districts to ensure that all students have their civil rights protected and have resources to improve their educational opportunities.

The Trump administration and the authors of Project 2025 have made it clear that they do not want a role for the federal government in public education and want to eliminate the protections and resources — required in federal law — to support the needs of students from low-income backgrounds, students with disabilities, English learners, LGBTQ+ students, students of color, and every other group of students that is underserved by this country's systems.

Instead, this administration would like to see states assume full responsibility for providing educational opportunities for the nation's more than 50 million K-12 students and 15 million college students — a role that states are not ready for.

To be clear, cancelling education funding to states, moving grant programs to other agencies, and closing the Department of Education all require Congress to act. But what could it mean for states if Congress bends to the administration's demands and defunds critical education grants to states?

What funding is at risk for states?

ED's budget was [\\$79 billion](#) in FY24. Most of that funding goes directly to states, with about \$45 billion supporting elementary and secondary education students and \$30 billion going toward Pell Grants.

There are three major ways that ED spends that money to improve education: formula grants specified in law passed by Congress competitive grants to support specific federal priorities; and providing or funding technical assistance, research activities, and data collection.

- Formula grants are grants that the federal government sends to states, based on a predetermined formula set by Congress. Formula grants address major federal education priorities such as supporting the educational needs of underserved students.
- Competitive grants are smaller and aligned with the administration's priorities. Competitive grants signal to states that it's important to — and add capacity to states to — deliver equitable programs.
- In addition to direct support to states, ED provides funding that supports technical assistance to educators, enhances capacity within state education agencies to collect and report data, and facilitates research and data collection across the country to understand how students are doing in schools and what will improve student outcomes.



North Carolina Funding Category	Impact in Your State	
	FY2025 funding at risk	Students or teachers affected
P12		
Improving Basic Programs (ESEA Title I, Part A): Provides grants to states to provide academic support and learning opportunities to help children meet state standards in core academic subjects, especially for districts serving more children from low-income backgrounds.	\$518,369,669	754,657
Individuals with Disabilities Education Act (IDEA): Three separate IDEA grants to states help ensure that students with disabilities are identified and receive early intervention services (birth through age 2), have access to preschool programs, and receive extra supports from kindergarten through high school.	\$448,267,895	223,541
Supporting Effective Instruction State Grants (ESEA Title II, Part A): Provides grants to states to improve the quality and effectiveness of teachers, principals, and other school leaders, especially for students from low-income backgrounds and students of color.	\$67,450,705	100,994 (teachers)
English Language Acquisition State Grants (ESEA Title III, Part A): Provides grants to states to improve the education of English learners by helping them learn English and meet challenging state academic content and student academic achievement standards.	\$19,880,221	116,265
McKinney-Vento (McKinney-Vento, Title VII, Subtitle B): Provides grants to states to ensure that children experiencing homelessness have equal access to free and appropriate public education.	\$3,511,051	28,953
Other P-12 Programs	\$118,053,862	
Career and Technical Education		
Career and Technical Education (Perkins Career and Technical Education Act): Provides grants to states to expand opportunities for students to explore and follow career and technical education programs and earn meaningful postsecondary credentials.	\$49,830,111	645,062
Higher Education		
Pell Grants (HEA Title IV, Part A, Subpart 1): Provides need-based grants for college students from low-income backgrounds.	\$1,160,000,000	169,790
Work-Study (HEA Title IV, Part C): Provides part-time jobs for college students with financial need, allowing them to earn money to help pay education costs.	\$31,632,089	12,332
Supplemental Educational Opportunity Grants (HEA Title IV, Part A, Subpart 3): Provides additional grants for college students from low-income backgrounds with high financial need, which are administered by participating schools.	\$22,749,855	37,227
Direct Student Loans (HEA Title IV, Part B): Provides federal student loans for college students and families to help cover the cost of higher education.	\$2,213,961,294	1,372,500