

# The Consortium of State School Boards Associations Weekly Education Report

## **OCTOBER 6, 2025**

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The COSSBA Education Report, a weekly publication, provides an executive summary of public policy issues affecting American K-12 education and employment. Please use the bookmarks below to navigate to your area of interest:

- 1. News, Publications, & Updates on COSSBA Policy Priorities
  - Broadband Connectivity & E-Rate
    - FCC Removes School Bus Wi-Fi, Hotspots from E-Rate: On Tuesday, the Federal Communications Commission voted 2–1 to exclude school bus Wi-Fi and internet hotspot services from eligibility under the E-rate program, reversing a Biden-era expansion.
- 2. **Budget and Appropriations Wrap-up** 
  - Impact on State School Board Associations
- 3. In Brief Last Week in Washington
  - <u>Bipartisan Bill Reintroduced to Advance AI Literacy in K-12 Education</u>: Last week, Representatives Tom Kean, Jr. (R-NJ) and Gabe Amo (D-RI) reintroduced the "Literacy in Future Technologies (LIFT) Artificial Intelligence Act," bipartisan legislation designed to advance AI literacy in K-12 education.
  - <u>Commission Hearing Highlights Religious Liberty Threats:</u> On Monday, the Presidential Commission on Religious Liberty held its third hearing, chaired by Texas Lieutenant Governor Dan Patrick and opened by Director Mary Margaret Bush.
  - Are High Schools Preparing Students for a Changing World? On Monday, the Bipartisan Policy Center hosted a webinar as part of its "America's Workforce Solutions Beyond the Gridlock" series, exploring whether high schools are equipping students for success in a rapidly evolving world.

- Federal School Choice Tax Credit Raises Equity, Oversight Concerns: On Tuesday, FutureEd hosted a webinar titled, "The New Federal Education Tax Credit: Policy and Politics." The new school choice scholarship program allows public charter, private, parochial, and homeschooled students to use funds for tuition, room and board, tutoring, special education, books, supplies, and transportation.
- <u>Federal Government Shuts Down, Agencies Release Contingency Plans:</u> The federal government shut down at midnight on October 1, after Congress failed to pass a funding bill—the first closure since 2018–2019.
- Trump Signs Memo on Organized Political Violence, Impact on Nonprofits:
  On Thursday, President Donald Trump signed a memorandum launching a
  comprehensive federal effort to counter domestic political violence and organized
  political extremism.

## 4. <u>New Publications</u>

Pathways to Reduce Child Poverty

National Academies (September 2025)

Federal tax credits are among the nation's most powerful tools for reducing child poverty. Temporary expansions of the Earned Income Tax Credit and Child Tax Credit under the American Rescue Plan Act of 2021 demonstrated the scale of impact these policies can have, lifting more than 2 million children above the poverty line and showing that alternative designs could reduce child poverty even further.

• State Strategies for Sustained Investment in Kids: A Landscape of Dedicated Funding

Children's Funding Project (September 2025)

Learn how states have successfully created dedicated funding streams for children and youth and the strategies that advocates, policymakers, and community leaders can use to identify viable revenue options.

## 5. In the News

- Education Department Employees Surprised To Find Their Email Automatically Changed To Blame Democrats For Shutdown NBC News (October 2, 2025)
- U.S. Secretary of Education Linda McMahon Announces New Members and Names Next Chair of the National Assessment Governing Board

  US Department of Education (September 30, 2025)
- How Will a Federal Shutdown Affect Schools? 5 Big Questions, Answered Education Week (September 29, 2025)
- Education Department Brings Back Mental Health Grants K-12 Dive (September 29, 2025)
- U.S. Department of Education Awards Over \$153 Million in American History and Civics Seminars Grants

  US Department of Education (September 29, 2025)
- What Schools Stand To Lose In The Battle Over The Next Federal Education Budget

*NPR* (*September 26, 2025*)

## 6. Weekly Calendar - What's coming up this week?

- AI's Potential to Support Patients, Workers, Children, and Families: The Senate Health, Education, Labor and Pensions Committee will hold a hearing on "AI's Potential to Support Patients, Workers, Children, and Families."

  Thursday at 10am ET
- Collecting Data to Support Student Parent Success: The Urban Institute will hold a discussion on "Lessons on Collecting Data and Driving Change to Support Student Parent Success."
   Thursday at 12:30pm ET

## 7. Future Hearings & Events

• <u>Cell Phones in Schools and Ties to Academic Performance</u>: The American Enterprise Institute (AEI) will hold a virtual discussion on "Are Cell Phones in Schools to Blame for Poor Academic Outcomes?"

October 20 at 4:30pm ET

## 8. On The Floor of Congress This Week

- Senate floor
  - o S.2296, National Defense Authorization Act
  - o Potential consideration of continuing appropriations bill
- House floor: Potential consideration of continuing appropriations bill

## 9. Important U.S. House and Senate Links

### 10. About BPAG

## 1. COSSBA Policy Priorities BROADBAND CONNECTIVITY & E-RATE

## FCC REMOVES SCHOOL BUS WI-FI, HOTSPOTS FROM E-RATE

On Tuesday, the Federal Communications Commission (FCC) voted 2-1 to exclude school bus Wi-Fi and internet hotspot services from eligibility under the E-rate program, reversing a Bidenera expansion. Under the new ruling, schools and libraries can no longer receive federal discounts for those services; any pending funding requests for Fiscal Year (FY) 2025 (including for 2025– 26) must be denied. During FY 25, districts had requested about \$15.3 million for bus Wi-Fi and \$42.6 million for hotspots under E-rate. Many districts have not yet received formal funding commitment letters, meaning those that already incurred costs may have to absorb them without reimbursement. The FCC's decision was rooted in a legal reading of the Telecommunications Act of 1996. FCC Chair Brendan Carr argued that the statute permits E-rate funding only for "classrooms" and "libraries," not for learning that happens on buses or off-site, and deemed the earlier expansions an overreach. Commissioner Anna Gomez dissented, arguing that evolving educational environments justify updating the program to better meet students where they are. Critics of the decision, among them education advocacy groups and Democratic lawmakers, warn that removing funding will drive up costs for districts and widen the "homework gap" for students without reliable internet access at home. In response to pressure, 52 House and Senate Democrats had urged Carr to preserve funding and ensure that schools expecting reimbursement would

receive it. The reversal is likely to force districts to seek alternate funding sources or scale back connectivity efforts. It also reflects deeper tensions over how federal programs adapt to changing educational models and the legal bounds of agency authority.

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## 2. Budget and Appropriations Wrap-Up

Last week, Republicans and Democrats reached an in surmountable impasse and the federal government shut down on October 1, 2025—the first day of Fiscal Year 2026. While there is much blame being laid, talks essentially collapsed over whether a continuing resolution (CR) should also extend the enhanced Affordable Care Act premium tax credits that expire at year's end. Democrats say the extension must be part of any deal to reopen the government before open enrollment begins November 1; Republicans argue the subsidies can be negotiated after a stopgap is passed.

In public comments, both sides are framing the other as responsible. House Democratic Leader Hakeem Jeffries (NY) said, "If the government shuts down, it's because Republicans have made the decision to shut the government down." Senate Majority Leader John Thune (R-SD) countered that avoiding a shutdown was "totally up to the Democrats," and he has pushed for a short-term bill first. President Donald Trump said after meeting with congressional leaders: "They're going to have to do some things... their ideas are not very good ones... So we'll see how that works out."

Over the weekend, it was reported that Senators are having discussions, but not negotiations, about how to end the government shutdown. Meanwhile, the House has extended its recess indefinitely, as Republicans try to pressure Senators into accepting the CR they passed in September. Today, Senators are teeing up a fifth round of votes on competing CR proposals, which have each failed four times last week.

How long might this last? Since 1981 there have been four multi-day shutdowns: 5 and 21 days (1995–96), 16 days (2013), and 35 days (2018–19). Today's dynamics—an impasse over health-care subsidies plus leadership signaling that negotiations on subsidies won't occur until after a stopgap—suggest a one- or two-week shutdown, with an outer bound toward late October or early November.

The federal workforce isn't concentrated in Washington, DC; most federal employees live and work in communities across all 50 states. A shutdown ripples far beyond the capital, delaying pay or operations for thousands of park rangers, TSA agents, VA staff, USDA field teams, and other public servants nationwide. A shutdown's effects, however, are most visible in the Nation's Capital, as news coverage focuses on the closing of national monuments and limited access to the Capitol complex. Any advocates, school groups or other tourists that were planning to visit Capitol Hill and their representatives in October should check to see who is available and what is open as negotiations continue.

## **How does this impact State School Board Associations?**

Federal K-12 operations continue. According to the U.S. Department of Education's contingency plan, FAFSA processing continues; borrowers are expected to keep making payments; and states and districts can still draw down previously awarded Title I and IDEA funds. The grants payment system (G5) is expected to operate at least through the first week, while new discretionary grantmaking pauses, as does most technical assistance and Office for Civil Rights investigations.

Those expectations come even though the Department's <u>Contingency Plan</u> for a shutdown includes furloughing 1,485 of 1,700 employees.

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## 3. In Brief – Last Week in Washington BIPARTISAN BILL REINTRODUCED TO ADVANCE AI LITERACY IN K-12 EDUCATION

Last week, Representatives Tom Kean, Jr. (R-NJ) and Gabe Amo (D-RI) reintroduced the "Literacy in Future Technologies (LIFT) Artificial Intelligence Act," bipartisan legislation designed to advance AI literacy in K-12 education. The bill responds to the rapid transformation of artificial intelligence across industries and the urgent need to prepare American students for an AI-driven future. The legislation would establish a competitive grant program through the National Science Foundation (NSF) for institutions of higher education and nonprofit organizations to develop AI literacy curricula, instructional materials, and evaluation methods for K-12 students. AI literacy is defined as having age-appropriate knowledge to use AI effectively, critically interpret outputs, solve problems in an AI-enabled world, and mitigate potential risks. Key provisions of the legislation include the development of learner-centered, project-based curricula adaptable to classroom environments; professional development opportunities for educators and school leaders to strengthen AI literacy and promote responsible AI use; the creation of hands-on learning tools and integration of AI literacy into existing curricula; and the development of evaluation tools to assess student proficiency. The legislation has drawn support from major technology and education organizations, including the Information Technology Industry Council (ITI), the Software & Information Industry Association (SIIA), and the American Federation of Teachers (AFT). Supporters emphasize that sustaining U.S. leadership in AI requires an AI-literate public, particularly as strategic adversaries pursue AI for surveillance, weaponization, and economic competition. They also stress the importance of focusing on skills that will remain relevant as AI capabilities continue to evolve.

### COMMISSION HEARING HIGHLIGHTS RELIGIOUS LIBERTY THREATS

On Monday, the Presidential Commission on Religious Liberty held its third hearing, chaired by Texas Lieutenant Governor Dan Patrick and opened by Director Mary Margaret Bush. The session began with reflections on the recent assassination of Charlie Kirk, which commissioners described as the "ultimate denial of religious liberty." The hearing combined tributes to Kirk's faith and activism with broader testimony on threats to religious freedom in the United States. Witnesses included Dr. Hutz Herzberg, CEO of Turning Point Academy, and Pastor Jentezen Franklin of Free Chapel, who highlighted Kirk's legacy, his advocacy for Christian education, and his role in shaping Turning Point Academy. Additional participants—author Eric Metaxas, Rabbi Aryeh Spero, and Hillsdale College President Larry Arnn—discussed what they saw as a growing climate of hostility toward people of faith. They linked this hostility to secularism, progressive ideologies in education, and cultural attacks on objective truth. The hearing also addressed security concerns for churches and synagogues amid what they considered to be rising hostility toward houses of worship. Commissioners and witnesses urged pastors and faith leaders to take a more active role in public life, warning that silence in the face of cultural change could erode religious freedom. Panelists stressed the importance of Christian education, civic literacy, and grounding youth in biblical principles to counter what they characterized as indoctrination in public schools. Throughout the proceedings, participants emphasized that religious liberty is not confined to

private worship but extends to the public expression of faith. The commission pledged to continue gathering testimony as it prepares recommendations for President Trump on safeguarding religious liberty amid what members described as escalating domestic and global threats. The hearing can be watched <u>here.</u>

### ARE HIGH SCHOOLS PREPARING STUDENTS FOR A CHANGING WORLD?

On Monday, the Bipartisan Policy Center **hosted a webinar** as part of its "America's Workforce Solutions Beyond the Gridlock" series, exploring whether high schools are equipping students for success in a rapidly evolving world. Moderator Andy Rotherham of Bellwether guided a discussion with Erin Mote (CEO, Innovate Edu), Jay Hiler (CEO, Great Hearts Charter Schools), and Shannon Nicholas (SVP, Colorado Succeeds). Panelists began by addressing troubling National Assessment of Educational Progress (NAEP) results, showing pandemic learning losses persist, alongside student disengagement: 31% of 12th graders now miss three or more school days each month. Hiler argued that an overemphasis on utilitarian skills has failed, stressing the need for classical education that forms character and provides meaning, while warning that technology risks replacing vital human interaction. Mote struck a middle ground, highlighting the importance of timeless skills such as discernment and resilience, but also preparing students to navigate AI and rapid career shifts. Nicholas emphasized implementation, describing Colorado's requirement graduates earn 12 college credits, industry certifications, internships/apprenticeships—ensuring schools partner with employers and colleges rather than attempting to do everything alone. Despite different philosophies, all agreed schools must reengage students, uphold academic rigor, and educate the "whole person." Key challenges include avoiding premature career tracking, recognizing credit for nontraditional learning, better serving students with disabilities, and ensuring rural access through shared programs, broadband, and regional partnerships. The discussion underscored that high school reform is not just about skills but about preparing resilient, well-rounded young adults for a future defined by uncertainty and opportunity.

### FEDERAL SCHOOL CHOICE TAX CREDIT RAISES EQUITY, OVERSIGHT CONCERNS

On Tuesday, FutureEd hosted a webinar titled, "The New Federal Education Tax Credit: Policy and Politics." The new school choice scholarship program allows public charter, private, parochial, and homeschooled students to use funds for tuition, room and board, tutoring, special education, books, supplies, and transportation. Modeled on the Coverdell Education Savings Account, contributions flow through Scholarship Granting Organizations (SGOs), which must spend 90% on scholarships. Donors may support SGOs across state lines, but organizations have limited authority to impose additional eligibility rules. Early evidence shows the program disproportionately benefits wealthier families and white students. In Oklahoma, families earning over \$250,000 made up 25% of participants despite being just 5% of households. In Ohio, white students received 82% of scholarships but represent only 44% of the student population. Analysts attribute this to the concentration of private schools in affluent areas and the fact that many highincome families already attended private schools. The program has become a flashpoint in partisan debate. Critics warn it diverts federal funds away from disadvantaged students and lacks accountability. Supporters counter that school choice is popular among Black and Latino families and argue it could expand educational opportunities if designed with equity in mind. Implementation challenges remain, including capped administrative budgets for SGOs, limited

state flexibility, and risks of waste or mismanagement, issues that are likely to face legal and political tests.

## FEDERAL GOVERNMENT SHUTS DOWN, AGENCIES RELEASE CONTINGENCY PLANS

The federal government shut down at midnight on October 1, after Congress failed to pass a funding bill—the first closure since 2018–2019. The stalemate stems from Democratic demands to extend expiring Affordable Care Act subsidies versus Republican support for a clean continuing resolution through November 21. In a controversial directive, the Office of Management and Budget (OMB) instructed agencies to use the funding lapse to permanently reduce the federal workforce, requiring reduction-in-force (RIF) notices in programs lacking alternative funding and deemed inconsistent with the President's priorities. The Department of Education (ED) reported that if the shutdown lasts more than a week, 2,117 of 2,447 staff would be furloughed, including 95% of non-Federal Student Aid (FSA) staff. Pell Grants and Direct Loans continue for 9.9 million students at 5,400 schools, but new grants, civil rights investigations, and regulatory work are paused. At Health and Human Services (HHS), 32,460 of 79,717 employees (41%) are furloughed, while Medicare, Medicaid, CDC disease tracking, FDA reviews, and NIH clinical care continue. The National Science Foundation (NSF) furloughed 75% of staff, halting new grants and cancelling review panels. Nationwide, about 1.6 million federal workers are affected, with 750,000 furloughed and others working without pay. Economic impacts are already visible, as major data releases—including the October 3 jobs report, Consumer Price Index, Job Openings & Labor Turnover Survey, and the Gross Domestic Product (GDP) reports—are suspended. Previous shutdowns reduced quarterly GDP growth by 0.4-0.6 points. Unlike past episodes, no forcing mechanism such as the debt ceiling exists, raising the risk of a prolonged closure. Read more from BPAG here.

## TRUMP SIGNS MEMO ON ORGANIZED POLITICAL VIOLENCE, IMPACT ON NONPROFTS

On Thursday, President Donald Trump signed a memorandum launching a comprehensive federal effort to counter domestic political violence and organized political extremism. It directs the FBI's Joint Terrorism Task Forces to lead investigations and disruptions and assigns the Attorney General responsibility for prosecuting such crimes. The Attorney General is also asked to issue guidance on politically motivated offenses to recommend criteria for designating domestic terrorist entities. The memo specifically tasks the IRS with scrutinizing whether tax-exempt organizations are channeling resources to such ends, referring suspect groups to the Justice Department. The memorandum also establishes domestic terrorism as a "National Priority Area," making related threats a focal point for interagency resource allocation. Non-profit organizations—particularly those with political, advocacy, or civil-rights missions—may face increased scrutiny under this framework. The IRS is now directed to examine whether tax-exempt entities are indirectly supporting politically violent conduct, which could lead to audits, investigations, reputational risk, or revocation of tax-exempt status if authorities determine unlawful involvement. Furthermore, advocacy groups operating near or at the margins of contentious political discourse might find themselves drawn into investigations or compelled to better document their funding and operational boundaries. A fact sheet on the memo can be found here.

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#### 4. New Publications

## **Pathways to Reduce Child Poverty**

National Academies (September 2025)

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## <u>State Strategies for Sustained Investment in Kids: A Landscape of Dedicated Funding</u> Children's Funding Project (September 2025)

Learn how states have successfully created dedicated funding streams for children and youth and the strategies that advocates, policymakers, and community leaders can use to identify viable revenue options.

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#### 5. In the News

## Education Department Employees Surprised To Find Their Email Automatically Changed To Blame Democrats For Shutdown

NBC News (October 2, 2025)

## U.S. Secretary of Education Linda McMahon Announces New Members and Names Next Chair of the National Assessment Governing Board

US Department of Education (September 30, 2025)

## How Will a Federal Shutdown Affect Schools? 5 Big Questions, Answered Education Week (September 29, 2025)

### **Education Department Brings Back Mental Health Grants**

K-12 Dive (September 29, 2025)

## <u>U.S. Department of Education Awards Over \$153 Million in American History and Civics Seminars Grants</u>

US Department of Education (September 29, 2025)

What Schools Stand To Lose In The Battle Over The Next Federal Education Budget NPR (September 26, 2025)

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## THIS WEEK IN WASHINGTON

### 6. Weekly Calendar

## Thursday, October 9, 2025

Hearing: AI's Potential to Support Patients, Workers, Children, and Families

**Subject:** The Senate Health, Education, Labor and Pensions Committee will hold a hearing on "AI's Potential to Support Patients, Workers, Children, and Families."

**Time:** 10:00 a.m.

Contact: Live stream available <u>here.</u>

## **Event: Collecting Data to Support Student Parent Success**

**Subject:** The Urban Institute will hold a discussion on "Lessons on Collecting Data and Driving Change to Support Student Parent Success."

**Participants:** Nathan Sick, senior research associate, Urban Institute; Katonja Webb Walker, president, Kennedy-King College; Kevin Reif, student, Lane Community College; Veronica Herrero, executive vice chancellor, chief institutional advancement officer and chief of staff, City Colleges of Chicago; Gail Schull, vice president of student affairs, Klamath Community College; Tina Cheuk, associate professor of education, California Polytechnic State University, San Luis Obispo; and Johanna Aleman, basic needs coordinator, San Diego Mesa College.

Time: 12:30 p.m. Contact: Register here.

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## 7. Future Hearings and Events

## Monday, October 20, 2025

Webinar: Cell Phones in Schools and Ties to Academic Performance

**Subject:** The American Enterprise Institute (AEI) will hold a virtual discussion on "Are Cell Phones in Schools to Blame for Poor Academic Outcomes?"

**Participants:** Virginia "Ginny" Gentles, education freedom and parental rights director, Defense of Freedom Institute; Robert Pondiscio, senior fellow, AEI; Martin West, academic dean, Harvard Graduate School of Education; and Alex Baron, middle school principal, E.L. Haynes Public Charter School.

**Time:** 4:30 p.m.

Contact: Register here.

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## 8. On The Floor of Congress This Week

#### **Senate Floor:**

<u>S.2296</u>, National Defense Authorization Act Potential consideration of continuing appropriations bill

#### **House Floor:**

Potential consideration of continuing appropriations bill

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## 9. Links for Up-to-Date Information on Hearings, Legislation, and Events

U.S. House and Senate 2025 Schedule

- **U.S. Department of Education**
- U.S. Senate Committee on Health, Education, Labor and Pensions
- **U.S.** House Committee on Education and Labor
- **U.S. Senate Budget Committee**
- **U.S. House Budget Committee**
- **Congressional Budget Office**
- Federal legislative information

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#### 10. About BPAG

Bose Public Affairs Group is a full-service government affairs and public relations consulting firm that has built a reputation for producing results. We partner with clients committed to excellence in education and other social services to achieve policy and advocacy success by:

- leveraging our expertise and passion;
- · strategizing intelligent solutions; and,
- Creating meaningful impact.

Our team includes long-term insiders in education policy from Pre-K through higher education, innovative thinkers and savvy strategists that provide a comprehensive array of customized client services. We have the knowledge, skills, and relationships that are necessary for successful advocacy at all levels. From grassroots to grass tops and everything in between, our broad-based legislative practice approaches every project with the same degree of determination and professionalism. BPAG provides expertise in a variety of services:

- Government Relations
- Research and Analysis
- Advocacy Training
- Association Management
- Strategic Communications
- Policy Events

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