

# Right-Sizing the U.S. Department of Education Before Closure

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## KEY TAKEAWAYS

Lawmakers are considering 10 proposals that would transfer U.S. Department of Education responsibilities to other agencies.

These proposals would neither remove crucial civil rights protections nor cut spending for children with disabilities and in low-income areas.

Lawmakers should continue to consider proposals that would remove Department of Education functions from federal law.

The second Trump Administration is carrying out the President's executive order to close the U.S. Department of Education.<sup>1</sup> To manage that process, Education Department officials have entered into interagency agreements (IAAs) with other Cabinet-level agencies to share responsibility for certain federal education programs. Members of Congress are now advancing a series of proposals that would codify 10 of those agreements. If the Education Department were sunset, these bills would allow selected federal programs to continue under other agencies.

These agreements and new legislative proposals do not change Title I of the Elementary and Secondary Education Act, which provides taxpayer money to districts serving children in low-income areas and is the largest spending item for K-12 schools in the federal budget. The Education Department's fiscal year (FY)

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2027 budget includes funding for Title I and for services under the Individuals with Disabilities Education Act (IDEA) for children with special needs.<sup>2</sup>

Education Department policymakers have also preserved the enforcement of civil rights statutes. On June 16, the agency entered into an IAA with the U.S. Department of Justice under which DOJ will assume a larger role in civil rights investigations and enforcement as Education maintains its statutory responsibilities.<sup>3</sup>

As of this writing, the Education Department has signed 14 IAAs with federal agencies to share implementation of education programs. On July 15, the U.S. House of Representatives Committee on Education and the Workforce approved a package of proposals that would codify 10 of these agreements and transfer authority from the Department of Education to the other federal agencies.<sup>4</sup>

## Proposals Codifying IAAs

Federal lawmakers are considering provisions to right-size the Department of Education. Collectively, these proposals would create conditions for the department's closure.

- H.R. 9607 (Less Bureaucracy, Better Workforce Development Act)<sup>5</sup> and H.R. 9610 (Less Bureaucracy, Better K-12 Education Act).<sup>6</sup> These proposals would codify interagency agreements between the Education Department and the U.S. Department of Labor. However, as with the rest of the proposals in the legislative package, the responsibilities for the programs would be transferred from the Department of Education to the new agency and no longer simply shared between the offices.

These two legislative proposals contain provisions that would transfer federal adult and family literacy services such as Title II of the Workforce Innovation and Opportunity Act; career and technical education (CTE) programs including the Carl D. Perkins Career and Technical Education Act of 2006; and a set of initiatives operated by the Education Department's Office of Elementary and Secondary Education including state literacy and civics grants.<sup>7</sup> The Labor Department already offers workforce training and professional development for job applicants, and this transfer would reduce the level of duplicative federal activity.

- H.R. 9611 (Less Bureaucracy, Better Higher Education Act).<sup>8</sup> This proposal would codify an IAA between the Department of Education

and Department of Labor that transfers from Education to Labor the implementation of postsecondary programs including provisions governing Historically Black Colleges and Universities (HBCUs); TRIO programs (efforts to help low-income and first-generation college students); and military veteran education services.<sup>9</sup>

- H.R. 9605 (Less Bureaucracy, Better Foreign Medical Accreditation Act).<sup>10</sup> Under this proposal, the Education Department would transfer responsibility for review of medical standards for foreign medical schools to the U.S. Department of Health and Human Services (HHS).<sup>11</sup> The proposal would codify HHS's oversight of the National Committee on Foreign Medical Education and Accreditation, which is authorized by statute under the Higher Education Act.
- H.R. 9604 (Less Bureaucracy, Better Tribal Education Act).<sup>12</sup> Under this proposal, the Education Department would transfer services for students living on tribal lands to the U.S. Department of the Interior. These programs include (among others) professional development grants, grants for Alaskan and Hawaiian natives, and CTE programs for these populations.<sup>13</sup>
- H.R. 9606 (Less Bureaucracy, Better Child Care for Student Parents Act).<sup>14</sup> This proposal would transfer oversight of child care programs for the children of college students from the Department of Education to HHS.
- H.R. 9603 (Less Bureaucracy, Better International Education Oversight Act)<sup>15</sup> and H.R. 9602 (Less Bureaucracy, Better Foreign Gift Transparency Act).<sup>16</sup> H.R. 9603 would transfer responsibilities for international postsecondary programs, including the Fulbright–Hays program (a scholarship program for U.S. students to study in other countries), from the Department of Education to the U.S. Department of State. The bill would also sunset the Institute for International Public Policy, which promotes the training of ethnic minority individuals for work in foreign service.

H.R. 9602 would transfer responsibilities for foreign gift reporting requirements under Section 117 of the Higher Education Act from Education to State. This oversight is essential to taxpayers because foreign entities exert influence on postsecondary institutions through financial gifts. China is the second-largest foreign financial

contributor to U.S. universities, and students have reported contact from Chinese interests that try to extract information about research that students are performing.<sup>17</sup>

- H.R. 9608 (Less Bureaucracy, Better Family Engagement Act).<sup>18</sup> This proposal would transfer authority for school safety programs and services that attempt to help school officials communicate with and engage parents from the Department of Education to HHS.<sup>19</sup>
- H.R. 9609 (Less Bureaucracy, Better Student Aid Act).<sup>20</sup> This last proposal would transfer oversight and operation of student loans from the Education Department to the U.S. Department of the Treasury, codifying an IAA established in March 2026.<sup>21</sup> Because student loans account for approximately two-thirds of the Department of Education's budget, this proposal is obviously one of enormous consequence for students nationwide. Treasury already has responsibilities for part of the student loan system, and moving oversight to this agency would consolidate authority for these loans in a single federal office.

Critics of efforts to close the Department of Education argue that the interagency agreements merely split responsibilities across multiple agencies.<sup>22</sup> These legislative proposals answer this claim by transferring full responsibilities for programs from Education to other offices. These transfers can serve as a model for future proposals to shift full authority over remaining initiatives out of the Department of Education.

Others who oppose closing the department say that Secretary of Education Linda McMahon is “compromising the ability of the department to fulfill its duties.”<sup>23</sup> As stated above, however, the Trump Administration has included taxpayer spending on statutory education programs such as Title I and the IDEA in the education agency's budget. The legislation codifying interagency agreements demonstrates that Education officials are preventing confusion and instability among participants as the department is sunset.

## Policy Recommendations

Members of Congress should:

- **Continue to advance** legislation that codifies existing interagency agreements between the Department of Education and other federal agencies.

- **Consider** measures to formalize the remaining agreements, including a proposal to transfer responsibility for federal education civil rights enforcement to the U.S. Department of Justice.

## Conclusion

The Department of Education's recent interagency agreements have initiated a process by which responsibilities can gradually be transferred to other agencies without jeopardizing continuity for students, schools, and program participants. Instead of eliminating programs, these agreements have allowed federally authorized services to continue during the transition. The proposed legislation would take the next step in closing the department by permanently reassigning those functions, reducing the Department of Education's role and moving its responsibilities to other agencies.

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## Endnotes

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