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**The Washington Flyer**  
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*“Freedom is the last, best hope of earth.”*  
*Abraham Lincoln*

### **Treasury Releases Preview of Regulations for Federal School Choice Program**

The Treasury Department recently [released a preview](#) of the regulations that will guide the implementation of the new [Education Freedom Tax Credit \(EFTC\)](#) program. Passed as part of the One Big, Beautiful Bill, the EFTC program will allow a \$1,700 dollar-for-dollar federal tax credit for donations made to scholarship-granting organizations (SGOs) that provide scholarships for families to use for their children’s education. (The AACCS has [established](#) an SGO, [Accord Kids](#), to help expand access to Christian education.) While anyone in the country can receive the tax credit for a donation, families can receive scholarships for their children only if their state governor has opted into the program. The tax credit program will be administered through the Treasury Department, which is currently drafting regulations to guide implementation.

At a recent round-table event with education stakeholders and SGO organizations, Deputy Assistant Secretary for Tax Policy Kevin Salinger gave a [preview](#) of some of the key components of the anticipated regulations. Salinger explained that the requirement for an SGO to be “located in a state” would be defined as being “authorized to do business in that state and [complying] with generally applicable state charitable-organization rules.” Significantly, Salinger noted that states would not be able to make additional requirements for SGOs beyond what is laid out in the federal regulations. Scholarships may be used for “additive academic tutoring and special needs services,” including tuition for schools. A school will be defined as any public, private, or religious school, and also a home school if a state recognizes it as a school. Salinger also explained ways that an SGO can determine a family’s eligibility for a scholarship, which is available to households earning up to 300% of the area’s median gross income. Additionally, Salinger addressed the donor-reporting and fraud-prevention requirements for SGOs, including the obligation to undergo an annual independent audit. Salinger indicated that the proposed regulations would be released for public comment by the end of September. “Under President Trump’s leadership, we are taking a transformative step toward an education system that fits the student rather than the other way around,” [stated](#) Treasury Secretary Scott Bessent. He added that the Treasury Department is “committed to providing certainty to states, scholarship-granting organizations, taxpayers, and families alike, as well as making certain that this process is easy to navigate.”

### **House Committee Advances Education Funding Bill**

Last week, the House Appropriations Committee [advanced](#) a bill to cut Department of Education funding by 10%. The bill passed by a vote of 11-7 along party lines. The bill would [fund](#) the Department at \$70.7 billion, an \$8 billion decrease from current funding levels. Some measures to trim spending include decreasing Title 1 funding by about \$2 billion to \$16.5 billion and cutting the Office of English Language Acquisition. While cutting the overall budget, the bill also [increases](#) funding for charter schools by \$60 million, career and technical state grants by \$10 million, IDEA funding by \$46 million, and the Innovative Approach to Literacy program by \$10 million. The bill would also reinstate, with bipartisan support, the National Reading Panel to evaluate strategies for teaching reading and then present a report to Congress. The bill defends a biological

definition of sex and prohibits federal funding from going to institutions that allow men to compete on women's sports teams. The bill prohibits funding from going to colleges that recognize student groups that have either "provided vocal or material support" to or received such support from foreign terrorist organizations. It also withholds funding from colleges that fail to provide equal "right[s], benefit[s], or privilege[s]" to religious student groups based on "the religious beliefs, practices, speech, leadership standards, or standards of conduct" of the group. The funding bill will likely change shape as the entire House considers the legislation. The Senate has not yet released its proposed budget bill for 2027.

### **Final Round for Student 1776 Competition to Be Broadcast**

The [Department of Education](#) announced that the national finals for the Presidential 1776 Award competition will be held on June 30, at 8:00 p.m. ET on CBS. The finals will bring the 20 finalists together in Washington, D.C., to [test them](#) on a range of topics from the Constitution to key points in the Revolutionary War. This event marks the culmination of multiple rounds of online exams and in-person competitions for the chance to win a combined total of \$250,000 in scholarship money. The competition began with over 8,000 high school students from all 50 states, who were whittled down to 20 finalists. The Presidential 1776 Award is part of a broader effort by the Trump administration to highlight and celebrate the 250th anniversary of America. "As America approaches its 250th birthday, the Presidential 1776 Award is helping inspire a new generation of informed and engaged citizens who understand our Constitution, our history, and the responsibilities of freedom," said U.S. Secretary of Education Linda McMahon. This competition represents one aspect of the president's broader agenda, which seeks to challenge what he considers anti-American educational influences and encourage patriotism among the nation's youth. The Department of Education has awarded over \$150 million in grants to expand civic education nationwide and increase young people's involvement. *Written by AACS intern Seth Walker*

### **Opportunity for Educators Teaching About Liberty**

The Victims of Communism Memorial Foundation is sponsoring a two-day seminar for teachers, titled "[Liberty Echoes: Global Reverberations of the Declaration of Independence](#)." The seminar will take place July 20-21, 2026, at the Victims of Communism Museum in Washington, D.C. Travel and lodging stipends are available for teachers who are interested in attending. **Applications for the stipends must be submitted by June 30, 2026.** The seminar will include panels discussing the domestic and global influence of the Declaration of Independence, as well as workshops highlighting the merits of liberty in contrast to communism. The seminar will also share educator resources and instructional strategies for teaching about the contrast between liberty and communism. For more information and a link to the application, please [click here](#).

### **In Case You Missed It:**

[Weekly Market Update](#) provided by Jeff Beach of the [AACS Investment Team at Merrill Lynch](#)

[Practical Legal Help for Christian Schools: ADF Ministry Alliance](#)

[The Academic Achievement Gap Is a Knowledge Gap](#)

[Register Now for the AACS National Legislative Conference in Washington, D.C.—September 14-16, 2026](#)