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"A sacred respect for the constitutional law is the vital principle, the sustaining energy of a free government."

Thomas Jefferson

Trump Administration Withholds Education Grant Funding

On June 30, the Office of Management and Budget (OMB) announced that it would be withholding \$6.8 billion in educational grant money while an "ongoing programmatic review" of the grant programs takes place. Because the grant money was scheduled to be released the following day, July 1, 2025, the announcement that the funds would not be distributed as scheduled has caused concern for school districts and programs dependent on those funds. Five programs were named as being under review: Title I-C for migrant education (\$375 million), Title II-A for professional development (\$2.2 billion), Title III-A for English-learning services (\$890 million), Title IV-A for academic enrichment (\$1.3 billion), and Title IV-B for before- and after-school programs (\$1.4 billion). The freezing of the funds prompted a letter from 32 Democratic senators who charged that the action was illegal, and 24 Democratic-led states have filed a lawsuit. Additionally, 10 Republican senators sent a letter urging the release of the funds, as the specific programs being affected did not, in their belief, promote "radical left-wing programs." On July 18, the Department of Education announced that the funds for Title IV-B would be released with the requirement that states receiving the funds certify that they are following specific laws that prohibit discrimination, such as Title VII and Title IX.

Of particular interest to Christian schools is the effect on Title II-A, which provides funds for professional development to teachers. A provision in <u>Title II allows for equitable services</u> for private schools, meaning a portion of these funds can be used by private school teachers. Many Christian schools have used the funding for conferences and professional development for their teachers. The withholding of these funds means the local educational agencies will not be able to distribute equitable services in this area until the grant money is released to the states. The AACS is monitoring this issue and will provide updates as they are available.

Wyoming Teachers' Union Blocks School Choice Program through Courts

The recent expansion of a Wyoming school choice bill is facing legal pushback from the state's teachers' union and a group of public school parents. The bill, known as the Steamboat Legacy Scholarship Act, provides families with \$7,000 for educational expenses, including private school tuition, tutoring, and materials. A recent expansion removed income limits, allowing more K-12 families to receive aid. Last month, the Wyoming Education Association and several parents filed a lawsuit, challenging the legislation. The suit argues that the program misdirects public funds and violates the Wyoming Constitution's mandate to maintain a "complete and uniform system of education." Kim Amen, president of the association, believes that the bill would "disproportionately benefit wealthier families and subsidize private education." She goes on to argue that "public dollars belong in public schools." Many school choice programs, including the Steamboat Legacy Scholarship Act, were initially designed to support low-income families. While eligibility has since expanded, these families continue to receive priority in the application process. Earlier this month, a Wyoming district court granted a preliminary injunction, halting scholarship payouts. In the ruling, the judge wrote that the program is likely unconstitutional. Megan Degenfelder, superintendent of public instruction in Wyoming and

one of the defendants in the case, claims she "will continue to fight for school choice." Although the injunction has paused payouts from the scholarship program, the Wyoming Department of Education will continue to process voucher applications. *Written by AACS intern Hayden Coates*

Supreme Court Allows for Cuts to the Department of Education

The U.S. Supreme Court has ruled in favor of the Trump administration, allowing major cuts to the Department of Education. The decision pauses a lower court's preliminary injunction, which had blocked the administration's effort to eliminate nearly 1,400 positions, roughly half the Department's workforce, and ordered those employees to be reinstated. The case stems from President Trump's executive order to eventually dismantle the Department, a decision that sparked lawsuits from 20 states, school districts, and education unions. These groups argued that the cuts make it nearly impossible for the Department to perform its legally mandated duties. A federal judge agreed in May, stating that the government could not turn the Department into a "shell of itself" while the case remained unresolved. The U.S. 1st Circuit Court of Appeals also sided with the plaintiffs before the case reached the Supreme Court. While the High Court's decision is not final, it allows the administration to proceed with its reforms for now. Justice Sonia Sotomayor issued a sharp dissent, calling the decision "indefensible" and warning that it threatens the constitutional separation of powers. Education Secretary Linda McMahon praised the ruling, calling it a "significant win for students and families." She stated that the President has full authority over executive decisions, granted to him by the Constitution. The case will continue in the lower courts. Written by AACS intern Hudson Knight

Sixth Circuit Court Affirms Ministerial Exception in Christian School Case

The U.S. 6th Circuit Court of Appeals has affirmed the ministerial exception for employees who fulfill ministerial roles in religious institutions. The case started after Westshore Christian Academy fired Aaron Pulsifer from his role as dean of students and assistant principal. Pulsifer, who is black, then sued, alleging that the school discriminated against him based on his race and sex. Westgate invoked the ministerial exception in its defense, noting that Pulsifer performed a variety of spiritual roles in addition to his administrative roles. For instance, Pulsifer prayed regularly with staff and also led after-school religious youth programs. When Pulsifer failed to respond in time to the court deadline, the district court ruled in favor of the school. Pulsifer then appealed to the 6th Circuit and argued that the ministerial exception did not apply to him because of his secular role at the school. However, the 6th Circuit built on the case Our Lady of Guadalupe School v. Morrissey-Berru. In that case, the U.S. Supreme Court said that employees can still qualify for the ministerial exception even if they lack a formal ministerial title. Based on the precedent, the 6th Circuit upheld the district court's decision for the school. "Pulsifer v. Westshore Christian Academy strongly reinforces the ministerial exception's application to hybrid administrative-religious positions," said Robert Howard, an attorney at the law firm for the school. "For religious organizations and their employees within the Sixth Circuit, the ruling is a clear directive—focus on substantive religious duties, not labels, when crafting and defending roles."

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

Free Speech Victory for School Choice Advocate in Federal Case