
Tackling Blocking: Trump's Proposal for Fed Ed Funds and Research on Block Grants



Magnet schools. Education for students who are unhoused. Promise neighborhoods. Funding for gifted and talented programs. Funding to support the unique needs of rural schools.

In 2025-26, the federal programs that subsidize these and 13 other K12-related expenditures would lose a combined total of 70 percent of their current funding under President Donald Trump's proposed budget.

But that's not all they stand to lose.

Trump has also proposed combining 18 distinct grants into a single stream of funding to states, which his administration calls the *K-12 Simplified Funding Program*. In other words, a block grant.

Currently, the 18 separate programs are mostly allocated based on formulas that account for factors such as the number of low-income students in a district. If these programs, currently funded at \$6.5 billion in total annually, are converted to a single block grant, each state would receive a share of a combined lump sum of \$2 billion to execute all 18 programs.

This block-grant element of the proposed budget could easily get lost in the mix. After all, in addition to the 70% cut to these programs, the proposal zeros out many valuable and long-standing programs, including migrant education, TRIO organizations like Upward Bound and GEAR UP, English language acquisition through Title III, and preschool development grants.

Considering these program eliminations and the other large funding reductions that the Trump proposal also recommends, the switch from formula funding to block-grant funding may seem like a relatively unimportant part of the proposal. But block grants have been around for [more than 60 years](#) now, so we can look to a research base. And that research suggests that the shift to block grants is actual a harbinger of even more cuts to come.

In the 1960s and 70s, block grants initially provided more money than the programs they replaced. That changed in the 1980s, when former President Ronald Reagan rolled out block grants that reduced funding.

More importantly, block grants spending reliably declines over time regardless of initial funding levels. The [Center on Budget and Policy Priorities](#) noted:

An analysis of 11 block grants that serve low-income people in the areas of housing, health, and social services shows that, when adjusted for inflation, funding for these programs fell by an average of 11 percent from 1982 (or the first year the program was funded as a block grant, if later) through 2003.

Poignantly, one of the largest block grants created through Reagan-instigated reforms, the Social Services Block Grant, is targeted for [complete elimination](#) in the budget reconciliation bill now before Congress.

One potentially appealing aspect of block grants is that they may provide additional flexibility that permits states to prioritize their own needs. Although some block grant critics worry that this will lead states to shift funding away from its intended targets, this [does not appear to happen](#) on a consistent basis. Rather, block grant flexibility—like block grant funding as a whole—tends to [erode](#) over time as Congress adds new restrictions while reducing or maintaining funding levels.

So-called “entitlements” can also reduce flexibility. Entitlements create legal rights for individuals in certain categories to receive specific government services. An example of a proposed *K-12 Simplified Funding Program* area associated with an entitlement is the Education for Homeless Children and Youth (McKinney-Vento) Act.* Qualifying students have the [legal right](#) to receive the services it funds, such as transportation from homeless shelters to the schools they attended before their families lost their housing. There is no cap on the number of students who qualify. As a result, states could find little or no money left for non-entitlement programs putatively included among those served by the block grant.

Flexibility and increased discretion provide no reliable support to states and their residents when a block-grant system is built upon a crumbling foundation of ever-decreasing resources.

NEPC Resources on School Finance and Funding

*As explained in our [June 26th newsletter](#), this was a mistaken example. The McKinney-Vento protections will disappear under the Trump budget proposal, even though the Education for Homeless Children and Youth is stated by the budget to be consolidated into the proposed *K-12 Simplified Funding Program* block grant.

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