

A photograph of the Utah State Capitol building, featuring a large dome and classical columns. The image is partially covered by a semi-transparent orange overlay.

Federal Update

September 4, 2025



UTAH
SYSTEM OF
HIGHER
EDUCATION

Department of Justice July 2025 Guidance

“Guidance for Recipients of Federal Funding Regarding Unlawful Discrimination”

- Memo to all federal agencies that provides a non-exhaustive list of “unlawful best practices that could result in revocation of grant funding”
- Examples related to higher education include race-based scholarships, mandatory DEI training, segregating student resources, and cultural competency requirements in hiring, etc.
- Similar to HB 261 requirements

One Big Beautiful Bill Act Implementation Update

Negotiated Rulemaking

- Reimagining and Improving Student Education (RISE) Committee meeting September-October and November (Student Loans)
- Accountability in Higher Education and Access through Demand-Driven Workforce Pell (AHEAD) Committee meeting in December and January
- Updates will be shared in future Board meetings

Congressional Appropriations Process

President's FY 26 Requests

- Reduce maximum Pell Grant from \$7,395 to \$5,710
- Cut Federal Work-Study (FWS) by 80%
- Elimination of TRIO and GEAR UP
- Elimination of Child Care Access Means Parents in School (CCAMPIS) program
- \$66.7B in discretionary funding for Department of Education (ED) (~\$12B cut)
- \$27.5B in discretionary funding for National Institutes of Health (NIH) (~\$17.9B cut)

Senate Appropriations Committee Markup

- Maintains maximum Pell Grant
- Flat-funds FWS
- Maintains TRIO and GEAR UP funding
- Sustains funding for CCAMPIS
- \$79B in discretionary funding to ED
- \$48.7B in discretionary funding to NIH
- Rejection of NIH administrative cost cap




Process is unlikely to conclude by October (start of federal FY 26).
Continuing resolution is anticipated.

Congressional Appropriations Process (Cont.)

Senate Appropriations Committee Markup

- Maintains maximum Pell Grant
- Flat-funds Federal Work-Study (FWS)
- Maintains TRIO and GEAR UP funding
- Sustains funding for Child Care Access Means Parents in School (CCAMPIS) program
- \$79B in discretionary funding to Department of Education (ED)
- \$48B in discretionary funding to National Institutes of Health (NIH)
- Rejection of NIH administrative cost cap

House Appropriations Committee Markup

- Maintains maximum Pell Grant
- \$451M cut to FWS 
- Maintains TRIO and GEAR UP funding
- Elimination of CCAMPIS 
- \$66.7B in discretionary funding to ED 
- \$48B in discretionary funding to NIH

Process is unlikely to conclude by October (start of federal FY 26).
Continuing resolution is anticipated.

Executive Order 14332

Improving Oversight of Federal Grantmaking

- **Enhanced agency review**

Requires each federal agency to designate a senior appointee to review discretionary grants and new funding opportunities for consistency “with agency priorities and the national interest”

- **Grant ineligibility for areas of study and programming**

Prohibits discretionary awards from being used to “fund, promote, encourage, subsidize, or facilitate:

- Racial preferences or other forms of racial discrimination...including activities where race or intentional proxies for race will be used as a selection criterion for employment or program participation;
- Denial by the grant recipient of the sex binary in humans or the notion that sex is a chosen or mutable characteristic;
- Illegal immigration, or;
- Any other initiatives that compromise public safety or promote anti-American values”

Executive Order 14332 (Continued)

- **New funding pause**
Pauses new funding opportunities until these new review processes are in place
- **Retroactive applicability and claw back mechanisms**
Directs agency heads to “revise terms and conditions of existing discretionary grants to permit immediate termination for convenience...if the award no longer advances agency priorities or the national interest”
 - Directs the Office of Management and Budget (OMB) to review and edit the Uniform Guidance to enable this
- **Guidance to applicants**
Advises those applying for discretionary grants to “commit to complying with administration policies, procedures, and guidance and respecting Gold Standard Science [as defined in Executive Order 14303]”



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