

## STATE OF HAWAI'I KA MOKU 'ĀINA O HAWAI'I

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GOVERNOR *KE KIA'ĀINA* 

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# HAWAI'I SUES OVER FREEZING OF \$6.8 BILLION IN EDUCATION GRANTS JUST WEEKS BEFORE SCHOOL YEAR START

News Release 2025-77

## FOR IMMEDIATE RELEASE

July 14, 2025

HONOLULU — Attorney General Anne Lopez today joined a coalition of 24 states and the District of Columbia in suing the federal administration over its unconstitutional, unlawful, and arbitrary decision to freeze funding for six longstanding programs administered by the U.S. Department of Education just weeks before the school year in Hawai'i is set to start.

The attorneys general argue that the funding freeze violates the federal funding statutes and regulations authorizing these critical programs and appropriating funds for them, violates federal statutes governing the federal budgeting process, including the Antideficiency Act and Impoundment Control Act, and violates the constitutional separation of powers doctrine and the Presentment Clause. They ask the court for declaratory and injunctive relief.

"The federal administration has abruptly and illegally frozen billions of dollars in education funding used for English-language instruction, supporting effective instruction, and improving digital literacy, among other critical services," said Attorney General Department of the Attorney General News Release 2025-77 Page 2

Anne Lopez. "Freezing these federal formula funds, appropriated by Congress, on the eve of the next school year threatens important education programs and violates numerous statutory and constitutional provisions."

For decades, Hawai'i and other states have used funding under these programs to carry out a broad range of programs and services, including educational programs for migratory children and English learners; programs that promote effective classroom instruction, improve school conditions and the use of technology in the classroom; community learning centers that offer students a broad range of opportunities for academic and extracurricular enrichment; and adult education and workforce development efforts.

Pursuant to federal statutory and regulatory requirements, each year the Department of Education makes around 25% of the funds for these programs available to states on or about July 1 in order to permit state and local educational agencies to plan their budgets for the academic year ahead. The states have complied with the funding conditions set forth under the law and have state plans that the Department of Education has already approved. The states have received these funds, without incident, for decades, including as recently as last year. However, this year, on June 30, state agencies across the country received a notification announcing that the Department of Education would not be "obligating funds for" six formula funding programs on July 1.

This funding freeze has immediately thrown into chaos plans for the upcoming academic year. Education agencies have approved budgets, developed staffing plans, and signed contracts to provide vital educational services under these grants. Now, as a result of the federal administration's actions, states find themselves without sufficient funding for these commitments, just weeks before the start of the 2025-2026 school year. Essential summer school and afterschool programs, which provide childcare to working parents of school age children, are already being impacted. The abrupt freeze is also wreaking havoc on key teacher training programs as well as programs that make school more accessible to children with special learning needs, such as English learners.

In Hawai'i, an estimated \$33 million in federal education funding is frozen, which would have been used to support English-language and literacy programs for children and adults, student support and academic enrichment programs and educator instruction.

The lawsuit clarifies that it is Congress, not the Executive Branch, that possesses the power of the purse. The Constitution does not afford the executive branch power to unilaterally refuse to spend appropriations that were passed by both houses of

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Congress and were signed into law. Yet that is exactly what this administration is attempting to do.

Attorney General Lopez joins the attorneys general of Arizona, California, Colorado, Connecticut, Delaware, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New Mexico, New York, North Carolina, Oregon, Rhode Island, Vermont, Washington, Wisconsin and the District of Columbia as well as the Governors of Kentucky and Pennsylvania in filing the lawsuit.

A copy of the lawsuit is available <u>here</u>.

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