



# Court Report

Education Law News You Can Use

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## **Supreme Court Lifts Injunction, Greenlighting Education Department Layoffs**

The U.S. Supreme Court, in an apparent 6-3 decision, granted a stay of a lower court's preliminary injunction in *McMahon v. New York*, allowing the Trump administration to proceed with plans to dismantle the U.S. Department of Education and terminate roughly 1,400 federal employees. The Court's unsigned order, issued via its emergency docket, effectively pauses enforcement of a decision by the U.S. District Court for the District of Massachusetts that had blocked the layoffs and questioned the legality of the broader plan. The litigation arose after the President signed an executive order directing the Secretary of Education to "take all necessary steps" to close the Department and return education governance to states. Secretary Linda McMahon followed by firing nearly half the Department's staff in March 2025 — many from offices tasked with enforcing civil rights, administering special education and distributing federal student aid. The plaintiffs, including school districts, unions and 21 state attorneys general, argued that this amounted to an illegal attempt to abolish a Cabinet-level agency created by Congress and crippled its statutory functions. The district court agreed, finding that the administration likely violated the Take Care Clause of the Constitution and the Administrative Procedure Act by taking actions that exceeded executive authority and lacked a reasoned justification. The U.S. Court of Appeals for the First Circuit denied the government's request for a stay. However, the Supreme Court lifted the injunction, enabling the administration to proceed with the layoffs while appeals continue. Justice Sotomayor authored a dissent, joined by Justices Kagan and Jackson, sharply criticizing the majority for facilitating what she described as an unconstitutional power grab by the executive branch, contending that neither Congress nor the Constitution permits the President to dismantle federal agencies by firing the staff needed to implement the law. The majority did not issue an opinion. The case continues at the First Circuit and may return to the Supreme Court on the merits.

## **Coalition of States Suit Over ED's \$7B Funding Freeze Spurs Partial Release Amid Mounting Pressure**

After the U.S. Department of Education and the Office of Management and Budget (OMB) froze nearly \$6.9 billion in congressionally appropriated funding for key K-12 initiatives, including after-school enrichment, summer learning, English learner services, teacher professional development and academic support for migrant students, 24 states and the District of Columbia sued the Trump administration in federal court in Rhode Island. The states' complaint alleges that the administration's failure to release the funds as scheduled on July 1 is illegal, unconstitutional and a violation of the Administrative Procedure Act. The lawsuit contends that the funding freeze usurps congressional authority, undermines public school operations nationwide and lacks any lawful basis. Plaintiffs argued that states met all eligibility requirements, had approved plans in place and had long relied on the July 1 release date to fund ongoing and upcoming services. Initially, the OMB defended the freeze as a necessary "programmatic review," claiming that some funds had been used to "promote a radical left-wing agenda." The delay drew bipartisan concern, as ten Republican senators joined 32 Democrats in urging the administration to release the funds, emphasizing the law's clear intent and the adverse impact on students and families.

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Amid growing public and political pressure — including a letter from more than 600 education and community organizations — the administration announced that it would release \$1.3 billion for after-school and summer programs under the 21st Century Community Learning Centers grant. However, approximately \$5.6 billion for other programs remains under OMB review, with no stated timeline for resolution. The lawsuit continues, with plaintiffs seeking a nationwide injunction to compel immediate release of all funds.

### **DOJ Sues California Over Transgender Girls Competing in Women's Sports**

The U.S. Department of Justice (DOJ) filed suit against the California Department of Education and the California Interscholastic Federation in the U.S. District Court for the Central District of California, alleging that the state's policies allowing transgender girls to compete in female high school athletic events violate Title IX. DOJ identifies examples of transgender girls participating in and winning high-profile girls' events, including recent California Interscholastic Federation State Track and Field Championships, where one transgender athlete won multiple events and another helped secure team championships in volleyball and basketball. The administration asserts that these outcomes unfairly displace cisgender girls, diminish scholarship prospects and threaten student safety and privacy by requiring girls to share locker rooms with boys.

### **U.S. Supreme Court Petitions to Watch:**

- **Cambridge Christian School v. Florida High School Athletic Association** – Whether, in light of recent decisions, a state athletic association can deny two private Christian schools from offering a prayer over the loudspeaker before a football game—when it normally allows other types of messages from participating schools—just because the prayer is religious.
- **Galette v. New Jersey Transit Corp. (consolidated with New Jersey Transit Corp. v. Colt)** – Whether a state-created public transportation agency is immune from lawsuits filed in other states where its buses or trains cause injuries.
- **Petersen v. Doe** – Whether Arizona's Save Women's Sports Act, which excludes biological males from girls' and women's sports teams, violates the Equal Protection Clause.

### **U.S. Supreme Court Cases to Watch:**

- **West Virginia v. B.P.J., by next friend and mother, Heather Jackson** – Whether Title IX or the Equal Protection Clause prevents a state from designating school sports teams based on biological sex determined at birth.
- **Little v. Hecox** – Whether laws that seek to protect women's and girls' sports by limiting participation based on sex violate the Equal Protection Clause.