President's FY 2027 Federal Budget Proposal: What It Means for College Access and Student Support

The [President's FY 2027 budget request] proposes $75.7 billion in discretionary funding for the [Department of Education], a decrease of approximately $3.0 billion (3.9 percent) from FY 2026 levels. While the topline reduction may appear modest, the underlying proposal makes substantial changes to how — and whether — the federal government supports students on the path to and through postsecondary education.

The budget explicitly states that it "puts the Department of Education (ED) on a path to elimination," signaling a continued effort to dismantle the agency's role in administering and overseeing federal education programs. This approach is reflected not only in funding reductions, but in the redistribution of programs across federal agencies, the consolidation of longstanding initiatives, and the narrowing of federal investments to a limited set of priorities.

At its core, this is not simply a budget that reduces funding. It is a restructuring of federal education policy — and part of a broader effort to scale back the federal role in education.

A Narrower Federal Investment in Student Aid

The budget centers federal financial aid almost entirely around the Pell Grant program. Discretionary funding for Pell increases by $10.5 billion, but the maximum award remains flat at $7,395 for a fifth consecutive year. This increase would provide new funding to backfill the estimated shortfall for FY 2026, but not enough to avoid creating a shortfall in FY 2027.

At the same time, other forms of student aid are significantly reduced or eliminated. Federal Work-Study is cut by approximately 90 percent, and the Federal Supplemental Educational Opportunity Grant (FSEOG) program is eliminated. Together, these changes move federal aid away from a diversified model of support and toward a single, more limited funding stream.

Elimination of Core College Access and Success Programs

The proposal eliminates many of the federal programs that support students before, during, and after the transition to college, as well as those that strengthen institutional capacity. Programs proposed for elimination include:

- TRIO and GEAR UP
- Support for Minority-Serving Institutions and other targeted institutional aid
- Fund for the Improvement of Postsecondary Education (FIPSE)
- Child Care Access Means Parents in School (CCAMPIS)

In total, the budget removes approximately $4.5 billion in higher education investments outside of Pell. These programs have long played a critical role in helping students navigate the college-going process, persist to completion, and access the support systems they need to succeed.

A Shift Away from the Department of Education

The budget also reflects a broader structural shift in how federal education programs are administered. A number of programs — including Career and Technical Education (CTE) and adult education — are moved out of the Department of Education and into the Department of Labor.

This shift builds on the administration's increasing use of interagency agreements to transfer responsibility for education programs to other federal agencies, even as statutory authority and funding structures remain tied to the Department of Education. While framed as a workforce alignment strategy, this shift is accompanied by reduced overall investment and raises questions about continuity, coordination, and long-term program effectiveness. It also reinforces a fragmentation of federal education policy across agencies.

Consolidation and Reduction of K–12 Investments

At the K-12 level, the budget consolidates multiple programs, including Title IV-A, into a new Make Education Great Again (MEGA) block grant funded at $2 billion — a 69 percent reduction from the programs it replaces. Many remaining programs are shifted to other federal agencies, most notably the Department of Labor, further reducing the Department of Education's role.

These changes have downstream implications for college access, particularly for students who rely on early exposure, advising, and academic preparation to pursue postsecondary opportunities.

Reduced Federal Capacity for Research and Oversight

The proposal includes a significant reduction in funding for the Institute of Education Sciences (IES), cutting federal investment in education research, data collection, and evaluation by roughly two-thirds. It also reduces the Department of Education's capacity to administer and oversee programs, with funding for Program Administration cut by 75 percent and the Office for Civil Rights reduced by 35 percent.

These reductions limit the federal government's ability to support evidence-based policy, ensure effective program implementation and oversight, and uphold civil rights protections for students.

Broader Federal Priorities and Tradeoffs

The FY 2027 budget request also reflects broader federal spending priorities. It includes a historic increase in defense spending — an additional $1.5 trillion — while proposing reductions or constraints on domestic programs, including those that support students and families.

This broader context underscores the tradeoffs embedded in the proposal and raises important questions about national priorities and long-term investments in education, workforce development, and economic mobility.

What This Means for Students and Institutions

Taken together, the President's FY 2027 budget proposal narrows the federal role in education to a smaller set of priorities, centered largely on Pell Grants and a limited number of institutional support programs. It removes many of the supports that help students access and complete college, particularly those serving low-income, first-generation, and historically underserved students, while shifting programs across agencies and increasing complexity for institutions.

As Congress begins the appropriations process, NACAC will continue to engage with policymakers to ensure that federal investments reflect the needs of students and the professionals who support them every day.