

January 28, 2026

Dear Superintendents and BOCES directors,

Today we are sharing the following updates:

- [US Department of Education \(ED\) Fact Sheet on Tax Credit](#)
- [CCSSO Update on Federal Budget Process](#)

US Department of Education (ED) Fact Sheet on Tax Credit

Yesterday, ED issued a joint release with the US Department of the Treasury on the new federal education tax cut. [You can find the release and fact sheet on ED's website.](#)

CCSSO Update on Federal Budget Process

We received the following update from the Council of Chief State School Officers (CCSSO):

On Jan. 22, the House advanced an appropriations package that includes four fiscal year (FY) 2026 appropriations bills: Labor, Health and Human Services, Education, and Related Agencies (LHHS); Transportation, Housing and Urban Development, and Related Agencies (THUD); Homeland Security; and Defense. These are the last of the 12 federal appropriations bills needed to be passed before the current continuing resolution (CR) expires on Jan. 30.

The bills now go to the Senate, which returned from recess on Jan. 27. The LHHS bill would fund education through the end of the fiscal year, Sept. 30, 2026. Here are notable changes in K-12 funding levels in the House-approved LHHS bill:

- *Title I: \$20 million increase, to total \$18.427 billion*
- *Individuals with Disabilities Education Act (IDEA) Grants to States (Part B): \$20 million increase, to total \$14.234 billion*
- *Rural Education: \$5 million increase, to total \$225 million*
- *Head Start and Child Care Development Block Grants: also saw \$85 million increases to each program*
- *Education Innovation and Research: \$24 million decrease, to total \$235 million*
- *Most other K-12 programs are level funded at FY 2025 funding levels*

CCSSO was encouraged to see the House reaffirm in statutory text the funding timelines for certain formula grants upon which states rely. The House-approved legislation states that the secretary of education must award formula grants to states under the Elementary and Secondary Education Act (ESEA), IDEA and certain other key federal laws on the dates these funds become available to the secretary for obligation.

Warm Regards,

Susana Córdova