UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

STATE OF NEW YORK, *et al*., Plaintiffs, v. U.S. DEPARTMENT OF EDUCATION, *et al*., Defendants.	Case No. 1:25-cv-02990 (ER)(BCM)

~~[PROPOSED]~~ PRELIMINARY INJUNCTON ORDER

The Court, upon reviewing the parties' filings, including (i) Plaintiffs' Complaint (Doc. No. 1), (ii) Plaintiffs' Memorandum of Law in Support of Motion for Immediate Injunctive Relief, dated May 14, 2025 (Doc. Nos. 84–85); (iii) the declaration in support of Plaintiffs' motion (Doc. No. 89); (iv) Defendants' Memorandum of Law in Opposition to Plaintiffs' Motion for Immediate Injunctive Relief (Doc. No. 100); (v) Plaintiffs' Reply Memorandum of Law in Further Support of Motion for Immediate Injunctive Relief (Doc. No. 102); all papers submitted on Plaintiffs' April 11, 2025, motion for a preliminary injunction (Doc. Nos. 10–28, 63, 67–69); and all other papers and orders herein; and having heard all counsel, it is hereby ordered as follows:

ORDERED that, sufficient reason having been shown therefor:

1. The Defendants are preliminarily enjoined from enforcing or implementing as against Plaintiffs during the pendency of this litigation or until further order of the Court the directives in the March 28, 2025, letter from Education Secretary Linda McMahon to State Education Chiefs, Doc. No. 1-1 ("March 28 Letter"), which purported to terminate the periods of

time for Plaintiffs to liquidate their obligations under the Education Stabilization Fund ("ESF"), as that term is defined in the March 28 Letter, as of 5:00pm ET on March 28, 2025.

2. The Defendants are preliminarily enjoined from enforcing or implementing as against Plaintiffs during the pendency of this litigation or until further order of the Court the directives in the May 11, 2025, "Dear Colleague" letter from Hayley B. Sanon, Doc. No. 84-1 ("May 11 Letter"), which purported to terminate the periods of time for Plaintiffs to liquidate their obligations under the ESF, as that term is defined in the May 11 Letter, as of May 24, 2025.

3. Defendants are preliminarily enjoined from attempting to modify ED's previously approved periods for Plaintiffs to liquidate their obligations under the ESF without providing notice to Plaintiffs at least thirty (30) days prior to the effective date of such modification in order to provide Plaintiffs sufficient time to review the bases for the attempted modification and seek appropriate relief, as necessary, from the Court.

4. The Defendants are hereby directed to process Plaintiffs' outstanding and future requests for liquidation of ESF without delay, and within one month from the issuance of this Order shall file with the Court a status report listing for each Plaintiff the payment requests for liquidation of ESF that are then outstanding, including the amount of each request, the date each request was submitted, and the anticipated date by which each request will be processed.

5. The Defendants must provide written notice of this Order to all personnel within the U.S. Department of Education. The written notice shall instruct all personnel that they must comply with the provisions of this Order. Defendants shall confirm in the status report filed in accordance with paragraph 2 of this Order that all personnel within the U.S. Department of Education have received this notice.

6. In accordance with Fed. R. Civ. P. 65(c), Plaintiffs are ordered to post security in the amount of One Thousand Dollars ($1,000.00) within one week from the date of this order.

By the Court:

Dated: June 3, 2025
New York, New York

Edgardo Ramos, U.S.D.J.