

Federal Education Update

The Status of Federal Funding and What to Expect

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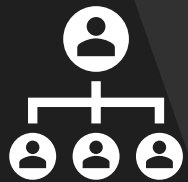


Overview



- 2020 Elections
- COVID relief packages
- Biden Admin
 - Who's in Charge
 - Funding/Reconciliation
 - Policy
- AASA Priorities for Biden
- Medicaid
- Nutrition
- Infrastructure
- Civil rights

2020 Elections: House & Senate Shake-Ups



- **House Democrats** will be more divided on policymaking.
- **House Republicans** will feel more empowered to push back.
- **GA election results**
 - Democrats control the Senate. With VP Harris as tie-breaker, it will be easier for Biden to move on big Democratic Party priorities.
- **Leadership Shifts**
 - House Appropriations Leadership change! **Rosa De Lauro** now leads the Committee.
 - New Republican Minority Leader of the Senate Health, Education, Labor, and Pensions (HELP) Committee: **Richard Burr**

COVID Legislation Recap



- **COVID 1:** H.R. 6074, Coronavirus Preparedness and Response Supplemental Appropriations Act (3/6/20)
 - Small in scope and focus; targeted on bolstering capacity to respond to the COVID-19 health emergency.
- **COVID 2:** H.R. 6201, Families First Coronavirus Response Act (FFCRA) (3/18/20)
 - Includes funding adjacent to education: critical flexibility for school nutrition programs and mandate for sick paid/family leave.
- **COVID 3:** H.R. 748, Coronavirus Aid, Relief, and Economic Security Act (CARES) (3/27/20)
 - First bill to include dedicated funding for K-12 education.
- **COVID 3.5/4:** H.R. 266, Paycheck Protection Program and Health Care Enhancement Act (4/24/20)
 - Series of technical changes, along with money for testing, hospitals and PPP.
- **COVID 5:** H.R. 133 Consolidated Appropriations Act / Coronavirus Response and Relief Supplemental Appropriations Act (CAA/CRRSA) (12/27/20)
 - Massive FY21 spending and COVID-relief package. Months in the making.

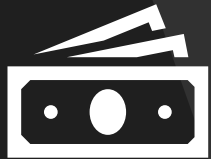
FY21 / COVID 5 (Appropriations)



FY21 Appropriations: Labor, Health and Human Services, Education (L-HHS-ED)

- **Most education programs received small increases or flat funding** due to federal budget caps.
- **Total ED Discretionary (excludes Pell Grants) = \$73.04 Billion (+1.1%)**
 - **ESSA Title I** = \$16.54 Billion (+1.4%)
 - ESSA Title II Supporting Effective Instruction State Grants = \$2.14 Billion (+0.5%)
 - ESSA Title IV-A Student Support and Academic Enrichment Grants = \$1.2 Billion (+0.8%)
 - Education for Homeless Children & Youth = \$107 Million (+4.9%)
 - Native Hawaiian Education = \$37 Million (+1.4%)
 - Alaska Native Education = \$36 Million (+1.4%)
 - English Language Acquisition Grants = \$797 Million (+1.3%)
 - **IDEA/Special Education** = \$14.1 Billion (+1.3%)
 - Impact Aid = \$1.5 Billion (+1%)
 - **Career and Technical Education State Grants (Perkins/CTE)** = \$1.34 Billion (+4.1%)
- **Other programs (outside of ED)**
 - Head Start & Early Head Start = \$10.75 Billion (+1.3%)
 - Child Care Development Block Grant = \$5.91 Billion (+1.5%)
 - Preschool Development Grants = \$275 Million (Flat-funded at FY20 level)

FY21 / COVID 5 (COVID Relief)



COVID 5

- **Education Stabilization Fund (ESF) - \$82 billion**
 - **GEER Fund (Governors' Fund) - \$4.1 Billion**
 - \$2.75 Billion set aside for private schools w/ major limitations for use.
 - **ESSER Fund (K-12 Edu.) - \$54.3 Billion**
 - **Approx. 4 times more than CARES ESSER \$\$\$.**
 - 90% funds distributed to LEAs via Title I Part A (but these are **NOT** Title I funds). No private school funding via equitable services.
 - **Flexible funding!** Allowable uses include:
 - Any activity under ESSA, Perkins CTE, IDEA, Adult Education and Family Literacy Act, or subtitle B of Title VII of McKinney Vento
 - Coordinating/responding to COVID health emergency
 - Activities to support special student populations
 - Training on sanitization and procuring cleaning supplies
 - Providing meals or technology to students
 - Providing mental health services, summer learning and supplemental learning, addressing learning loss, and administering assessments
 - School facility repairs and improvements (incl. machines or technology that deal with air quality)
 - Other general operations as needed (can include COVID testing).
- **HEER Fund (Higher Edu.) - \$22.7 Billion**

FY21 / COVID 5 (COVID Relief)



- **Education Stabilization Fund (ESF) Provisions (Cont.)**
 - **Employees/Contractors:** ESF grantees “shall, **to the greatest extent practicable**, continue to pay its employees and contractors during the period of any disruptions or closures related to coronavirus.”
 - **State Maintenance of Effort (MOE):** States shall provide assurances to maintain support in FY22 **at least at the proportional levels** of state support for K-12/higher education relative to the state’s overall spending (averaged over FYs 2017, 2018, and 2019). MOE waiver for states experiencing a “precipitous decline in financial resources.”
- **School Nutrition & Child Care**
 - Provides emergency relief to help school meal and child and adult care food programs via a mandatory funding formula
 - Child Care Development Block Grant - \$10.25 Billion
 - Head Start - \$250 Million
- **Unemployment Insurance**
 - **\$300/week through March 14, 2021.** Extends Pandemic Unemployment Assistance & Pandemic Emergency Unemployment Compensation.
- **Tax Provisions**
 - **Extends Coronavirus Relief Fund (CRF) availability** until Dec. 31, 2021.
 - Extends/expands refundable Employee Retention Tax Credit (ERTC) from CARES to keep employees on payroll/businesses afloat.
 - Expands qualifying expenses for the educator tax credit program to include PPE, disinfectants, and other supplies for preventing the spread of COVID-19.
 - **Extends FFCRA payroll credits** for paid sick and family leave through March 31, 2021. Tax credits are not extended to schools, but the mandate to provide paid leave is eliminated. Public sector employees who were previously covered are no longer guaranteed that leave.

BIDEN'S AMERICAN RESCUE PLAN

\$1.9 T TOTAL, \$130 B FOR EDU



Allowable Use of Funding	Cost (Billions)
To avoid lay-offs and close budget holes so districts can avoid lay-offs this school year and next	60
To provide for physical barriers and other materials CDC recommends to help keep students safe	3.5
To provide additional custodial staff members	14
To support additional Transportation Investments that provide for social distancing on buses	14
To provide PPE for students eligible for free or reduced-price lunch	6
To support activities around promoting social distancing by reducing class size	50
To provide a nurse to the 25% of schools without one	3
To extend learning time & support for students through tutoring or summer school	29
To provide the additional school counselors and psychologists	10
Activities around the digital divide	7
To provide wrap-around services and supports to students and families through Community Schools	.1
To advance equity and evidence based polices to respond to the COVID-19 pandemic	2
Total Need	199
Consolidated Appropriations Act (H.R. 133)	- 54
Net Funding `	145

Details of House Dems Reconciliation Package



- Maintenance of Effort and Maintenance of Equity Provisions
 - State MOE: must be proportionate to spending on K-12 over past 3 years
 - State may not reduce funding on a per-pupil basis for any high-poverty LEA by an amount that exceeds the overall per-pupil reduction in State funds across all LEAs in the state
 - State shall not reduce funding for any LEA that is in the highest 20% of most economically disadvantaged below 2019 level
 - LEA may not reduce per-pupil funding or full-time equivalent staff (from combined State and local funding) for any high-poverty school
- Learning Loss Set-Aside
 - 20% must be dedicated to learning loss; equitable services applies.
- Funding for Homework Gap
 - \$7.6 billion for E-Rate
- State/Local Aid
 - \$350b for state/local

How does the Biden COVID package get done and when?

- House takes up budget reconciliation beginning this week, once they pass their bill it goes to the Senate.
- Senate rules are very wonky- some of what is in House bill may not stay in there.
- House and Senate goes to conference to reconcile differences.
- House and Senate authorizing committees to work jointly on the package and for reconciliation legislation to pass in both chambers before mid-March when \$300 weekly unemployment insurance supplement lapses.
- Funds could start flowing to districts as early as mid-April.

Who's Who: Biden Administration

- Secretary of Education: Miguel Cardona
- Deputy Secretary of Education: Cindy Marten
- Political appointees at ED: Gates, DFER, NEA, LPI.
- FCC Chair: Jessica Rosenworcel
- Agriculture: Tom Vilsack
- WH Domestic Policy Counsel: Carmel Martin & Catherine Lhammon

Biden Policy

- Majority of K-8 schools re-open in 100 first days
 - Practical application of the CDC guidance and operational strategy for school reopening
 - Guiding on planning for in-person learning and engagement
 - Guidance on additional supports and protections for students and educators, including trauma-informed approaches to meeting the social-emotional needs of students and staff, as well as necessary accommodations during the pandemic
 - Reinstates FEMA reimbursement for PPE purchased by schools
- New data collection sample on learning during the pandemic
 - Focus on modality of instruction, students prioritized for in-person, attendance– NOT focused on COVID spread, not punitive in nature
- Transgender EO
 - “All persons should receive equal treatment under the law without regard to their gender identity or sexual orientation”, including that “[c]hildren should be able to learn without worrying about whether they will be denied access to the restroom, locker room, or school sports.”

OCR Enforcement: What To Expect

- Disparate treatment/guidance re school discipline
- Pro-active investigations based on data collected/reported for CRDC
- Pro-active investigations on denial of FAPE during COVID
- Pro-active investigations into whether school employees Title VII rights are violated
- Resumption of 20-21 CRDC collection (plus expansion of data collection)
- Guidance (and lots of it). Specific to Transgender EO:
 - Requiring schools to allow students to use bathrooms and locker rooms that are consistent with their gender identity, and to play on athletic teams that are consistent with their gender identity.

Lobbying CMS: Medicaid in Schools

- AASA and Healthy Schools Campaign urge CMS to issue new Medicaid in Schools guidance by June 1
- Guidance would focus on billing non-IEP students for health services, reducing administrative burden on districts, improving access to mental health services/providers, encouraging the use of telehealth services and more.

School Infrastructure

- Biden's infrastructure plan also calls for \$100B in new spending to help traditional public schools repair HVAC systems, modernize their buildings, and expand of broadband internet to underserved areas.
- On the Hill, The Reopen and Rebuild America's Schools Act of 2021 is President Biden's best path forward to move this initiative
 - The bill invests \$130 billion in bonds and grant programs – targeted at high-poverty schools – to help reopen public schools and provide students and educators a safe place to learn and work.

New Guidance: USDA Meal Waivers & FRPL Forms

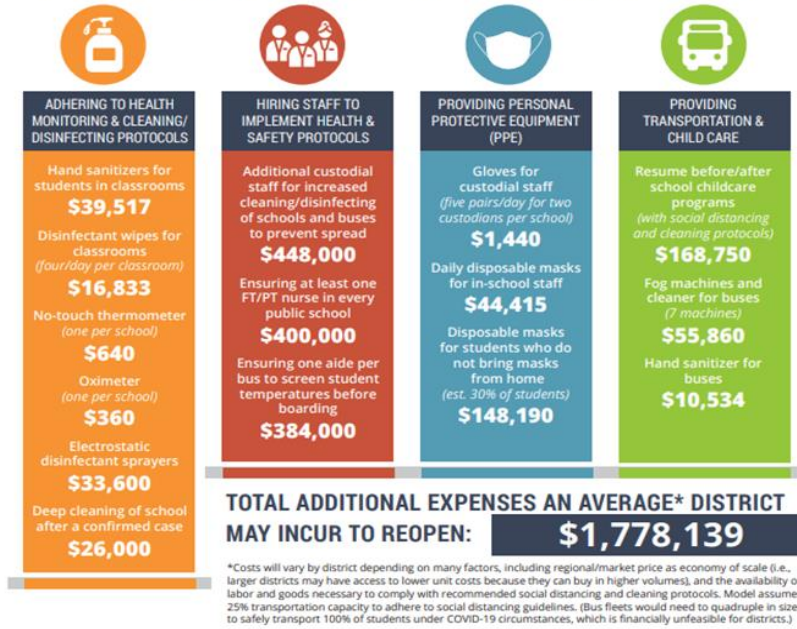
- Due to the impact of the U.S. Department of Agriculture's nationwide waivers – which support students' access to nutritious meals while minimizing potential exposure to COVID-19 through June 30, 2021,
 - Recently, the U.S. Dept. of Education (USED) released a document that provides Local Education Agencies (LEA) and State Education Agencies (SEA) with guidance on how to carry out the data collection activities for the education programs associated with the federal school meals programs.
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- According to the guidance, using data from the 2019-2020 school year is allowable for all circumstances, which means that the U.S. Dept. of Education has essentially created a hold harmless provision for school districts and states that have seen a decline in free and reduced-price lunch forms. You can access the guidance by clicking [here](#).
 - The guidance pertains to the National School Lunch Program data collection activities associated with Title I, Part A – Improving Basic Programs; Title II, Part A – Supporting Effective Instruction; and Title V, Part B – Rural and Low-Income School Program (RLIS) for the 2021-2022 school year.

USDA NPRM: Restoration Of Milk, Whole Grains, And Sodium Flexibilities

- This January, AASA, submitted a letter in support of the U.S. Department of Agriculture's (USDA) notice of proposed rulemaking (NPRM) on the restoration of milk, whole-grains, and sodium flexibilities under the National School Lunch and Breakfast Act.
- The NPRM finalizes the Department's 2012 interim rulemaking process concerning provisions in the Healthy Hunger Free-Kids Act (HHFKA) that ensure all school districts, regardless of socioeconomic status or size, can reasonably meet the nutritional requirements under the law.
- Looking ahead, we've heard rumors that USDA may offer school districts more flexibilities around the nutritional provisions of NLSP and SBP. Be on the lookout for opportunities to advocate around school nutrition this Congress.

WHAT WILL IT COST TO REOPEN SCHOOLS?

This document estimates some of the expenses school districts may incur in response to the COVID-19 pandemic and as they plan to reopen for the 2020-2021 school year. These calculations assume the statistics of an average* school district with 3,659 students, 8 school buildings, 183 classrooms, 329 staff members, and 40 school buses (transporting at 25% capacity, or 915 students, to comply with recommended social distancing guidelines).



This list of costs is not intended to be exhaustive but illustrates how the overall cost of school operations will substantially increase to safely reopen as a direct result of the COVID-19 pandemic. For more information on the impact of the COVID-19 pandemic on K-12 education, please contact ASBO International & AASA.



External References:
 *Now What? Navigating K-12 Reopening, A Collaborative Planning Process? National Council on School Facilities, Working Document, May 2020.
 *School Bus Driver Pay Rises as Shortage Worsens, Thomas McMahon, School Bus Fleet Magazine, November 2018.
 *Total School Districts, Student Enrollment by State and Metro Area, Governing The Future of States and Localities, eRepublic, Accessed June 2020.

Advocacy Resources

AASA:

- AASA Policy Blog, *The Leading Edge*
- AASA Advocacy on Twitter (@AASAHQ)
- Weekly and Monthly Updates

OTHER TOPICS

- IDEA
- Secure Rural Schools
- REAP
- Higher Education Act
- Teachers Shortages
- Title IX

Questions? Contact Us!



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