

Washington Update March 12, 2021

Dear Colleagues,

It's hard to overestimate the enormity of the funding that is about to flow into education from the federal government. For starters – know that the amount that goes to K-12 is 8 times the average annual amount which flows through Title I of ESSA! That is a tsunami of funding. States and districts have a lot of decisions to make about how to best spend those funds. Local advocacy from you will make a big difference (see #2 below).

1. President Biden Signs Massive \$1.9 trillion American Rescue Plan Act

On Thursday evening, just before a primetime address to the nation, President Biden signed into law the [American Rescue Plan Act of 2021](#) (ARPA). ARPA provides \$1.9 trillion in federal stimulus funding to help state and local governments—as well as individual taxpayers and businesses address the impact of COVID-19. This act provides almost \$220 billion for education, child care, and education-related programs, plus \$362 billion for local and state fiscal relief, much of which could ultimately support education. The total for the Department of Education is more than twice that of fiscal year 2021 regular funding, making this the federal government's largest ever single investment in our schools. State and district leaders now have the opportunity to use these funds to address short-term needs associated with the pandemic and to invest in the structural changes that will, over the long term, make schools more equitable and whole-child focused.

The House [gave its final approval](#) of the bill on Wednesday. Congressional Republicans, who voted en masse against the bill, have criticized the deal for funneling money to schools that haven't offered in-person instruction despite earlier rounds of pandemic relief. “Only 5% of the K-12 education funding will be spent this year, even as Americans are told this money is needed to reopen their children's schools,” said Rep. Jason Smith of Missouri, referring to a Congressional Budget Office [estimate](#) of how quickly schools will use the new money. One in four students in U.S. public schools do not have access to in-person instruction, according to a [recent estimate](#), and it's not clear that money has played a decisive role in whether or not schools have opened in person. On the other hand, [teachers' unions](#) praised the Administration and Congress for passing the law that will get necessary resources to schools that will allow them to safely reopen and serve students as they rebound from the pandemic.

Senate Democrats are circulating a [Congressional Research Service memo with estimates of Education Stabilization Fund totals for states and institutions of higher education](#) (IHE). It breaks out funding by state for the K-12 fund, the non-public schools, and the higher education fund (by state and by type of IHE). The last pages aggregate each state's total from all three emergency relief funds.

ARPA includes \$122.8 billion for the [Elementary and Secondary School Emergency Relief Fund](#) (ESSER). ESSER funds will be distributed to states in the same way that the last two federal rescue packages were distributed: based on their relative Title I, Part A funding. The first \$800 million of ESSER funding must be used by states to provide educational and wraparound services to students experiencing homelessness. The bill requires states to distribute the remaining \$122 billion in the following [manner](#) :

- Local Education Agencies (LEAs) (\$109.8 billion): Ninety percent of funding will be distributed to districts based on their relative share of Title I, Part A funding.
- Lost Learning Time (\$6.1 billion): States must use at least 5% of their ESSER funding “to address learning loss by supporting the implementation of evidence-based interventions, such as summer learning, extended day, or extended school year programs, and ensure such interventions respond to students’ academic, social, and emotional needs and address the disproportionate impact of the coronavirus on [students of color, students from families experiencing low-incomes, students with disabilities, English language learners, migrant students, students experiencing homelessness, and students in foster care].”
- After-School Programs (\$1.2 billion): A minimum of 1% of state funding must be used for after-school programs that address students’ academic, social, and emotional needs.
- Summer Enrichment Programs (\$1.2 billion): At least 1% of funding must be used by states to provide students with evidence-based summer learning programs.
- Administration Costs (\$610 million): States can spend up to 0.5% of their funding on the costs of administrating this program.
- Remaining State Funds (\$3 billion): States will be allowed to use these funds on any of the allowable uses in the act.

LEAs will be required to use at least 20% of the funds they receive (\$22 billion) to address lost learning time for students. They will have the freedom to spend the remaining 80% (\$87.8 billion) of funding based on local needs and priorities.

In the final bill, a number of amendments approved by the Senate were included that increased funding for students with disabilities, students experiencing homelessness, and sought transparency in school district’s plans for reopening and addressing continuity of services.

- [As amended](#), the legislation provides \$2.6 billion in additional funding for state special education grants under the Individuals with Disabilities Education Act (IDEA) for this fiscal year, which ends Sept. 30. That’s on top of the roughly \$12.9 billion in state grants for special education for this year in the regular federal budget. In addition, the legislation provides \$200 million for special education preschool grants, and \$250 million for infants and toddlers with disabilities, both under the IDEA.
- The Senate took \$2.75 billion out of the House bill’s K-12 relief fund and earmarked it for private schools. Governors would allocate this money; it would basically work

the same way as a fund for private schools in the second COVID-19 relief bill signed by former President Donald Trump in December. (That legislation also provided \$2.75 billion in direct aid for private schools.) Governors are supposed to prioritize that pot of funding for schools serving disadvantaged students and private schools “most impacted” by the virus.

- Sen. Maggie Hassan (D-N.H) offered an amendment that will ensure schools are transparent in their plans surrounding reopening and learning opportunities. The amendment says that within 30 days of receiving this new relief funding, school districts will have to publish “a plan for the safe return to in-person instruction and continuity of services.” If districts have already released such plans, they can use those to satisfy this requirement.
- Sen. Lisa Murkowski, (R-AK) introduced an amendment that was agreed to by the Senate that provides \$800 million help identify students experiencing homelessness, and to provide those students with wraparound services. The \$800 million would also be earmarked to help those students “attend school and participate fully in school activities.” This funding would be set aside by states. By one estimate, schools have [lost track of more than 1 in four homeless students](#) during the pandemic. And the [number of homeless students](#) appeared to be rising before COVID-19, hitting an all-time high in the 2017-18 school year.

Other elements of the bill that are worth noting include:

- States and schools must reserve roughly 25 percent of the stabilization fund for learning recovery (e.g. summer school and extended-day programs).
- \$350 billion is available for state and local governments.
- \$7 billion is available to help students and educators connect to the internet and provide them with connected devices, through the federal E-Rate program.
- \$39 billion will go to early-childhood programs, including Child Care and Development Block Grants and a stabilization fund for child-care providers.
- Language in ARPA would punish states that want to enact/expand a new voucher tax credit by requiring them to pay back the equivalent amount of federal aid dollars as the tax credit they are issuing.
- Families can claim up to \$3,600 per child under age 6 and \$3,000 for children up to age 17 for one year to help combat the economic damage of the pandemic. House Democrats are looking to make the [tax change](#) permanent. The current tax credit is up to \$2,000 per child.

The bill also includes about \$40 billion for higher education – about half of which will go to emergency funding in grants to students. ACE President [Ted Mitchell said](#) that while the amount of higher ed funding “falls short of our most recent estimate of at least \$97 billion in student and institutional needs, it still represents the largest federal effort so far to assist students and families struggling to cope with lost jobs or reduced wages and colleges and universities facing precipitous declines in revenues and soaring new

expenses.” Additional funds will go to support Historically Black Colleges and Universities, Tribal Colleges and Universities, Hispanic-Serving Institutions and other Minority-Serving Institutions. A provision is included in the bill that would exempt all student loan forgiveness from federal taxes for five years, perhaps paving the way for expanded student debt cancellation.

2. Flexing Your Advocacy Muscles to Influence How Rescue Funds are Invested

As noted above states and districts have a wide range of options about how they can invest the funds they will receive from the Act. Districts across the country will receive a total of \$87.8 billion which can be used for any activity authorized under a number of federal laws, including Title II of ESSA and Part D Personnel Preparation of IDEA. Districts could decide to invest in addressing the critical shortage of fully prepared educators – particularly those in high need fields such as special education. Funds could be used to diversify the candidate pool and support individuals – such as paraprofessionals and teaching assistants – who could enter a teacher preparation program with tuition fully paid and finish as fully certified special education teachers. Such a use of funds is a wise systemic investment that will endure well beyond the current crisis – serving to replenish the pool of much needed well prepared diverse special educators.

Title II of ESSA authorizes funds to be used for residency programs – to prepare both teachers and principals. These programs require candidates to work for a year alongside a mentor as they engage in coursework which will lead them to full certification. Rescue funds could be used to support residency programs.

As districts begin to make plans for how to spend their American Rescue funds, advocates can be at the table with recommendations and with evidence about how critical needs can be addressed. Remember: “If you’re not at the table, you’re probably on the menu.” See you at the table!

3. New Resources for Educators

- [The Learning Policy Institute](#) released a new report examining how the teacher shortage may jeopardize efforts to safely reopen schools one year into the Covid-19 Pandemic. The report sheds light on sustainable policy strategies including high-retention pathways and financial supports.
- [The National Institute for Early Education Research](#) is out with a report examining the decline in participation in preschool programs through the end of last year from pre-pandemic levels. The report found that parent support for reading books at home and teaching basic skills declined, meaning children lost two important learning

opportunities. “Not surprisingly, parents reported unusually high rates of social-emotional or mental health problems for their young children,” researchers said.

- [The Learning Policy Institute](#) is out with a blog that looks at former provisions barring use of federal funds for transportation to support school integration. These provisions were first enacted by Congress in 1974 in the wake of vehement opposition to busing, particularly following the 1971 case of *Swann v. Charlotte-Mecklenburg*. In this case, a federal court declared that busing could be one of many mechanisms to effectuate school desegregation. Since then, two prohibitions against the use of funds for busing have been included annually in an education funding bill and another one was embedded in the General Education Provisions Act. These prohibitions stood for almost half a century, until two of the provisions were removed in the 2019 funding bill, and the last provision was removed in the American Rescue Plan.
- [The Learning Policy Institute](#) issued a report offering a state by state breakdown of how funds will be allocated from the American Rescue Plan Act 2021.

As I close, I offer a big shout out to one of our own – Dr. Kim Knackstedt – who has been named as the first [White House Director of Disability Policy](#). With her Ph.D. in special education and several years of experience working on Capitol Hill, Kim is imminently qualified for this position. I know you join me in congratulating her!

And a big thank you to Dr. Kaitlyn Brennan for her research and writing for this Washington Update.

Stay well,
Jane