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Senate Passes $2T Stimulus Package

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The Senate unanimously passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Here is a preliminary rundown of what to expect in terms of education from the massive deal.

The $13.5 billion earmarked for K-12 schools is included in the bill's Education Stabilization Fund, which also contains $14.25 billion for higher education and $3 billion for governors to use at their discretion to assist K-12 and higher education as they deal with the fallout from the virus. The legislation also states that any state or school district getting money from the stabilization fund "shall to the greatest extent practicable, continue to pay its employees and contractors during the period of any disruptions or closures related to coronavirus."

Beyond the SFSF funds, the CARES Act includes:

- $15.5 billion for the Supplemental Nutritional Assistance Program;
- $8.8 billion for Child Nutrition Programs to help ensure students receive meals when school is not in session;
- $3.5 billion for Child Care and Development Block Grants, which provide child-care subsidies to low-income families and can be used to augment state and local systems;
- $750 million for Head Start early-education programs;
- $100 million in Project SERV grants to help clean and disinfect schools, and provide support for mental health services and distance learning;
- $69 million for schools funded by the Bureau of Indian Education; and
- $5 million for health departments to provide guidance on cleaning and disinfecting schools and day-care facilities.

<u>Other Items to Note</u>:

- <u>State Funding Shell Game</u>: Brace yourselves. The bill, as currently drafted, includes language that would allow states to apply for a waiver for their maintenance of effort (MOE) compliance. Meaning that while the federal funds would roll to the local level, they wouldn’t feel like relief because the state would be able to make cuts in state funding. If this sounds familiar, it’s because it is; this shell game was widely documented in the 2009 ARRA package. The broad MOE waiver flexibility was not in the original senate bill. This continues to double down on the fiscal burden schools face as states can pursue flexibility and LEAs are left on the hook to cover the shortfall.

- Funding for Internet Access: The proposal misses the mark. It makes tele-connectivity and allowable use of the broader fund and failed to instead direct funding through the already existing E-rate program. We will look to ameliorate this in COVID 4 (already being debated). This is a nice gesture, but it is not a win for students caught in the homework gap. The competing needs of those funds are so great that there is no way to ensure these students needs will be met. And, a new program will have to be created by Department of Education (DOE) and will DELAY any potential help. In addition, going this route, the guardrails are off and will be so broad (software, hardware, etc.) that the vendors, companies will be out in full force (a concern we always have and deal with E-rate allowable use/tech eligibility). It is not lost on us that ALL the major national education organizations in the country have been calling for a dedicated fund via E-rate because it is an existing program that can be adjusted quickly. We can ensure that schools are able to get students what they need (and not more than they need) and the E-rate program works.

- Waiver Authority: DeVos' waiver authority is reigned in from the sweeping language in the original proposal. This is in addition to the expedited waiver process DeVos announced for assessments in the last week. This package includes waiver flexibility for states to get waivers on accountability related to publicly reporting various indicators under their accountability systems, as well as waivers from reporting on progress toward their long-term achievement goals, and interim goals under ESSA and waivers to freeze in place their schools identified for improvement. No schools would be added to the list, and no schools would be removed from the list for the 2020-21 school year, under this expedited waiver process. There is no additional language related to IDEA flexibility; that remains the huge, bruising conversation we are having with the Hill. There are also a handful of waivers available at the state and local level regarding flexibility from sections of ESSA related to funding mandates.

  SEAs/LEAs can seek a waiver:
  - from ESSA's requirement for states to essentially maintain their education spending in order to tap federal funds.
  - to make it easier to run schoolwide Title I programs, regardless of the share of low-income students in districts and schools.
  - from requirements governing Title IV Part A, which funds programs aimed at student well-being and well-rounded achievements. Caps on spending for different priority areas would be lifted, and schools would no longer be barred from spending more than 15 percent of their Title IV money on digital devices.
  - to carry over as much Title I money as they want from this academic year to the next one; normally there's a 15 percent limit.
  - from adhering to ESSA's definition of professional development.

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