

# Education-Related Funding in the December 2020 Federal COVID Relief Bill

On December 21, 2020, Congress passed the 2,100-page Consolidated Appropriations Act of 2021, which includes a stimulus and pandemic relief package of almost \$900 billion.

The stimulus package includes \$81,880,000,000 for the Education Stabilization Fund, dollars available through September 30, 2022. A set-aside of 1% evenly split between the outlying areas and the Bureau of Indian Education is reserved off the top.

The remaining \$81,061,200,000 is split between three funds:

- GEER (the Governors Emergency Education Relief fund) receives 5% of the funding, or \$4,053,060,000
- ESSER (the Elementary and Secondary Emergency Relief fund) receives 67% of the funding, or \$54,311,004,000
- HEER (the Higher Education Emergency Relief fund) receives 28% of the funding, or \$22,697,136,000

In general, the allocation of funds and their acceptable uses are very similar to the CARES Act passed in March. There is a maintenance of effort requirement for the GEER and ESSER funds. To receive funding, a state must provide assurances that it will maintain support for elementary and secondary education and for higher education for fiscal 2022 at a level of spending for elementary and secondary education and higher education at least proportional to overall state spending averaged over fiscal years 2017, 2018 and 2019. (The U.S. Secretary of Education may waive this requirement.)

Provisions specific to each of the funding streams are below.

	CARES Act	CAA 2020
<b>GEER</b>	\$2,953,230,000	\$1,303,060,000
<b>GEER non-public schools</b>	—	\$2,750,000,000
<b>ESSER</b>	\$13,229,265,000	\$54,311,004,000
<b>HEER</b>	\$13,952,505,000	\$22,697,136,000

## GEER

### CARES Act and Consolidated Appropriations Act Allocations

	CARES GEER	CAA GEER	CAA GEER Non-Public
<i>Total</i>	2,953,230,000	54,311,004,000	1,303,060,000
Alabama	48,851,495	21,352,384	45,502,043
Arkansas	30,663,725	13,378,181	22,872,412
Delaware	7,916,821	3,458,598	4,965,788
Florida	173,585,880	75,798,940	212,978,041
Georgia	105,720,728	47,074,294	79,175,146
Kentucky	43,799,187	19,329,797	40,817,799
Louisiana	50,276,799	22,985,320	55,566,230
Maryland	45,657,990	20,732,448	35,878,533
Mississippi	34,662,872	15,577,851	31,353,423
North Carolina	95,638,869	42,920,546	84,824,393
Oklahoma	39,919,354	17,709,487	30,986,191
South Carolina	48,467,924	21,089,129	39,981,327
Tennessee	63,582,031	27,802,162	72,838,359
Texas	307,026,008	134,331,197	153,168,245
Virginia	66,775,322	29,966,588	46,618,019
West Virginia	16,353,314	7,059,048	9,052,260

### GEER funds

Each state with an approved application under the CARES Act passed in March receives funding, to be awarded within 30 days of the passage of the new act. The GEER funding in the Appropriations Act is divided into two streams.

**GEER II:** \$1,303,060,000 is allocated to states based 60% on a state's proportion of population age 5 to 24 to the total population of that group nationally, and 40% on the relative number of children counted under Title I of the Elementary and Secondary Education Act. Funds are to provide emergency grants to:

- Local education agencies the state education agency deems most significantly impacted by the coronavirus pandemic
- Institutions of higher education the governor determines have been most significantly impacted by the pandemic
- Any other institution of higher education, local education agency, or education-related entity the governor deems essential for carrying out emergency educational services to students for activities authorized under federal education programs; providing child care and early childhood education, social and emotional support services; and protecting education jobs.

**GEER EANS:** \$2,750,000,000 is included for emergency assistance for non-public schools. The governor in each state administers this funding, which is based on the number of children ages 5 to 17 at 185% or less of the federal poverty level enrolled in non-public schools in the state in relation to the number of all such children in all states. Funds must be allocated to the non-public schools within six months.

Allowable uses of the funds for non-public schools include personal protection equipment, cleaning supplies, ventilation improvements, physical barriers to facilitate social distancing, expanded capacity to administer coronavirus testing and perform contact tracing, educational technology to assist students, educators, and staff with remote or hybrid learning, and education and support services for remote or hybrid learning or addressing learning loss.

Non-public schools apply to state education agencies for this funding, and the control of funds remains with a public agency. Funds cannot be used to support private K-12 education vouchers, tuition tax credit programs, education savings accounts, scholarships or tuition assistance, or to assist organizations that provide K-12 private education scholarships or aid. However, a state that had previously used GEER funds for financial assistance to private school students may continue the program for the 2020-21 school year.

## ESSER

### CARES Act and Consolidated Appropriations Act Allocations

	CARES ESSER	CAA ESSER
<i>Total</i>	13,229,265,000	54,311,004,000
Alabama	216,947,540	899,464,932
Arkansas	128,758,638	558,017,409
Delaware	43,492,753	182,885,104
Florida	770,247,851	3,133,878,723
Georgia	457,169,852	1,892,092,618
Kentucky	193,186,874	928,274,720
Louisiana	286,980,175	1,160,119,378
Maryland	207,834,058	868,771,243
Mississippi	169,883,002	724,532,847
North Carolina	396,311,607	1,602,590,987
Oklahoma	160,950,476	665,038,753
South Carolina	216,311,158	940,420,782
Tennessee	259,891,154	1,107,656,022
Texas	1,285,886,064	5,529,552,209
Virginia	238,599,192	939,280,578
West Virginia	86,640,471	339,032,096

## ESSER funds

This funding is allocated according to the state's proportion of Title I Part A funding, and states allot it to districts on that basis. As in the CARES Act, the state education agency may reserve a maximum of 10% of a state's funding, with up to 0.5% of the total allocation, from the agency reserve, available for administration. At least 90% of the funding goes to local education agencies. Funds may be used for activities authorized by the major federal education programs and other specific purposes including:

- Maintaining local education agencies' continuity of services and operations, and continued employment of staff
- Coordinating preparedness and response efforts with the other government entities
- Addressing the unique needs of disadvantaged populations
- Purchasing education technology (hardware, software, and connectivity)
- Providing mental health services and support
- Addressing student learning loss, including improving distance learning engagement
- Repairing and improving school facilities to reduce the risk of virus transmission and exposure to environmental health hazards

The last two uses are new provisions under this round of ESSER funding.

## HEER

### CARES Act and Consolidated Appropriations Act Allocations

	CARES HEER	CAA HEER*
<i>Total</i>	12,507,254,503	22,616,709,871
Alabama	199,118,611	353,452,914
Arkansas	120,857,885	208,941,919
Delaware	34,026,660	64,185,043
Florida	740,208,266	1,457,925,653
Georgia	406,119,208	708,645,997
Kentucky	156,808,414	294,903,132
Louisiana	189,864,271	318,570,265
Maryland	188,939,061	345,894,286
Mississippi	149,058,183	245,621,509
North Carolina	378,297,277	701,099,318
Oklahoma	159,882,462	288,096,769
South Carolina	180,497,659	325,675,829
Tennessee	237,170,230	458,537,771
Texas	1,165,403,277	1,913,758,033
Virginia	294,391,162	521,097,535
West Virginia	66,559,082	109,114,986

\* Reflects January 2021 allocation to public and non-profit private institutions only, including approximately \$2.4 billion in rolled-over CARES Act funds

## HEER funds

This funding is allotted directly to institutions of higher education, and institutions are required to use a portion of funds to provide emergency aid to students. Under the CARES Act, that amount was at least 50% of an institution's total allocation. Under the Consolidated Appropriations Act, the minimum amount that must be provided as emergency student aid is the same dollar amount that was required under the CARES distribution. Institutions with approved applications from the CARES distribution are not required to submit a new or revised application.

Under the CARES Act, 90% of HEER funds (\$12,557,254,500) were allocated to institutions based on the proportion of two student populations compared with those student population totals nationwide before the onset of the pandemic, weighted as follows:

- 75% for full-time-equivalent Pell students not in distance education only
- 25% for full-time-equivalent non-Pell students not in distance education only

Of the total HEER amount under the Consolidated Appropriations Act, 89% (\$20,200,451,040) is allocated to institutions by their proportions of specified student populations compared with those population totals nationwide before the onset of the pandemic. Calculation of a specific allocation to an institution is weighted as follows:

- 37.5% for full-time Pell recipients
- 37.5% for non-Pell students
- 11.5% for non-Pell students in distance education only
- 11.5% for non-Pell students in a mix of distance education and traditional instruction
- 1% for Pell in distance education only
- 1% for Pell in mixed distance education and traditional instruction

The remaining 11% of HEER funding (\$2,496,684,960) is divided as follows:

- 7.5% (\$1,702,285,200) for additional funds to institutions participating in various Higher Education Act programs, including:
  - Strengthening Institutions
  - Strengthening Historically Black Colleges and Universities
  - Innovative Programs
  - Developing Hispanic-Serving Institutions
  - Master's Degree Programs at Historically Black Colleges and Universities & Predominantly Black Institutions
- 3% (\$680,914,080) to proprietary institutions that provide occupational training
- 0.5% (\$113,485,680) for institutions participating in the Fund for the Improvement of Postsecondary Education program that have the greatest unmet coronavirus recovery needs

The Consolidated Appropriations Act requires the U.S. Secretary of Education to allocate the main portion of funding and the 3% for proprietary institutions within 30 days of enactment, the 7.5% for program-participating institutions within 60 days, and the remaining 0.5% for Fund for the Improvement of Postsecondary Education institutions within 120 days.

Institutions of higher education may use the funds to defray expenses associated with the coronavirus pandemic (including lost revenues and expenses already incurred), technology costs associated with distance learning, faculty and staff training, and payroll. Institutions may also use funding to carry out student support activities or provide financial aid grants to assist with any component of a student's cost of attendance or emergency costs arising from the pandemic, such as tuition, food, housing, health care, mental health care or child care.

As with the CARES Act, HEER funds may not be used for marketing, student recruitment, endowments, or for capital outlays for athletics, sectarian instruction or religious worship. The act prohibits use of HEER funds for compensation, bonuses or cash benefits for executive staff.

### **Child Care Grants to States**

The CARES Act provided \$3.5 billion in Child Care and Development Block Grants to states, who were permitted to use those funds to help child care providers reopen or remain open as well as to provide financial assistance for essential workers to secure child care during the pandemic. States could require child care providers to use a certain portion of funds received under the program to pay staff salaries.

The Consolidated Appropriations Act provides a further \$10 billion in grants and specifies that the funds are intended both to stabilize the child care sector and to help providers afford extra operating expenses as a result of the pandemic. Additionally, states are permitted to use the funds to provide technical assistance to providers in implementing health agency policies and procedures to ensure the safe provision of child care services during the pandemic.

## Broadband Access

The Consolidated Appropriations Act provides \$4.8 billion for programs to expand Americans' access to broadband internet services at home.

Congress allocated \$3.2 billion for the Emergency Broadband Benefit Program, which will reimburse internet service providers for providing discounted broadband service to households that meet one or more of the following criteria:

- Defined as low income under the FCC's Lifeline program
- Participates in the free and reduced-price lunch program
- Suffered a substantial loss of income after February 2020 due to the pandemic
- Has a current Pell recipient
- Eligible for the service provider's low-income or COVID-19 discount program

Reimbursement to a service provider will be for the amount of the discount provided to a household for broadband service, up to \$50. In addition, a provider may receive up to \$100 reimbursement for one connectivity device per household if the charge to the consumer is at least \$10 and no more than \$50.

The \$300 million Broadband Infrastructure Program will provide competitive grants designed to expand broadband access to underserved and unserved areas, with priority given to projects that provide service to the greatest number of households and to projects in rural areas.

The \$285 million Connecting Minority Communities Pilot Program will provide grants to HBCUs, Minority-Serving Institutions and Tribal Colleges and Universities to purchase broadband internet service and equipment and to hire and train technology personnel. Additionally, the Consolidated Appropriations Act allocates \$1 billion for Tribal broadband connectivity grants.

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