



# The American Rescue Plan Act

Lindsay Fryer and Audrey Pittman

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# Agenda



- Review of COVID-19 relief funding
  - Allocation of funds
  - Uses of funds
  - Plan for returning to the classroom for in-person learning
  - Connectivity funds
  - Maintenance of effort and equity
- Timeline for allocating and obligating funds
- Common use of funds questions
- Planning considerations
- How to engage local communities

# Overall Federal Education Funding for COVID Relief (ESSER, GEER, HEER, etc.)



- Coronavirus Aid, Relief, and Economic Security (CARES) Act: \$30.75 billion
- Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act: \$81.88 billion
- American Rescue Plan Act (ARPA): \$165.109 billion
- TOTAL: \$277.729 billion
- By comparison, total FY 2021 U.S. Department of Education (ED) regular appropriation for discretionary programs = \$73.487 billion

# Federal K-12 ESSER Funding for COVID Relief



- CARES Act: \$13.229 billion
- CRRSA: \$54.311 billion
- ARPA: \$121.975 billion
- TOTAL: \$189.515 billion
- By comparison, total ED FY 2021 regular appropriation for K-12 programs = \$42.584 billion

# Allocation of ARPA K-12 Funds



- Elementary and Secondary Education Emergency Relief (ESSER) Fund: \$121.975 billion
- Allocations to States for identifying and serving homeless students: \$800 million
- IDEA Part B: \$2.58 billion
- Emergency Assistance to Non-Public Schools (EANS): \$2.75 billion

# Allocation of ESSER Funds under ARPA



- Total: \$121.975 billion
- 100% allocated to States based on Title I shares (FY 2020)
- Up 10% may be reserved by SEAs
  - At least 5% must be used for activities to address learning loss through evidence-based interventions (summer, after-school, etc.): \$6.1 billion
  - At least 1% must be used for evidence-based summer enrichment programs: \$1.22 billion
  - At least 1% must be used for evidence-based comprehensive after-school programs: \$1.22 billion
  - Up to ½ percent may be used for State administration: \$610 million

# Allocation of ESSER Funds under ARPA (continued)



- At least 90% allocated to LEAs (including charter school LEAs) based on Title I shares (FY 2021)
  - At least 20% must be used for activities to address learning loss through evidence-based interventions (summer, after-school, etc.)
  
- Note: SEA and LEA evidence-based learning loss, summer, after-school activities must also address students' social-emotional needs and address the disproportionate impact of the coronavirus on subgroups of students

# ESSER Allowable Uses of Funds



- Substantively, the same as under CARES and CRRSA: almost anything related to preventing, preparing for, and responding to COVID
  - Activities authorized under ESEA, IDEA, the Adult Education and Family Literacy Act, and the Perkins CTE Act
  - Activities to meet the unique needs of subgroups of students (low-income, children with disabilities, ELs, homeless, etc.)
  - Technology
  - Sanitation and cleaning supplies
  - Mental health services and supports
  - Facility repairs and improvements
  - COVID testing
  - Learning loss
  - Etc.



# Plan for Safe Return to In-Person Instruction



- Each LEA receiving funds must develop and make publicly available on its website a plan for the safe return to in-person instruction and continuity of services (SEAs set the timelines for submission)
  
- Before making it available, an LEA must seek public comment on the plan and must take comments from a variety of stakeholders into account
  
- According to new information from ED, plans must describe how the LEA will protect the health of students – including the extent to which it has adopted each of the CDC guidelines and how it will address students’ social-emotional learning, mental health and academic needs
  - LEA reopening plans must be reviewed and updated every 6 months to address each aspect of the CDC guidance

# Connectivity Funds



## ■ Emergency Broadband Benefit

- Low-income individuals are eligible for a \$50 monthly internet subsidy and providers can be reimbursed up to \$100 for issuing a Wi-Fi connected device (one per household)
- Individuals are eligible if they participate in the free and reduced-price lunch program or if they received a Federal Pell grant

## ■ Emergency Connectivity Fund

- \$7.2 billion to support schools and libraries in providing telecommunications, connected devices and other eligible equipment to students, teachers and library patrons for internet use at home or at other locations outside of the school or library
- Purchases include items such as laptops, tablets, Wi-Fi hotspots, modems and routers
- The Federal government (FCC) would reimburse for 100% of the costs of eligible equipment and services, subject to any caps based on what the FCC determines is reasonable

# Maintenance of Effort (MOE)



- A State must provide support for K-12 education and for higher education in each of fiscal years 2022 and 2023 at least at the same proportion of overall State spending as it provided, on average, in fiscal years 2017, 2018, and 2019
- This is the same MOE as under CRRSA, but it is extended out one more year (through FY 2023)
- As under the two earlier laws, States may seek a waiver of the MOE requirement

# State Maintenance of Equity



- A State may not, in FY 2022 or 2023, reduce per-pupil funding for any of its *high-need LEAs* (LEAs with the highest percentages of economically disadvantaged students and collectively serving at least 50% of the State's students) by an amount that exceeds the overall per-pupil reduction to all LEAs in the State
- A State may not, in FY 2022 or 2023, reduce per-pupil funding to any of its *highest-poverty LEAs* (LEAs with the highest percentages of economically disadvantaged students and collectively serving at least 20% of the State's students) below the FY 2019 level

# Local Maintenance of Equity



- In FY 2022 and 2023:
  - An LEA may not reduce per-pupil (combined State and local) funding to any of its *high-poverty schools* (schools in the highest quartile in percentage of students enrolled who are economically disadvantaged, as determined by the State) by more than the average per-pupil reduction for all schools
  - An LEA may not reduce per-pupil full-time-equivalent staffing to any of its high-poverty schools by more than the average per-pupil reduction for all schools
  
- Exceptions:
  - LEAs with less than 1,000 students
  - LEAs with only one school or one school per grade span
  - LEAs that can demonstrate exceptional or uncontrollable circumstances

# Timeline for Allocating and Obligating ARPA Funds



- ED must obligate all funds by 9/30/2023
  - ED has already awarded 2/3 of funds to States with 60-day timeline to award to LEAs
  - SEAs must complete an application for remaining funds by June 7; LEAs must complete an application devised by the SEA within a “reasonable timeline”
- SEAs must “award” all ESSER funds within one year of receipt; any remaining funds must be returned to ED for reallocation to the other States
- LEAs have to make all obligations by 9/30/2023 with an additional year through Tydings amendment until 9/30/2024
- Under CARES, the deadline for obligations was 9/30/2022 and under CRRSA it was 9/30/2023
- SEAs and LEAs may use the funds for pre-award costs incurred dating back to 3/13/2020, the date of declaration of a national emergency

# Timeline for Spending COVID-19 Relief Funds



- We are hearing SEAs and LEAs will have 120 days – 18 months after the obligation period to **liquidate and fully spend down** funds
  - CARES: 120 days -18 months after 9/30/2022
  - CRRSA: 120 days -18 months after 9/30/2023
  - ARP: 120 days -18 months after 9/30/2024
  
- **NOT CONFIRMED BY ED YET**, need to wait for more information – we expect guidance soon

# Common Questions on Uses of Funds



## ■ **Additional Staff Pay/Compensation**

- Guidance on ESSER I and II funds noted the funds “generally will not be used for bonuses, merit pay, or similar expenditures, unless related to disruptions or closures resulting from COVID-19”
- An LEA might use local ESSER funds to provide employees with additional pay to:
  - Address recruitment or retention challenges in light of COVID-19, including for substitute teachers
  - Provide additional compensation to teachers and other staff that have assumed new duties because of the pandemic
  - Incentivize effective teachers to teach in schools with vulnerable students disproportionately impacted by the pandemic

- **Additional transportation costs** due to COVID-19, like additional necessary bus routes, but purchasing additional buses must receive prior written approval from SEA (and ED) and follow Federal equipment management rules



# Common Questions on Uses of Funds (continued)



- **High-quality instructional materials**, curricula, and related professional development districtwide, for a subset of schools or students, or both (following Federal procurement guidelines)
- **Real property or modular classrooms** to respond to COVID-19 (i.e., to abide by social distancing guidelines), but for capital expenses, SEA (and ED) approval is needed and must follow Federal real property/equipment management rules
- **Renovation or construction related to COVID-19**, such as replacing old carpet with tile that is easier to clean, upgrading HVAC systems, or bringing an unused school wing into compliance with fire and safety codes to create more space. Construction or renovation must follow various Federal regulations and Davis-Bacon prevailing wage rules
- **Bridge budgetary shortfalls** if the deficit is related to COVID-19 and the ESSER funds are needed for education-related expenses

# Considerations for Planning



- Will the proposed use of funds "prevent, prepare for, and respond to COVID-19?"
- Is it an allowable use of funds?
- Does it support student, parent or teacher needs?
- Does it promote equity?
- Is there data to support its effectiveness?
- Are there additional approvals needed to do this activity and is it allowed?
- Does it support returning students to the classroom?
- What would the "headline" be from supporters or critics?

# Things to Potentially Avoid



- Conflicts of interests (vendors, contracts, providers)
- Lack of transparency – how easy is it to track and justify the use?
- Does it need an additional layer or approval from the State (and ED) given Federal regulations?
- One-off Initiatives vs. Comprehensive Planning

# Planning for Funds



## ■ Initial Priorities:

- Urgent, immediate uses (safety upgrades, PPE, staff retention, immediate triage for learning loss)
- Should spend some money immediately to show need and impact
- Decide how to track uses and measure broader impact over time

## ■ Longer Term Planning:

- Use data to drive funding decisions on initiatives that can be tweaked over time based on what is working/having impact
- Expand academic, social and emotional interventions to address learning loss
- Consider how to address long-term sustainability and avoid a funding cliff – what services can we maintain when Federal funding is gone?

# How to Engage



- Points of Engagement for Chambers
  - LEA and SEA plan development
    - SEA and LEA plans require collaboration and public comment, including from students; families; school and district administrators and teachers; principals, other educators, school staff, and their unions; and, if present in LEA, Tribes; civil rights organizations, and stakeholders representing the interests of student subgroups
  - Understanding the State and LEA plans and priorities for spending – help the SEAs and LEAs connect priorities to economic and job gaps based on skills needed
  - Suggest quality providers WITHIN and OUTSIDE the system
    - LEAs and SEAs will need help from quality providers to spend the money and provide services
  - How to implement process to track uses and impact of funds
  - Think about sustainable change; not one-off projects
    - WHAT COMES NEXT? – get ahead of this question

# Questions?