

TO: AASA Members
FROM: Sasha Pudelski and Noelle Ellerson Ng
RE: COVID relief package and FY21 Omnibus
DATE: December 21, 2020

On December 21st, Congress at long last passed both a COVID stimulus bill and the appropriations package for FY21. Both were months overdue and cost a total of nearly \$2.3 trillion dollars.

COVID Relief Bill

Background: Since April, AASA has advocated for at least \$175 billion in the next relief package and we are very disappointed that only a third of our funding request was granted in this round. That said, because both liability protection and funding for state and local governments was not on the table for this negotiation, there is momentum for passing another deal in 2021. The hope is that we can get another round of funding for schools, including support for the homework gap, in the next package.

What's In:

- Education Funding: \$54.3 billion to states/districts for education-related expenses, roughly four times what districts received under CARES. This round of funding will remain available to schools through Sept. 30, 2022.
 - Money can be used for 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 health emergency, activities to support special pops, training on sanitization, cleaning supplies, providing meals/tech to students, providing mental health services, summer learning and supplemental learning, addressing learning loss, administering assessments, school facility repairs and improvements including any machines/tech that deal with air quality, and other general operations needed which can include testing.
- Equitable Services: Private schools do not receive any funding via equitable services.
- Maintenance of Effort: States can waive MOE if they are experiencing a decline in financial resources, but the intention is that they maintain funding for schools in 2022 at a level that is proportional to the states' expenditures for the past 3 years.
- Sick/Paid Leave: Paid leave as established under FFCRA is extended through March 2021. This bill does not extend the tax credits to public entities, but it does eliminate the mandate to provide paid leave, so public sector employees who were previously covered are no longer guaranteed that leave.
- Money for Private Schools: Separate from the 54.3 billion that public K-12 schools will receive, privates will also be eligible for \$2.75b that will be distributed through the Governors Emergency Education Relief (GEER) program. This money is limited to private schools who are not receiving PPP. The funding cannot be used for voucher programs unless the State had already been sending money to voucher programs under CARES and they can continue to support the students who received vouchers, but they can't extend it to new students. Poverty enrollment data determines the extent of the private school aid. There are significant limitations on how privates can use the funding: PPE, sanitization activities, improving ventilation systems, physical barriers, training/PD on sanitation/cleaning, COVID testing, ed-tech, reasonable transportation costs, leasing space for social distancing purposes, redeveloping instructional

practices for remote learning. All money, equipment, services must be administered via a public agency and must be secular, neutral and non-ideological.

- Early Education: Includes \$10.25 billion to support early childhood care providers with \$10 b for the Child Care Development Block Grants and \$250 m for Head Start.
- CoronaVirus Relief Fund (CRF) will be extended through December 2021.
- Vaccines: Provides \$8.75 b to the CDC and states for vaccine distribution. Provides more than \$22 b, all sent directly to states, to support testing, tracing and COVID mitigation programs.
- School Meal Funding: Includes funding for a new program to reimburse school meal providers for costs incurred between Sept. 21, 2020 and Dec. 31, 2020

What's Out:

- Homework Gap: This bill provides zero dollars dedicated to the homework gap, meaning no support to help ensure students have internet access to support remote learning.
- Liability Protection: This was off the table for this round of COVID negotiation.
- State and Local Stabilization: This was also not part of the negotiation and could lead to backfilling dollars in this round to pay for money States/Counties desperately need.

FY21 Omnibus

Background: FY21 started October 1, 2020 and these federal dollars will be in schools for the 2021-2022 school year. Congress exercised a number of short-term continuing resolutions to avoid a shutdown while they completed their work to finalize the funding bills, work that was complicated by the election and the push for another (fifth) COVID emergency supplemental.

Overall Education Takeaway: Overall funding for USED increases about 1% (\$785 m) compared to FY20 in this final package. Overall, the \$1.4 trillion appropriations for USED includes \$40.6 billion for K12 education programs, an increase of about \$498 m compared to FY20. Overall, most programs are frozen/level-funded when compared to 2020. Critically, the final bill continues to reject the president's push to privatize federal dollars.

Items and Program of Note:

- Title I is funded at \$16.5 b, an increase of \$227 m
- IDEA is funded at \$12.9 b, an increase of \$173 m
- Impact Aid is funded at \$1.5 b, an increase of \$15 m
- ESSA Title II is funded at \$2.1 b, an increase of \$11 m
- REAP is funded at \$188 m, an increase of \$2 m (enough to cover changes in program enrollment, detailed below).
- ESSA Title IV is funded at \$1.22 b, an increase of \$10 m
- Perkins CTE is funded at \$1.34 b, an increase of \$52 m
- NAEP, as mentioned in previous updates, was postponed. This bill includes the language to reschedule NAEP for the 2021-22 school year.
- Includes language to eliminate a prohibition against using federal money on transportation costs related to school desegregation efforts. AASA has worked for several cycles of Congress to fully repeal these flawed carryover provisions.
- The package does not include funding for the Secure Rural Schools/Forest Counties program.
- The package includes a fix to the Rural Education Achievement Program. In this bill, Congress clears up a technical issue to the REAP program. Earlier this year, USED found that several states were erroneously granting eligibility for the program to districts that did not qualify for the Rural Low-Income Schools (RLIS) side of the program. While no districts that were inappropriately receiving funding will have their funding

cut for the next two years, there will be a drawdown to make them ineligible for funding over the following five years.

- SNAP funding increases \$46 billion to \$114 billion.
- Bill includes \$25.1b for Child Nutrition programs (including \$30 m for school meal equipment grants and \$42 m for Summer Electronic Benefits Transfer (EBT) program. These are the funds that provide free/reduced price school lunches and snacks for children who qualify for the program.

Related Links

- House Committee on Appropriations: [Homepage for FY21 Omnibus Spending Bill](#)
 - [Divisions A-L](#) (Continuing resolution)
 - [Divisions M&N](#) (stimulus stuff)
 - [Divisions O-FF](#) (Tax extenders)

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