



CARES Act Summary: K-12 Schools

Introduction

On Friday, March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This law represents the largest emergency relief package ever passed into law in the United States. Roughly two trillion dollars will be appropriated to provide relief across multiple economic sectors. This guidance provides a preliminary summary of provisions in the CARES Act that specifically relate to kindergarten through 12th grade (K-12) schools across the country.

Provisions of the CARES Act

Note: all dollar amounts represented herein were taken directly from the final statute or from the Congressional Research Service estimates by state.

Emergency Stabilization Funding

There are many provisions within the CARES Act. The sections with most direct impact on K-12 schools fall under two subsections of the Emergency Stabilization Funding provision: Governor's Emergency Education Relief Fund and Elementary and Secondary Emergency School Relief Fund. Approximately \$30.75 billion will be disseminated to states for use across the PK-12 and higher education systems. Table 1 at the end of this document breaks down this fund into its component parts. A narrative description of each component is provided below.

General Allocation

One percent of the \$30.75 billion (approximately \$307 million) will be provided through competitive grants to states with the highest Coronavirus burdens. *Iowa will not likely qualify for this fund, but applications will be out within 30 days of enactment.*

Governor's Emergency Education Relief Fund

9.8% of the \$30.75 billion (approximately \$2.953 billion) will be allocated to the Governor's Emergency Education Relief Fund. This fund will provide a broad discretionary fund for higher education and/or K-12 supports to local education agencies (LEAs) that the State Education Agency (SEA) has deemed most significantly impacted by COVID-19.

Iowa will receive approximately \$26.304 million from this fund:

- 60% awarded based on each state's share of individuals ages 5-25 compared to all states and
- 40% awarded based on each state's share of children counted in Section 1124(c) of the Elementary and Secondary Education Act (ESEA; students ages 5-17 living in poverty).

Uses of the Governors' Education Relief Funds include providing:

- Emergency support through grants to LEAs that the SEA deems have been most significantly impacted by the Coronavirus to support the ability of the LEAs to continue to provide educational services to their students and to support the ongoing functionality of the LEA;
- Emergency support through grants to institutes of higher education serving students within the State that the governor determines have been most significantly impacted by Coronavirus to support the ability of such institutions to continue to provide educational services and support the ongoing functionality of the institution; and

- Support to any other institution of higher education, local educational agency, or education-related entity within the State that the governor deems essential for carrying out emergency educational services to students for authorized activities described the Elementary and Secondary Emergency School Relief Fund (below) or the Higher Education Act, the provision of child care and early childhood education, social and emotional support, and the protection of education-related jobs.

Elementary and Secondary Emergency School Relief Fund

43.9% of the \$30.75 billion (approximately \$13.3 billion) will be allocated to the Elementary and Secondary School Relief Fund, which will be provided to SEAs through formula grants in the following manner:

- 90% (of the \$13.3 billion) shall distributed to LEAs through SEAs using the Title I formula.
- SEAs may reserve up to 10% of the \$13.3 billion (approximately \$1.35 billion) for grants and statewide emergency needs, including up to 0.5% for administrative costs at the state level.
- The United States Department of Education (USED) must issue notice inviting applications to SEAs within 30 days of enactment and approve SEA applications within 30 days thereafter.

While exact dollar amounts to individual states have not yet been officially published, Iowa’s share of the Elementary and Secondary School Relief Funds will likely be somewhere in the \$71 million range.

The K-12 Emergency Stabilization Funds may be used by K-12 schools for a broad set of possible purposes, with substantial local authority and discretion to prioritize spending in areas directly impacted by the COVID-19 pandemic. Any activities authorized under the Every Student Succeeds Act (ESSA), the Individuals with Disabilities Education Act (IDEA), the Perkins Act, Subtitle B of McKinney-Vento Homeless Assistance Act, and/or the Adult Education and Family Literacy Act may be possible areas of local expenditure. Activities that might be selected could include but are not limited to:

- Coordinating emergency response with other governmental entities;
- Supporting equitable access to core instruction for students with disabilities;
- Activities to address the unique needs of low-income children or students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and youth in foster care;
- Supporting school leaders with resources to address the needs of their individual schools;
- Ensuring preparedness and coordination to improve coordinated responses to prevent, prepare for, and respond to the Coronavirus;
- Ensuring continuity of learning for all students;
- Purchasing cleaning supplies;
- Training and professional development for LEA staff on sanitization and minimizing spread of infectious diseases;
- Purchasing education technology, including hardware, software, and connectivity “that aids in regular and substantive educational interaction between students and their classroom instructors;”
- Supporting the mental health services and supports;
- Summer learning programs;
- Planning for long-term closures; and
- Activities necessary for operational continuity and continuity of services.

Additional Information Regarding K-12 Emergency Stabilization Funds

A number of assurances and practices must be supported while states implement using their emergency stabilization funds. These include but are not limited to:

- SEAs must provide an assurance of Maintenance of Effort (MOE) for the ESEA (this is waivable by USED upon application by SEAs for SEAs “that have experienced a precipitous decline in financial resources”).
- SEAs and LEAs must continue to pay employees and contractors “to the greatest extent practicable.”

- Nonpublic schools must receive equitable participation in the use of emergency stabilization funds, in the same manner as described in Title I of ESSA (both the Governor’s Emergency Education Relief Fund and the Elementary and Secondary Emergency School Relief Fund). These funds must be under the control and supervision of a public agency and “title to materials, equipment, and property purchased with such funds, shall be in a public agency.”
- Waivers
 - The SEA may submit streamlined waivers of:
 - Assessments,
 - Accountability requirements,
 - School improvement requirements,
 - ESEA report card requirements, and
 - Periods to obligate federal funds.
 - SEA and LEA may submit waivers related to:
 - Schoolwide poverty threshold,
 - Maintenance of effort provisions,
 - Carryover limitations,
 - Title IV, Part A (well-rounded education) restrictions including educational technology hardware and broadband, and
 - Title II, Part A professional development requirements.
- The Secretary of the Department of Education shall provide a report to Congress within 30 days with recommendations on additional waivers under:
 - IDEA,
 - Rehabilitation Act,
 - ESSA, and
 - Perkins.

Remainder of the Emergency Stabilization Funds

In addition to the dollars that will flow to K-12 education, an additional 46.3% (\$13.952 billion) of the \$30.75 billion will be allocated to the Higher Education Emergency Relief Fund (not addressed here).

What the Iowa Department of Education is Doing to Prepare

The Iowa Department of Education:

- Has developed a detailed implementation timeline,
- Will keep LEAs apprised of progress each step along the way,
- Will make LEA application process as efficient and simple as possible,
- Will advocate for the Federal Government to move quickly on flowing these funds,
- Will ensure appropriate accounting for and oversight of the funding, and
- Will provide resources for districts to assist in their planning and implementation.

What Schools Can Do to Prepare

School districts and their district/building leadership teams should:

- Participate in Tuesday and Thursday webinars by the Iowa Department of Education,
- Consider most significant impacts of COVID-19 on student learning in your district, and
- Consider and prioritize actions that might be taken to mitigate these impediments to student learning.

Table 1. Appropriations of Emergency Relief Funds and Required Reservations of Funds Under the Draft Education Stabilization Fund, Assuming Appropriations of \$30.750 Billion

Table 1 details the amount of funding that would be reserved for the outlying areas, BIE, and competitive grants and the amount of funding that would be appropriated for each of the emergency relief funds.

Table 1. Appropriations for Emergency Relief Funds and Required Reservations of Funds Under the Draft Education Stabilization Fund, Assuming Appropriations of \$30.750 Billion

Dollars in thousands

Program	Appropriations
Governor’s Emergency Education Relief Fund	\$2,953,230
Elementary and Secondary School Emergency Relief Fund	\$13,229,265
Higher Education Emergency Relief Fund	\$13,952,505
Subtotal for Emergency Relief Funds	\$30,135,000
Reservation for Outlying Areas	\$153,750
Reservation for Bureau of Indian Education	\$153,750
Reservation for Competitive Grants	\$307,500
Total appropriation	\$30,750,000

Source: CRS analysis of draft language that was made available online at https://www.appropriations.senate.gov/imo/media/doc/DIVB_EMSU.pdf. The draft was dated March 25, 2020 (9:47 am version) and was entitled “Division B—Emergency Appropriations for Coronavirus Health Response and Agency Operations.”

Additional Education-Related Funding from the CARES Act

Additional education-related CARES Act funding includes:

- \$3.5 billion for the Child Care Development Block Grant, which provides child care assistance to health care providers, first responders, sanitation workers, and other essential workers in the response to COVID-19;
- \$75 million for Head Start Programs;
- \$8.8 billion for Child Nutrition programs;
- \$15.5 billion for Supplemental Nutrition Assistance Program; and
- \$100 million for School Emergency Response to Violence Program.