

AASA & ASBO International Federal Funding Update

**VASS/VASBO Winter Conference
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Overview

- American Rescue Plan (ARP)
- USED Data Collection Activities
- Bipartisan Infrastructure Law
- Build Back Better Act
- Other Policy Issues
- Advocacy Resources



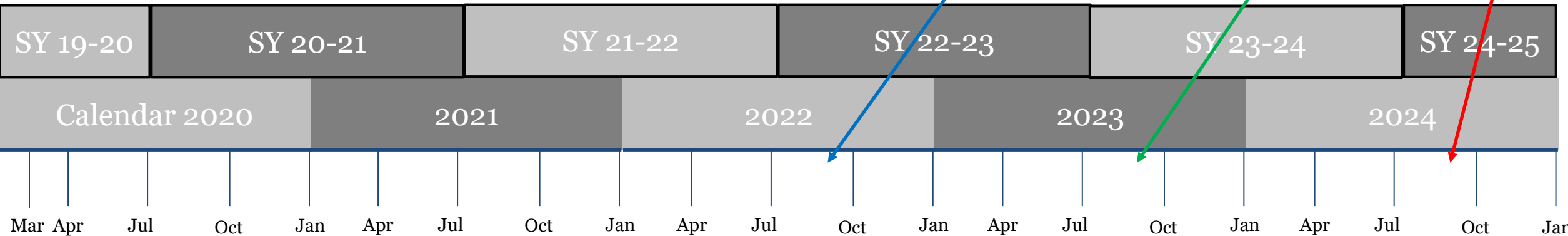
ESSER Spend Timeline

- LEAs have until 2024 to Obligate ARP Funds

\$123B ARP ESSER III. LEAs must obligate by 9/2024 ~\$2,400/pupil.
**20% must be used for learning loss*

\$54B CRRSAA ESSER II. LEAs must obligate by 9/2023 ~\$1,100/pupil.
**Broadly flexible — ED says expenses must relate to COVID-19*

\$13B CARES ESSER I. LEAs must obligate by 9/2022 ~\$250/pupil.



*Image adapted from [White Board Advisors](#) and [Edunomics Lab, Georgetown University](#).

COVID 6: H.R. 1319, The American Rescue Plan (ARP)

- **Funding for LEAs (Districts) = \$110 billion**
 - How does this compare to other federal COVID-relief funding?
 - Annual federal Title/IDEA funds per-pupil = +\$640/student
 - + March 2020 CARES Act = **+\$250/student**
 - + December 2020 CRRSAA/“CARES 2” = **+\$1,100/student**
 - + March 2021 ARP = **+\$2,400/student**
 - For comparison, the ARP is roughly **10x CARES** or **2.2x CRRSAA**
 - **Cuts child poverty in half!**

ARP: Distribution/Use of Funding

- **90% of funds will be distributed to districts based on their relative share of Title I, Part A**
- **Allowable uses are flexible, but 20% must be set aside for learning loss/recovery.**
 - Inspection, testing, maintenance, repair, replacement, and upgrade projects to improve IAQ in school facilities
 - School facility repairs and improvements to enable operation of schools to reduce risk of virus transmission
 - Addressing learning loss/recovery
 - Planning and implementing activities related to summer learning
 - Providing mental health services and supports, including through community schools
 - Purchasing educational technology (including hardware, software, and connectivity)
 - Providing meals to students during school closures
 - Purchasing supplies to sanitize and clean buildings, and more!
- **Read USED's ARP Allowable Uses Guidance (May 2021)**
 - **USED ESSER/GEER FAQs on Using Funds to Prevent, Prepare for, and Respond to COVID-19 (December 2021)** – **Emphasizes flexibility for funds** to be used to “address diverse needs arising from or exacerbated by COVID-19, or to emerge stronger post-pandemic” including responding to students’ social, emotional, mental health, and academic needs and to continue providing educational services.
 - Find more USED guidance on ESSER spending here: <https://oese.ed.gov/offices/american-rescue-plan/american-rescue-plan-elementary-and-secondary-school-emergency-relief/resources/>

ESSER Spending: Potential Pitfalls

School finance experts from [Edunomics Lab \(Georgetown University\)](#) recommend...

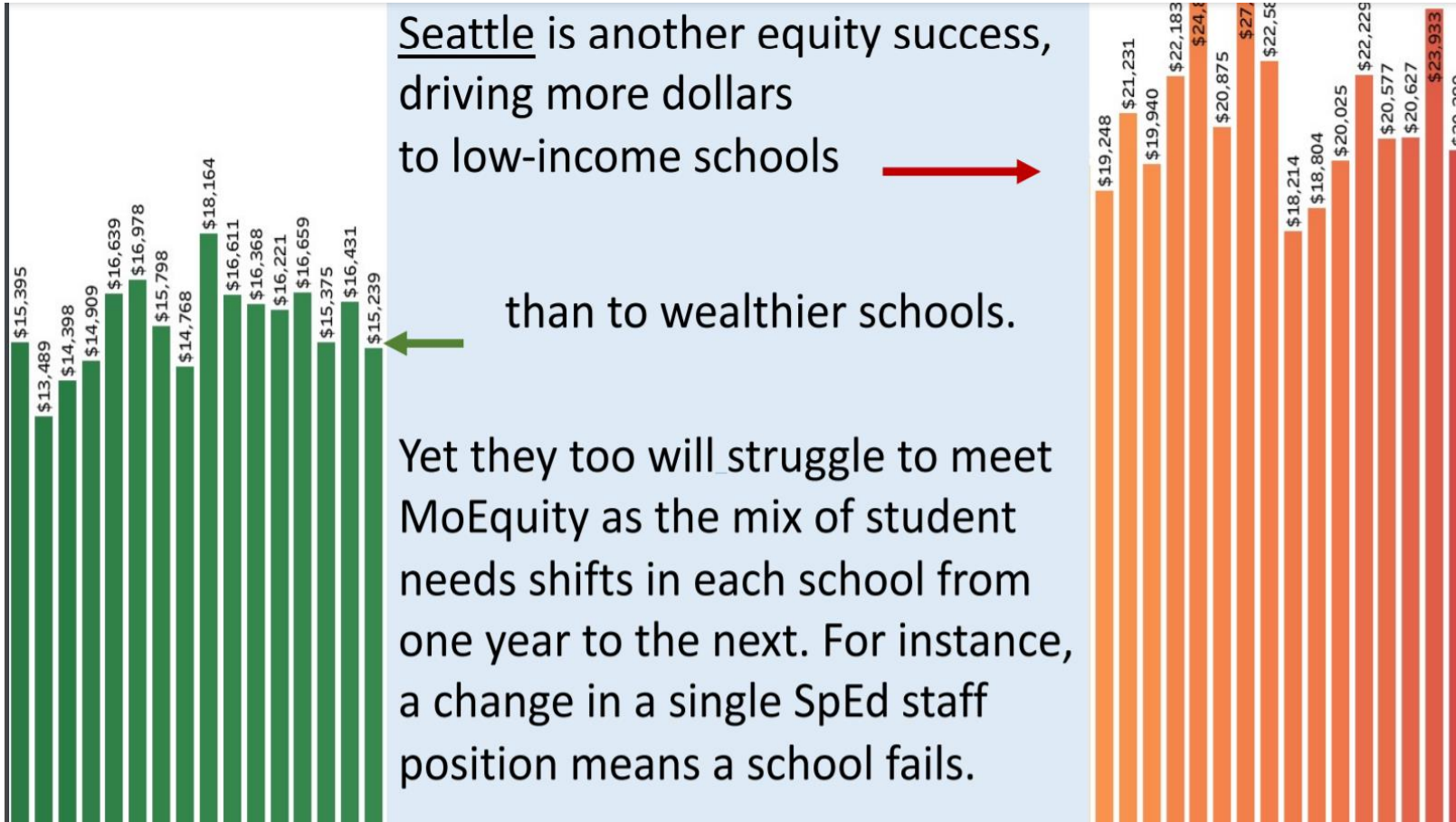
- **Districts make a spending plan and consider following this spending pattern:**
 - 40% SY21-22
 - 30% SY22-23
 - 20% SY23-24
 - 10% SY24-25
- **5 possible mistakes districts might be making with federal relief funds:**
 - Spending in a way that creates a disruptive **fiscal cliff**.
 - Issuing **problematic contracts** that come back to haunt district leaders.
 - Deploying funds **inequitably** across schools.
 - Failing to **ensure the community can see** and recognize investments.
 - Investing **without demonstrating real results** for students.

ARP: Maintenance of Equity (MoEquity)

- **New provision! Applies to SEAs & LEAs**
 - **SEAs cannot (for FY 22 and FY 23)...**
 - Cut per-pupil \$ to high-need LEAs at a steeper rate than other LEAs.
 - Reduce state per-pupil \$ for the highest-poverty LEAs below 2019 levels.
 - **For LEAs (for FY 22 and FY 23)...**
 - **LEAs cannot cut per-pupil \$\$\$ *OR* per-pupil staff FTEs** at the most economically-disadvantaged quartile of schools at disproportionately high rates. (Districts will want to keep track of spending by school.)
 - Law exempts small districts under 1,000 students.
 - Guidance offered a different interpretation with broader implications for district budgeting: The provision would now also apply to districts with growing revenues, affecting an estimated 7,000 districts serving >80% of all students.
 - **Read USED's latest ARP MoEquity guidance.** (Note: Guidance was released in June 2021, updated in August 2021, again in October 2021, and most recently in December 2021.)
- **What about Maintenance of Effort (MOE)?**
 - MOE requirements for CRRSAA (ESSER II) and ARP (ESSER III) are mostly the same, except that ARP extends the CRRSAA requirements for an additional fiscal year. [Read USED's MOE FAQs guidance.](#)

ARP: Maintenance of Equity (MoEquity)

- How does this work and when do I need to worry about it?



Permits a one-year delay (from 21-22 to 22-23) due to timing, enrollments, etc. In 21-22, the provision will only apply to districts experiencing a net decrease in state and local funding for the 21-22 school year.

* Image from [Edunomics Lab](#), Georgetown University.

USED Data Collection Activities

- **USED has a number of data collections set to happen concurrently:**
 - Maintenance of Equity Collection
 - ESSER Data Collection
 - Civil Rights Data Collection (back-to-back years)
- These are, individually, expansive data collections that exceed the intended scope of the underlying statute. They will require the allocation of resources (staff and money) to comply at the exact time schools are grappling with exacerbated teacher shortages and prioritizing keeping schools open.
- In late December, USED did announce revisions to the MoEquity provision and data collection, as well as the ESSER data template. They are improvements, but making something less bad doesn't make it good. Big point for MoEquity: confirmed that for both years, **provision only applies to LEAs facing net cut of state and local dollars.**
- **Related resources:**
 - Updated MOEquity FAQs—https://oese.ed.gov/files/2021/12/Maintenance-of-Equity-updated-FAQs_12.29.21_Final.pdf
 - Proposed MOEquity Requirement (to be published in the *Federal Register*)—https://oese.ed.gov/files/2021/12/21-0423.NPR_12.29.21_Final.pdf
 - ESSER/GEER Use of Funds FAQs Supplement—https://oese.ed.gov/files/2021/12/Fact-Sheet_COVID_connection_12.29.21_Final.pdf

AASA / ASBO Advocacy Opportunity!

- Be on the lookout for TWO surveys from AASA and ASBO International in early 2022.
 - Please fill out both surveys to help us communicate how districts are spending their ARP ESSER III funds. **Your input is crucial!**
 - January 2022: AASA Survey (Prospective)
 - How does your district *plan to spend* ARP funds in the future?
 - February 2022: ASBO International Survey (Retrospective)
 - How has your district *already spent* ARP funds so far?

Bipartisan Infrastructure Framework (BIF)

Infrastructure Investment and Jobs Act (Law on 11/15/21). Provides \$550 billion in new infrastructure spending over 5 years. [\(Read ASBO International's Summary\)](#)

- **School-specific provisions:**
 - **Safe Routes to School (SRTS):** DOT grant to states, \$550 million over 5 years. Funds minor infrastructure projects (sidewalk improvements, pedestrian/bicycle crossings, traffic calming and speed reduction, etc.) and public awareness/outreach activities to help make it safer for students to walk/bike to school.
 - **Reauthorizes and extends the Secure Rural Schools and Community Self-Determination Act until 2023.** Provides funding for schools, roads, and other municipal services for over 700 counties that rely on Forest Service funds.
 - **Grants for Energy Efficiency Improvements and Renewable Energy Improvements at Public School Facilities:** DOE competitive grant program, \$500 million over 5 years to help school districts carry out energy improvement projects. Funds used for any improvement, repair, renovation, or installation project that—results in a direct reduction in school energy costs; leads to an improvement in teacher/student health (e.g., IAQ); involves the installation of renewable energy technologies or alternative fuel vehicle infrastructure on school grounds; or involves the purchase/lease of alternative fuel school vehicles.
 - **Grants to Address Lead Contamination in School Drinking Water:** EPA grant program to states, \$200 million over five years for supporting voluntary lead testing, compliance monitoring, and lead reduction program for schools and childcare facilities.
 - **Clean School Bus Program:** EPA competitive grant program, \$5 billion over five years to help local/state governments, contractors, etc. modernize bus fleets with clean and zero-emission buses (which operate fully or in part on alternative fuels, e.g., electric, liquified natural gas, compressed natural gas, hydrogen, propane, or biofuels).
- **Other provisions of interest:**
 - **Climate Change Grants for Charging and Fueling Infrastructure:** DOT competitive grant program for state/local governments to make more publicly available infrastructure for electric vehicle charging and hydrogen, propane, and natural gas fueling. Project locations may include public roads, parking facilities, schools, parks, etc.
 - **Broadband Investments:** \$65 billion to improve broadband infrastructure, access, and affordability. Includes \$42.5 billion in block grants to states to deploy affordable networks in low-income communities/promote broadband adoption, and \$2.75 billion in Digital Equity Grants for states to expand broadband access to underserved communities, seniors, and schools.

Build Back Better Act

- **Budget reconciliation:** A massive social spending package of partisan policy priorities (latest price tag = \$1.75 trillion). All 50 Democrats are needed to pass this bill without GOP support.
 - In late December, Sen. Manchin (D-WV) gave a hard “no” to the bill as currently written, but the bill isn’t dead... yet.
 - What now?
- **Key education provisions to look out for:**
 - K-12 educator pipeline and training investments (e.g., “Grow Your Own” teacher programs, teacher residencies, school leadership programs, and IDEA Part D personnel development) and additional funding for Career and Technical Education (CTE) programs.
 - Child nutrition investments (\$10 billion). The BBB Act would expand Community Eligibility (CEP) by lowering the Identified Student Percentage (ISP) eligibility threshold from 40% → 25%; it would also increase the multiplier that determines federal reimbursement to schools from 1.6 → 2.5. The bill would also create a national Summer EBT program for students who receive free or reduced-price meals for 2 years (providing a \$65/month benefit per child).
 - Homework Gap: Additional funding (\$300 million) for the FCC’s Emergency Connectivity Fund (ECF)
 - Universal PreK: Provide funding for six years to carry out a voluntary universal preschool program through states, LEAs/districts, Head Start grantees, licensed childcare providers, etc.
 - Make child care more affordable by providing funding for six years to create a new “birth through five childcare & early learning entitlement program” for low-income families.
 - Universal Paid Leave: Creates a 4-week federal paid family and medical leave program. All types of workers would be covered for benefits (including public sector/school employees) and without regard to employer size. ([Learn more.](#))
 - Tax issues: [Potential reforms](#) to the state and local tax (SALT) deduction and an extension of the Child Tax Credit (\$3,600/child)

Other Policy Issues

- **FY 22 & FY 23 Funding**
 - The President, House, and Senate have all advanced initial FY22 budget proposals that include significant increases for Title I and IDEA, and education program funding overall.
 - Congress did not complete FY22 appropriations work on time, and we are under a Continuing Resolution (CR) until February 18.
 - **We do NOT support a year-long CR for FY22.**
 - Like most other things on the hill, next steps and final details for FY22 will be impacted by what is (or isn't!) in budget reconciliation.
 - POTUS FY23 Budget likely delayed until BBB Act and FY22 funding legislation are addressed.

Other Policy Issues (Continued)

- **FEMA: Public Assistance Grants During COVID-19**
 - FEMA reimbursement timeline for eligible work/activities performed by schools has been extended from January 20, 2020 through April 22, 2022. Expenses previously deemed ineligible due to timeline issues during 2020-2021 may now be eligible for reimbursement. ([Read the latest guidance here.](#))
- **School Nutrition**
 - [USDA announcement](#): \$1.5 billion to help states/schools respond to supply chain issues via USDA's Commodity Credit Corporation.
 - [Fiscal Action Flexibility for Meal Pattern Violations](#) for SBP, NSLP, and SSO only (expires 6/30/22). Waives requirement that fiscal action be applied for missing food components or repeated violations involving milk types and vegetable subgroups due to supply chain issues. (Read a summary of other COVID-19 school meal waivers [here.](#))
- **AASA/ASBO Advocacy re: School Bus Driver Shortages**
 - Advocating for several solutions: Delaying the start date for DOT's Entry-Level Driver Training (ELDT) regs in February 2022; Creating an entry-level CDL in school transportation; allowing 3rd parties to administer the knowledge and skills test for the CDL; enacting a one-year exemption to the social security earning limitation for retirees to incentivize retired drivers to fill vacancies; and waiving the requirement to identify "under the hood" engine components on the CDL skills test.
 - **In November 2021**, DOT provided the flexibility to allow 3rd parties to administer the skills and knowledge tests for CDL.
 - **In January 2022**, [DOT and USED announced](#) that states will have the option to waive the "under the hood" CDL test requirements; this waiver expires March 31, 2022.
- **OSHA Rule: COVID-19 Vaccine/Testing Mandate for Employers** – SCOTUS special hearing on 1/7/22, stay tuned!

AASA / ASBO Advocacy Resources

- **AASA Resources**

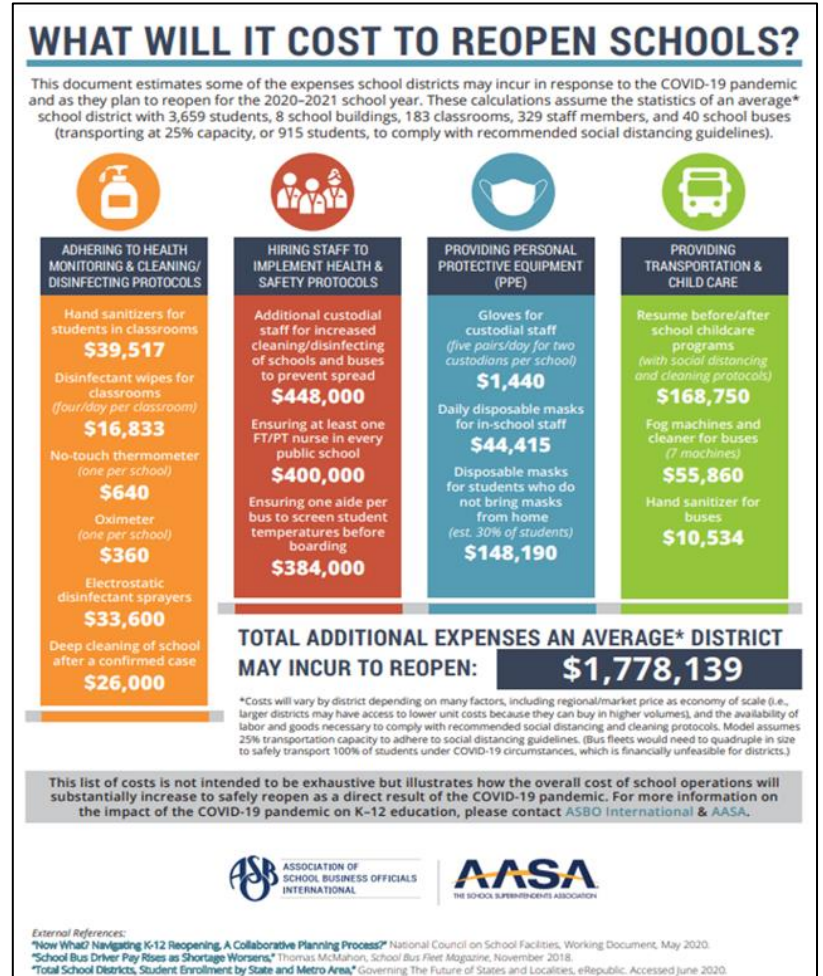
- The Leading Edge ([Policy Blog](#))
- AASA Advocacy Mobile App
- Twitter: [@AASAHQ](#), [@Noellerson](#), [@AASAdvocacy](#)

- **ASBO International Resources**

- Policy priorities & resources: asbointl.org/advocacy
- [Global School Business Network](#) (All Members & Legislative Affairs communities)
 - *Want to share your member benefits and full Network access with your district team? [Contact us.](#)*
- Twitter: [@ASBOIntl](#) & [@ASBOUSA](#) (Advocacy)

- **2022 AASA/ASBO Legislative Advocacy Conference**

- **Save the date!** July 12–14, in Washington, D.C.
 - Read our [2021 conference recap.](#)



Questions? Contact Us!

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