



## I. Revised CEF FY 2021 Education Funding table attached

- **FY 2021 Labor-HHS-Education bill includes a \$500 million rescission of Pell grant funding – Please replace the funding table I sent earlier with the attached revised version**, which has been changed only to include the bill's \$500 million rescission of previously appropriated Pell grant funding, which I had missed. That cut affects the FY 2021 net total for Department of Education, where I had given the FY 2021 total credit for an extra \$500 million. The Appropriations Committees do not count a rescission of prior year funding in the total of new funding being provided, but from a budgetary standpoint the bill has reduced net resources for the Department of Education by \$500 million to pay for other things in the bill. The Congressional Budget Office will subtract that rescission from the bill's funding, so I always subtract a rescission from the fiscal year it is enacted, and note that on the table.

## II. Education in the COVID-relief bill

- **Links and attachment to materials on the COVID-relief bill** – Links to the legislative text are below, and two items are attached:
  - **Legislative text** – This giant bill Congress released today has all 12 fiscal year 2021 appropriations bills, the COVID-relief appropriations, extension of expiring provisions, and other measures. The coronavirus appropriations language is Division M, which starts on numbered page 1815 (page 1823 of 5593 in the PDF). The education section starts on numbered page 1851 (page 1859 of 5593 in the PDF).
  - **(Attached) Section by section summary of the Labor-HHS-Education funding in the COVID bill**
  - **(Attached) CEF's matrix showing education funding in various relief bills**
- **What's not in the bill** – Key differences with the CARES Act, the House-passed Heroes Act, with the bipartisan Senate proposal last week, and with the Senate's previously proposed HEALS Act:
  - **No funding for state and local relief** – Like the Senate's HEALS Act, this bill has no funding for state and local fiscal relief. The first Heroes Act included \$915 billion and the second version of the Heroes Act included \$436 billion. The bipartisan Senate proposal had a separate component with \$160 billion for state and local funding. About 40% of state funding is used for education.

- **No funding for e-rate to close the “homework gap”** – This bill has \$7 billion for broadband but nothing designated to help students. The second Heroes Act provided \$15 billion for education-related broadband, including \$12 billion for schools and libraries and \$3 billion for homes. The bipartisan Senate bill included \$3 billion for e-rate support and \$6.2 billion for broadband connectivity including remote learning.
- **Does not condition K-12 funding on schools physically reopening** – Unlike the HEALS Act, this bill does not give K-12 funding out based on whether schools are open for in-person education.
- **No extension of student loan repayment forbearance** – Unlike the CARES Act, this bill does not put a moratorium on repayment of federal student loans. Education Secretary DeVos has extended the forbearance started by the CARES Act through the end of January.
- **What is in the bill** – this section is an update of the description I sent around last night.
  - **\$81.9 billion for Education Relief Funds** that are similar to the funds in the CARES Act (the CARES Act provided a total of \$30.75 billion for these funds):
    - **\$819 million for outlying areas and Bureau of Indian Affairs schools.**
    - **\$4.1 billion for a Governors Emergency Relief Fund**, with \$2.75 billion of that set aside for private K-12 schools to be allocated based on the percentage of low-income students attending private schools (this a larger set-aside than in the bipartisan bill which included a much larger allocation for governors). There is a long description of what private schools can use the funds for and what they may not be used for, including vouchers and tuition tax credit programs (starts on page 1853).
    - **\$54.3 billion for an Elementary and Secondary School Emergency Relief Fund**, with the funds able to be used to support teaching, supplies, services, cleaning, and school facility repairs necessary to support student health (starts on page 1866).
    - **\$22.7 billion for a Higher Education Emergency Relief Fund**, (starts on page 1872). Institutions of Higher Education (IHEs) can use the funding to defray their pandemic-related costs or to provide financial aid to students, but at least half must support financial aid to students. The total is broken out as follows:
      - **\$20.2 billion for non-profit (public and private) IHEs;**
      - **\$681 million for financial aid for students at for-profit colleges** (the summaries say \$908 million, but the text provides a percentage of the total that comes out to be \$681 million). Funds can only be used for financial aid for students;
      - **\$1.7 billion for HBCUs, minority-serving institutions, and tribal colleges;** and
      - **\$113.5 million for IHEs with greatest unmet need** and for graduate institutions and others not covered by the previous formulas.

- **Maintenance of effort** – The bill has a fairly weak requirement that states must keep their FY 2022 (not FY 2021) education funding at least at the percentage of their budget they had for the average of FYs 2017, 2018, and 2019. It is a weak requirement because states may waive that requirement “for the purpose of relieving fiscal burdens on states that have experienced a precipitous decline in financial resources” (page 1885).
  - **Other education funding** –
    - **\$1.34 billion to discharge loans to HBCUs** – the press releases of [House Education and Labor Committee Chair Bobby Scott](#) and [Senate HELP Committee ranking member Patty Murray](#) mention that the bill provides this funding but I haven’t been able to find it yet in the bill.
    - **\$11 million each for Gallaudet University and the National Technical Institute for the Deaf;**
    - **\$20 million for Howard University;**
    - **\$30 million for Student Aid Administration;**
    - **\$28 million for the Institute of Education Sciences;**
    - **\$15 million for program management;** and
    - **\$5 million for the Office of Inspector General.**
- **Expands Pell grant eligibility** – House Education and Labor Committee chair [Bobby Scott \(D-VA\)](#) [described these provisions](#) as does [Senate HELP Committee Ranking Member Patty Murray \(D-WA\)](#). More students will be eligible for larger awards because of changes to how eligibility is calculated. It restores Pell grant eligibility to formerly incarcerated people and for those defrauded by their school. It also simplifies the FAFSA.
- **\$10 billion for child care** through the Child Care and Development Block Grant (CCDBG) program. Funds will help support providers and families (the CARES Act provided \$3.5 billion for child care).
- **\$250 million for Head Start** – that is less than the \$750 million enacted for Head Start in the CARES Act, and less than the \$1.7 billion that would have been provided in the second Heroes Act.
- **\$7 billion for broadband**, but nothing for the e-rate program to help provide internet connections for families with students. The earlier bipartisan proposal included \$3 billion for e-rate, \$6.2 billion for connectivity, including remote learning, and \$200 million for the Institute for Museum and Library Services to purchase internet-connected devices for low-income and rural communities.
- **Maybe more education-related items!** I wanted to get this out today, but may have missed other education funding-related items. We’ll follow up with anything additional.

