Overview of Education Relief Aid

Andy MacCracken, Policy Analyst
May 11, 2021
Our mission is to ensure North Carolina recovers from the coronavirus pandemic stronger, more resolved, and more resilient.

• Created by S.L. 2020-4 to:
  • “oversee and coordinate” aid from federal COVID-19 recovery legislation
  • “provide technical assistance and ensure coordination of federal funds”
  • “ensure proper reporting and accounting of all funds”

• Administering:
  • Coronavirus Relief Fund
  • Governors Emergency Education Relief Fund
  • State Fiscal Recovery Fund*

* Pending legislative action
# Overview of Federal Packages

<table>
<thead>
<tr>
<th>Enacted</th>
<th>Coronavirus Aid, Relief, and Economic Security (CARES) Act</th>
<th>Coronavirus Response &amp; Relief Suppl. Approp. (CRRSA) Act</th>
<th>American Rescue Plan (ARP) Act</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 27, 2020</td>
<td>$2.2 trillion</td>
<td>$900 billion</td>
<td>March 11, 2021</td>
</tr>
<tr>
<td>December 27, 2020</td>
<td>$1.9 trillion</td>
<td>$87.79 billion</td>
<td></td>
</tr>
<tr>
<td>March 11, 2021</td>
<td>$87.79 billion</td>
<td>$137.76 billion</td>
<td></td>
</tr>
</tbody>
</table>

## Package Scope
- **Coronavirus Aid, Relief, and Economic Security (CARES) Act**: Enacted March 27, 2020, $2.2 trillion
- **Coronavirus Response & Relief Suppl. Approp. (CRRSA) Act**: Enacted December 27, 2020, $900 billion
- **American Rescue Plan (ARP) Act**: Enacted March 11, 2021, $1.9 trillion

## Education aid*
- **Coronavirus Aid, Relief, and Economic Security (CARES) Act**: $34.25 billion
- **Coronavirus Response & Relief Suppl. Approp. (CRRSA) Act**: $87.79 billion
- **American Rescue Plan (ARP) Act**: $137.76 billion

### Notes on education and state aid
- Establishes Education Stabilization Fund programs:
  - Elementary and Secondary Schools Emergency Relief (ESSER) fund
  - Higher Education Emergency Relief Fund (HEERF)
  - Governors Emergency Education Relief (GEER) Fund
  - Aid via Child Care & Development Block Grant (CCDBG)
  - $150 billion in aid to state and local governments via Coronavirus Relief Fund (CRF)
- Invests additional funds into CCDBG, ESSER, HEERF, and GEER.
  - Establishes Emergency Assistance for Non-public Schools (EANS) program.
- Vastly expands investments into CCDBG, ESSER and HEERF.
  - ESSER requires focus on learning loss
  - Includes aid for IDEA and homeless children
  - $350 billion in aid state and local governments.
    - State Fiscal Recovery Fund (SFRF)
    - Local Fiscal Recovery Fund (LFRF)

---

*Total includes Education Stabilization Funds (ESSER, HEER, etc.) and CCDBG
## NC Share of Education Relief Aid

<table>
<thead>
<tr>
<th></th>
<th>CCDBG</th>
<th>ESSER</th>
<th>EANS</th>
<th>HEERF</th>
<th>GEER</th>
<th>State Aid*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Funding</strong></td>
<td>$1.8 billion</td>
<td>$6.0 billion</td>
<td>$167 million</td>
<td>$2.3 billion</td>
<td>$138 million</td>
<td>$8.9 billion</td>
</tr>
<tr>
<td><strong>Method of Allocation</strong></td>
<td>Block grant to DHHS</td>
<td>90% to PSUs; 10% flexible by state</td>
<td>By application</td>
<td>Direct to IHE from USED</td>
<td>Directed by Gov. Cooper</td>
<td>Allocated by NCGA</td>
</tr>
<tr>
<td><strong>Admin by</strong></td>
<td>DCDEE</td>
<td>NCDPI</td>
<td>NCDPI</td>
<td>IHEs</td>
<td>NCPRO</td>
<td>NCPRO / OSBM</td>
</tr>
<tr>
<td><strong>Uses</strong></td>
<td>COVID response; aid to providers; family subsidies</td>
<td>Broad set of uses for districts to respond to public health needs, and address learning loss, emotional wellbeing, etc.</td>
<td>COVID-19 response; technology; transition to online learning; wellbeing</td>
<td>Broad support for COVID response, lost revenue, and emergency student aid</td>
<td>Aid to support K-12 districts, IHEs, and education entities impacted by COVID-19</td>
<td>NCGA allocated $587m from CARES aid (CRF) to childcare, K-12, and higher ed.</td>
</tr>
</tbody>
</table>

*Federal relief aid granted to NC. Includes CRF and State Fiscal Recovery Funds.*
Timing of use

Note: IHEs have 1 year from receiving HEERF III to use all remaining HEERF aid.
$10B+ education aid in NC by sector

As of 5/7/21
Postsecondary aid by sector

- Funds allocated as of 5/7/21
- HEERF III (ARP) is estimated based on HEERF II (CRRSA) figures.
Opportunity for local innovation

Nearly all funds are directed to passed-through to local entities.

- **K-12 (Public)**
  - Total Funds: $6.00 billion
  - Locally Controlled: $5.44 billion
- **Public 4 year**
  - Total Funds: $1.24 billion
  - Locally Controlled: $1.06 billion
- **Public 2 year**
  - Total Funds: $884 billion
  - Locally Controlled: $806 billion
- **Private Nonprofit**
  - Total Funds: $416 billion
  - Locally Controlled: $416 billion

Includes ESSER, HEERF, GEER (as of 5/10/21), and CRF (as of 5/10/21)
Total funding by sector

(Note: $ billions)

Sector
- K-12 (Public)
- Postsecondary
- Child Care
- K-12 (Private)

Funding amounts:
- $0.17bn (2%)
- $1.81bn (17%)
- $2.43bn (24%)
- $5.91bn (57%)
Other relief resources for students

**Support for food-insecure students**
Students who are eligible for work-study programs or have $0 EFC are temporarily eligible to access **SNAP benefits**. The expanded eligibility is in effect until 30 days after the national public health emergency declaration is lifted. USDA has also made it easier for K-12 schools to **feed students through “summer” flexibility**.

**Housing and utilities aid**
Students are eligible to apply for **rental and utilities assistance** to avoid eviction or utility shutoff through the NC HOPE Program. This is funded through a mix of Coronavirus Relief Funds and the Emergency Rental Assistance Program.

**Broadband connectivity**
Pell recipients are eligible for the Emergency Broadband Benefit program, which **subsidizes internet** costs up to $50/month. The program includes up to $100 toward the purchase of a device, limited at 1 per household.

**Pause on student loan repayment**
US Dept. of Education has stopped student loan interest accrual, repayment, and collections activities through September 30, 2021. Zero payment during these months count toward income-based repayment and forgiveness programs.
## What’s next?

<table>
<thead>
<tr>
<th>Action</th>
<th>Funding Amount</th>
<th>Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Award remaining GEER funds</td>
<td>$51M</td>
<td>Governor</td>
</tr>
<tr>
<td>Allocate State Fiscal Recovery Funds</td>
<td>$5.2B</td>
<td>Legislation</td>
</tr>
<tr>
<td>Allocate Local Fiscal Recovery Funds</td>
<td>$3.4B</td>
<td>Local Governments</td>
</tr>
<tr>
<td>Allocate ESSER III holdback</td>
<td>$359M</td>
<td>SBE (or legislation)</td>
</tr>
</tbody>
</table>

### Contact Information:

**Andy MacCracken**  
Policy Analyst  
NC Pandemic Recovery Office  
984-218-0079 | andy.maccracken@osbm.nc.gov