



What the Federal CARES Act Means for Education in Minnesota

OVERVIEW

The Coronavirus Aid, Relief, and Economic Security (CARES) Act, a broad, bipartisan \$2 trillion federal stimulus package, includes \$13.5 billion in stabilization funds for K-12 schools and \$3 billion for emergency support grants to help K-12 and higher education institutions that have been most significantly impacted by COVID-19.

DIRECT FUNDING FOR MINNESOTA SCHOOLS

Of the \$13.5 billion allocated for K-12 schools, Minnesota is estimated to receive approximately \$142.3 million¹ of which at least 90% (roughly \$128 million) will be distributed to districts and charter schools through the Title 1 formula. Schools will have until September 30, 2021, to spend these funds, which can be used for a broad range of educational purposes,² including:

- Providing students with internet and technology to help with distance learning;
- Efforts to help students from low-income families, students with special needs, English learners, homeless students, students in foster care, and students of color;
- Providing in-person or online summer learning and after-school programs;
- Providing school meals; and
- Mental health services.

STATEWIDE INITIATIVES

While 90% of CARES Act stabilization funds will go directly to schools and districts, the Minnesota Department of Education (MDE) may reserve up to 10% (approximately \$14 million) for emergency needs through September 30, 2021. These funds can help launch statewide initiatives, replicate promising practices, and address critical gaps. It will be important to balance immediate needs with long-term recovery and rebuilding.

EMERGENCY GRANTS

Governor Walz received \$42.8 million in emergency support for discretionary grants to help K-12 schools and colleges that have been most significantly impacted by COVID-19. It will be important for Governor Walz and his administration to implement the grant program with input from educators, parents, students, and advocates to identify how these grants can best support the success of our state's most underserved students.

INCREASED WAIVER AUTHORITY

The CARES Act allows the U.S. Secretary of Education to give states more flexibility to spend money on needs related to COVID-19 by waiving some regulations related to other federal funding streams. As of April 8, 28 states have applied for and received many of these waivers, and Minnesota should follow suit. Waivers include:

- Reporting progress toward statewide achievement goals under the Every Student Succeeds Act;
- Identifying new schools for improvement (Minnesota was scheduled to do this in 2021);
- Annual state testing requirements;
- Requirement to maintain education spending in order to receive federal funds; and
- Limits on how much Title 1 funding districts may carry over to the next year.³

¹ Center on Budget and Policy Priorities.. (April 3, 2020). "How Much Will States Receive Through the Education Stabilization Funds in the CARES Act." <https://www.cbpp.org/research/state-budget-and-tax/how-much-will-states-receive-through-the-education-stabilization-fund>

² Allowable uses of funds are activities authorized in the Every Student Succeeds Act (ESSA), Individual with Disabilities Education Act (IDEA), The Adult Education and Family Literacy Act, Carl D. Perkins Career and Technical Education Act of 2018 (Perkins), and McKinney-Vento Homeless Assistance Act.

³ The Education Trust. (April 2020). "The Coronavirus Aid, Relief, and Economic Security (CARES) Act." <https://s3-us-east-2.amazonaws.com/edtrustmain/wp-content/uploads/2014/09/01113655/The-Coronavirus-Aid-Relief-and-Economic-Security-April-2020.pdf>