**Fifth COVID-19 Stimulus Bill:**

**Significant Federal Aid Needed to Address the Impending Financial Crisis in K-12 Public Education**

* Without further federal assistance, a combination of costly factors are driving school districts into a grave financial crisis that will affect a generation of K-12 students and eclipse what schools experienced during The Great Recession.
* Overall revenue reductions of 15 to 25 percent are projected for some urban school districts in the upcoming school year. Plummeting state and local income tax receipts, sales taxes, corporate taxes, occupancy taxes, and property tax delinquencies will challenge our financial capacity to provide traditional levels of education services and retain staff for the upcoming school year and beyond. Some districts may be held harmless initially, but mid-year cuts to state and local budgets are expected in 2021 and in the future.
* After the school closures in March, district budgets were quickly strained by the additional costs that were required to acquire technology and curriculum for distance learning, retrain and redeploy staff, and absorb reductions in federal child nutrition reimbursements for off-site meal services.
* Schools districts have also been working tirelessly since the spring to plan for the re-opening of schools, despite uncertainly about the pandemic’s course. The exact nature of each district’s re-opening will depend on input from state and local public health officials, and what is safest for our students, teachers, and school communities. Both virtual education and in-person instruction involve substantial costs, as does the possibility of moving seamlessly between the two approaches. Preparing to respond to changing conditions and readying schools, students, and staff for multiple options is extremely costly and will exacerbate the financial crisis for public schools without further federal assistance.
* Four major federal coronavirus response bills totaling nearly $3 trillion have been enacted since March, yet only $13 billion was provided for the nation’s public schools in the CARES Act. This amount is wholly insufficient based on the needs of schools, and ongoing delays in releasing funds and the debate over equitable services for private school students means even less funds may eventually reach our district. (Also see this Ed Week article explaining why CARES Act spending has been slow, nothing to do with school needs: <https://tinyurl.com/ybvfzcur>)
* When school resumes in the fall (in whatever manner that occurs), vast numbers of students will be entering the next school year substantially behind academically—at exactly the time when budget cuts due to local and state revenue shortfalls will be occurring. The education funding provided in the House HEROES Act was a good start, but was still insufficient to meet the needs of schools nationwide.
* Public school districts need an immediate, substantial, and direct infusion of federal aid along the lines of the $200 billion dollars requested by major national school organizations in April and Senator Murray in the Coronavirus Child Care and Education Relief Act (CCCERA). This includes $175 billion in education stabilization funds, additional E-Rate funding to support student connectivity, and $25 billion to be split between Title I and IDEA to ensure that districts have earmarked support to help the most at-risk learners to get back on track.
* We also request that Congress allow school districts access to the same payroll withholding tax credits that have been provided for private sector employers. Both the CARES Act [sec. 2302(f)] and the Families First Coronavirus bill [sec. 7001(e)(4) and 7003(e)(4)] barred school districts as governmental employers from receiving the same payroll tax credit subsidies for “employee retention” and for “emergency sick leave and family leave” that the two bills provided to private sector employers. Ironically, private schools can receive these payroll tax credits while public school districts cannot.
* Our district agrees with congressional intent to provide equitable services to Title I-eligible private school students and schools with CARES Act funding, but Congress must oppose the siphoning of any COVID-19 relief funds to wealthy private schools, or the creation of vouchers or any similar private school subsidies.
* Substantial and immediate federal assistance is needed to help America’s public schools not only survive the financial crisis caused by this pandemic but rise to the challenge of serving our students successfully in this adverse environment.