



**Karen B. Salmon, Ph.D.**  
State Superintendent of Schools

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**TO:** Members of the State Board of Education  
**FROM:** Karen B. Salmon, Ph.D.  
**DATE:** May 27, 2020  
**SUBJECT:** Coronavirus Aid, Relief and Economic Security Act Overview

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**PURPOSE:**

To present a general overview of the Coronavirus Aid, Relief and Economic Security Act as it pertains to the Maryland State Department of Education (MSDE) with the State Board as an informational item.

**EXECUTIVE SUMMARY:**

On March 27, 2020 the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law. The CARES Act includes several different funding programs that fiscally impact MSDE. Specifically, funding for school nutrition, child care and the Education Stabilization Fund, which provides funds to Governors and State Education Agencies to provide relief from the impact of the COVID-19 Pandemic on students, schools, teachers and staff.

**ACTION:**

No action. This is an informational item only.

**ATTACHMENT:**

PowerPoint

# Overview of Coronavirus Aid, Relief, and Economic Security (CARES) Act



State Board Meeting  
May 27, 2020

# Background

- On March 27, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law.
- This \$2 trillion dollar package of assistance provides funding for a number of programs, including child care, school nutrition, and an Education Stabilization Fund.
- Child Care Development Block Grant - \$3.5 billion
- The Education Stabilization Fund includes \$30.75 billion nationally.

# Education Stabilization Fund Four Components

- 1. U.S. Department of Education  
Discretionary Funds**
- 2. Governor's Emergency Education  
Relief (GEER) Fund**
- 3. Elementary and Secondary School  
Emergency Relief (ESSER) Fund**
- 4. Higher Education Emergency Relief Fund**

# Education Stabilization Fund Components

1. The CARES Act reserved 1% or \$307 million of the Education Stabilization Fund for the U.S. Department of Education to issue discretionary grants to the states affected most severely by COVID-19.

Under the Rethink K12 Education Models Grants (ESF-REM Grants), states can apply for grants under one of three priorities:

- Microgrants to cover wide range of items
- Development or expansion of high quality course access program or statewide virtual schools
- An applicant proposed strategy to address specific remote learning needs in the state.

# Education Stabilization Fund Components

2. The CARES Act provides \$3 billion to states through the Governor's Emergency Education Relief (GEER) Fund, which is distributed based on a formula.
  - These funds may be used to support school districts, institutions of higher education, and other education related entities.
  - Uses include: continuing to provide educational services while schools and campuses are closed and supporting the on-going functionality of those schools and campuses.

These grants are awarded by the Governor.

Maryland's portion of the \$3 billion is \$45.7 million.

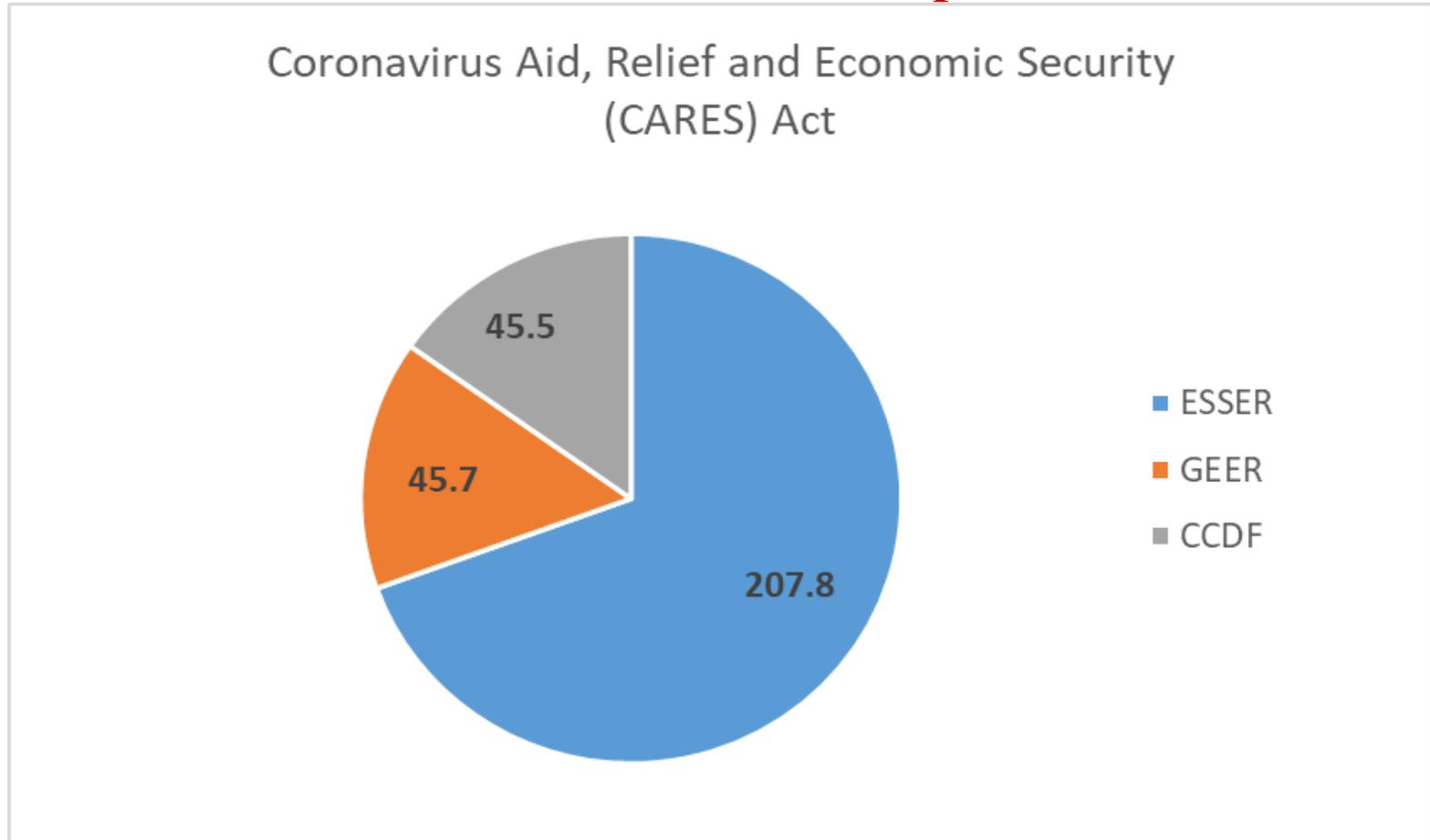
## Education Stabilization Fund Components

3. The CARES Act allocated \$13.2 billion to the Elementary and Secondary School Emergency Relief (ESSER) Fund.
  - These funds are intended to provide for immediate needs, such as supporting distance learning, ensuring student health and safety and developing and implementing plans for the next school year.
  - MSDE's portion is \$207.8 million.
    - 90% is allocated to LSS based on each LSS's share of funds received for fiscal year 2019 under Title I, Part A.
    - With the remaining allocation, MSDE may determine the use of these funds for emergency needs to address issues responding to COVID 19.
    - MSDE may reserve up to 0.5 percent of the total allocation for administrative costs.

# Education Stabilization Fund Components

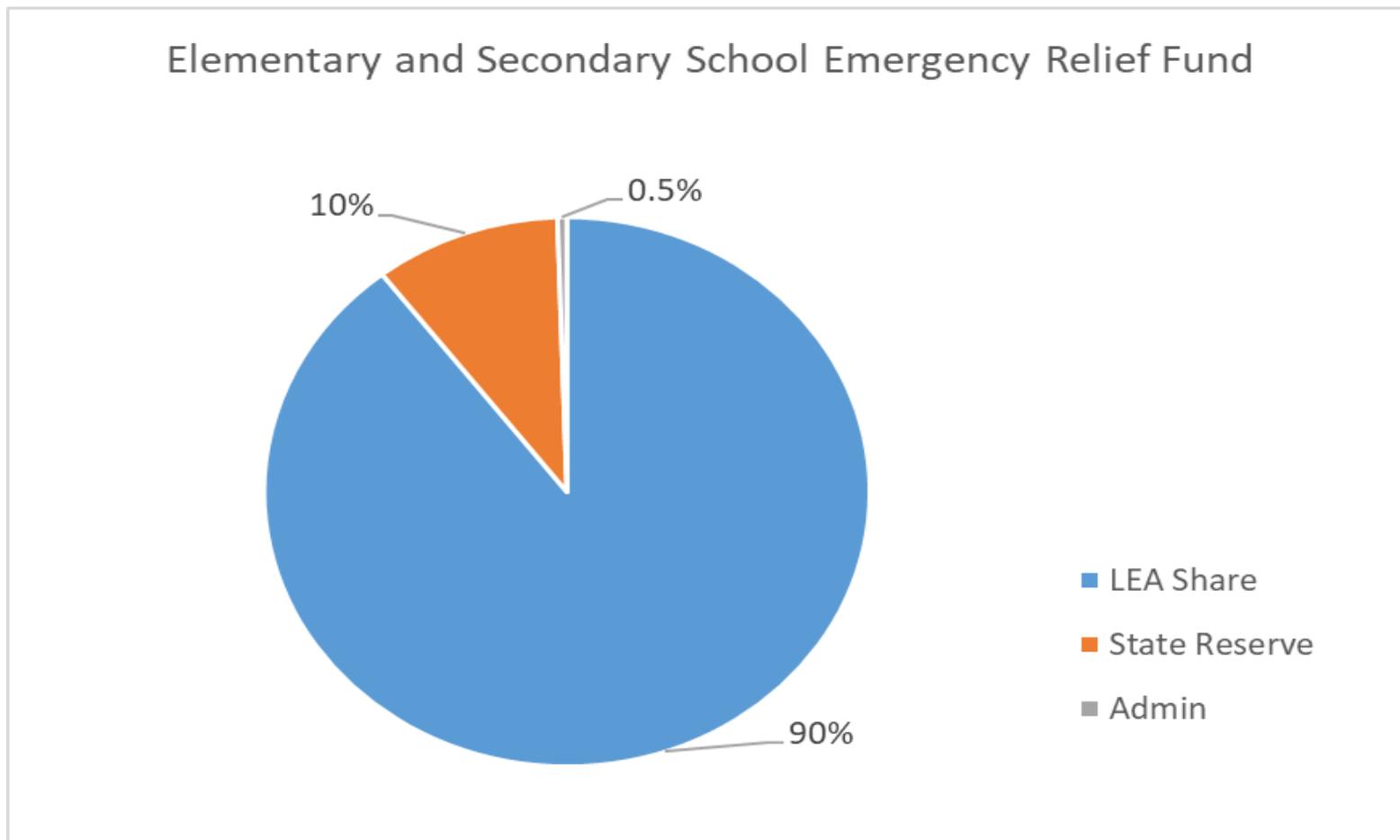
4. The Higher Education Emergency Relief Fund provides \$14.25 billion to Institutions of Higher Education based on a formula. The CARES Act Higher Education Emergency Relief Fund-IHE/Student Aid provides funding to institutions to provide emergency financial aid grants to students whose lives have been disrupted, many of whom are facing financial challenges and struggling to make ends meet. These grants were provided to Institutions of Higher Education.

## Maryland's Share of the Education Stabilization Fund and Child Care Development Fund



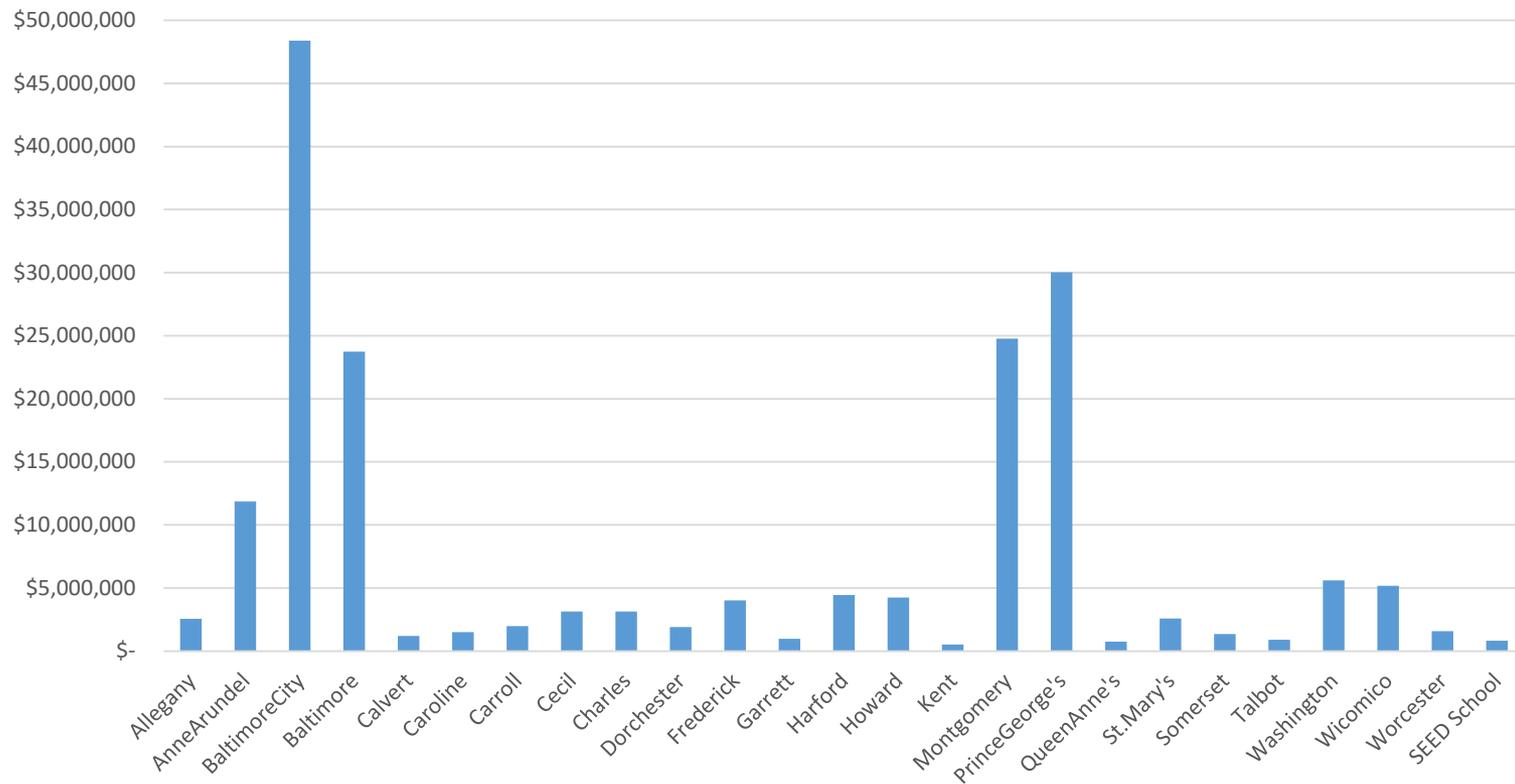
Maryland's total allocation from the CARES Act for education is approximately \$300 million.

# Elementary and Secondary School Emergency Relief Fund (ESSER)



# Elementary and Secondary School Emergency Relief Fund, LSS Allocation

Elementary and Secondary School Emergency Relief Fund  
Allocation by LSS



# Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act

- Passed the House of Representatives on Friday, May 15, 2020, with an additional \$3 trillion in funding
- If enacted, the HEROES Act would provide funding to Governors, local education agencies, and public institutions of higher education
- \$90 billion in formula grant funding to support K-12 and higher education, and early childhood programs.
- \$1.5 billion for Emergency Connectivity Fund for K-12 schools and libraries
- School Nutrition
- Child Care and Development Block Grant