

How Much Will States Receive Through the Education Stabilization Fund in the CARES Act?



The new bipartisan economic stimulus legislation — known as the CARES Act — contains significant new resources to help states address massive, immediate budget problems due to COVID-19, though states will almost certainly need more aid in coming months.

One important form of the CARES Act's aid for states is the Education Stabilization Fund, which provides them with \$30.75 billion to support their K-12 and higher education systems in the coming months. The amounts each state will receive vary significantly, based largely on the share of Title I and Pell Grant students that attend school in each state. We estimate that California will receive about \$3.8 billion through the fund, including amounts allocated directly to the state's colleges and universities. Wyoming, with many fewer students to serve, will receive \$51 million. (See table.)

The fund contains three primary parts:

- **\$13.2 billion for K-12 schools.** This amount will be distributed to states which will then pass it along to school districts. Each state's allocation will be based on its share of funding under Title I, the federal government's primary funding program for high-poverty schools.
- **\$14.0 billion for colleges and universities.** Some 90 percent of this amount will be distributed directly to public and private colleges and universities based primarily on their share of Pell Grant recipients. Another 7.5 percent will go to Historically Black Colleges and Universities and other institutions primarily serving students of color. The Secretary of Education will distribute the remaining 2.5 percent to those institutions the Secretary determines have been particularly harmed by the virus and economic downturn.
- **\$3 billion in emergency relief that governors may use** to distribute to the schools, colleges, and universities that the virus and downturn have particularly affected: 60 percent of it distributed to states based on their share of the national school-aged population (those aged 5-24), and the remaining 40 percent based on each state's share of Title I students.

In addition, the fund includes \$154 million for programs operated by the Bureau of Indian Education (BIE). These funds are crucially important to students in BIE schools, which educate about 45,000 American Indian and Alaska Native students on or near reservations, and to the communities that depend upon them. (At the same time, it's worth noting that more than 90 percent of American Indian and Alaska Native students attend public schools that will benefit from the fund's support for K-12 schools generally.)

The fund also includes a similar amount, "no more than" \$154 million for the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands, to be distributed to these areas "on the basis of their respective needs as determined by" the Secretary of Education. Puerto Rico and the District of Columbia are considered states for the purposes of distributing the fund.

Given the economy's extremely rapid decline and the extraordinary damage being done to state, tribal, and local budgets, federal policymakers will need to come back and provide more help to states and families affected by the crisis.

TABLE

State-by-State Education Stabilization Fund Amounts, by Type

(in millions)

States	K-12 schools	Higher education	Governors' emergency education relief grants	Total
Alabama	\$210.4	\$211.3	\$47.5	\$469.2
Alaska	\$49.5	\$17.6	\$5.9	\$73.0
Arizona	\$305.0	\$406.2	\$70.3	\$781.5

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(in millions)

States	K-12 schools	Higher education	Governors' emergency education relief grants	Total
Arkansas	\$136.1	\$110.1	\$30.6	\$276.8
California	\$1,741.2	\$1,679.6	\$369.1	\$3,789.9
Colorado	\$132.0	\$213.1	\$45.0	\$390.0
Connecticut	\$104.4	\$131.7	\$26.8	\$262.9
Delaware	\$43.0	\$33.6	\$7.4	\$84.0
District of Columbia	\$42.2	\$66.6	\$5.6	\$114.3
Florida	\$724.4	\$791.4	\$171.5	\$1,687.3
Georgia	\$448.3	\$378.3	\$106.2	\$932.9
Hawaii	\$43.1	\$35.0	\$10.1	\$88.2
Idaho	\$52.9	\$78.9	\$16.3	\$148.1
Illinois	\$563.7	\$470.7	\$112.5	\$1,146.9
Indiana	\$226.1	\$262.4	\$61.6	\$550.1
Iowa	\$82.5	\$128.5	\$26.0	\$237.0
Kansas	\$89.5	\$115.0	\$26.1	\$230.6
Kentucky	\$203.0	\$164.6	\$42.1	\$409.7
Louisiana	\$283.6	\$170.3	\$47.7	\$501.6
Maine	\$46.4	\$42.0	\$9.3	\$97.7
Maryland	\$199.2	\$201.6	\$44.0	\$444.9
Massachusetts	\$199.2	\$254.2	\$51.9	\$505.2
Michigan	\$410.5	\$345.8	\$90.0	\$846.4
Minnesota	\$142.3	\$227.6	\$42.8	\$412.7
Mississippi	\$174.4	\$177.6	\$34.9	\$386.9
Missouri	\$203.7	\$175.9	\$54.3	\$434.0
Montana	\$41.7	\$29.1	\$8.7	\$79.5
Nebraska	\$66.9	\$71.5	\$16.4	\$154.7
Nevada	\$108.1	\$73.3	\$26.1	\$207.4
New Hampshire	\$33.7	\$100.2	\$8.8	\$142.7
New Jersey	\$303.2	\$275.7	\$68.9	\$647.9
New Mexico	\$107.7	\$79.4	\$22.5	\$209.6
New York	\$1,012.8	\$797.6	\$168.1	\$1,978.4
North Carolina	\$378.4	\$357.6	\$95.6	\$831.6
North Dakota	\$32.4	\$25.4	\$5.7	\$63.5
Ohio	\$462.8	\$381.0	\$103.9	\$947.7
Oklahoma	\$156.9	\$137.2	\$37.9	\$332.0
Oregon	\$140.8	\$139.8	\$33.4	\$314.1
Pennsylvania	\$541.4	\$417.6	\$101.1	\$1,060.1
Rhode Island	\$44.0	\$51.3	\$8.7	\$104.0
South Carolina	\$204.0	\$159.0	\$47.3	\$410.2
South Dakota	\$40.8	\$33.7	\$7.6	\$82.1
Tennessee	\$257.5	\$223.2	\$63.1	\$543.8
Texas	\$1,291.1	\$1,023.6	\$295.4	\$2,610.1
Utah	\$69.3	\$217.2	\$30.5	\$317.1

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(in millions)

States	K-12 schools	Higher education	Governors' emergency education relief grants	Total
Vermont	\$30.8	\$22.2	\$4.4	\$57.5
Virginia	\$222.1	\$320.2	\$65.4	\$607.6
Washington	\$213.6	\$202.5	\$59.5	\$475.6
West Virginia	\$81.2	\$89.1	\$15.8	\$186.0
Wisconsin	\$172.8	\$187.6	\$47.4	\$407.8
Wyoming	\$30.4	\$16.2	\$4.4	\$51.0
Puerto Rico	\$328.3	\$236.2	\$51.2	\$615.7
United States	\$13,229.3	\$12,557.3	\$2,953.2	\$30,135.0

Note: U.S. total \$30.135 billion includes \$1.4 billion in higher education funding: a) for institutions primarily serving students of color and b) at the Education Secretary's discretion, neither of which is delineated in the table. Higher education funds shown are formula based, which flow to public, private, and (some) for-profit colleges and universities. The figures represent estimates of the amount going to institutions located in each state; they should not be interpreted as amounts going to state public higher education institutions.

Table estimates are based on the most current and closest formula criteria that were publicly available. The actual state allocations will differ because the Department of Education will have more recent and specific data available to it. In particular: a) the estimates rely on a 2015 breakdown by state of the number of K-12 students eligible for Title I aid because no more recent data could be found online; b) higher education allocations in the CARES Act rely on "full-time equivalent" enrollments of Pell Grant recipients and non-Pell students, but no full-time equivalent Pell student counts could be found online. Therefore, total fall enrollments (rather than full-time equivalent enrollments) were used to make the estimates.

Table also excludes \$615 million (2 percent of \$30.75 billion) allocated by the Secretary of Education to the Bureau of Indian Education, to "outlying areas" (U.S. Virgin Islands, Guam, American Samoa, and Northern Mariana Islands), and to states with the "highest coronavirus burden" (as determined by the Secretary).

Sources: **K-12 schools:** U.S. Department of Education, National Center for Education Statistics, Digest of Education Statistics (2018 ed.), Table 401.70, http://nces.ed.gov/programs/digest/d09/tables/dt09_151.asp. **Higher education:** U.S. Department of Education, National Center for Education Statistics, Education Digest (2018 ed.), Chapter 3: Postsecondary Education, Table 304.10; U.S. Department of Education, Office of Postsecondary Education, Federal Pell Data Distribution By Institution, 2017-2018, <https://www2.ed.gov/finaid/prof/resources/data/pell-institution.html>. **Governors' emergency education relief grants:** U.S. Census Bureau, 2018 American Community Survey 1-Year Estimates, Table DP05.