Coronavirus Crisis Threatens Funding for Public Education

Congress needs to appropriate at least $175 billion more for the Education Stabilization Fund to distribute to states to address COVID-19’s impact on students and educators from preK-12 through higher education. The CARES Act provides $30.7 billion to fill looming gaps in education funding—far short of what’s needed.

- State and local governments are on target to suffer the worst budget shortfall of the century in FY2021.
  - Costs are rising fast as they seek to contain and treat COVID-19, respond to rapidly rising unemployment, and address related human needs.
  - At the same time, tax revenues are expected to drop sharply due to the widespread decline in economic activity and consumer spending on almost everything except groceries.

- NEA’s calculation that at least $175 billion is needed to stabilize education funding is based on projected revenue losses in FY2020 and FY2021, historical revenue losses during the Great Recession, and more.

- The National Governors Association is calling for $500 billion in direct relief to state and local governments.

- The coronavirus pandemic has laid bare long-standing inequities in educational opportunity. As an Education Week blogger observed, “The spending disparities between rich and poor districts will only get worse …”

- The coronavirus pandemic should NOT be used as an excuse to cut essential public services like education or advance bad ideas repeatedly rejected by Congress—among them, “microgrants” and other voucher schemes that siphon funding from public schools and undermine accountability.

- The next round of COVID-19 legislation should include funding for student supports such as nutritious meals and mental health services; funding to equip students with devices and internet access so they can do schoolwork at home; and funding to keep educators working so their students can continue learning. This list is not exhaustive—flexibility to address local needs is essential.