How much funding does the American Rescue Plan Act provide for education?
The recently-passed American Rescue Plan Act (ARPA) provides:
- $122 billion for K–12 state education agencies (including $800 million for children who are homeless) through the Elementary and Secondary School Emergency Relief Fund (ESSER)
- $39.6 billion for institutions of higher education
- $2.75 billion to governors for private schools
- $3 billion for the Individuals with Disabilities Education Act
- $7.2 billion is provided to the E-rate program for home internet access and connected devices.
The exact amount of funding allocated to each state is available in this table and was based on the relative amount of Title I funding the state received in FY2020.

How are states allowed to spend their funding?
State Educational Agencies (i.e., State Department of Education) have received two-thirds of their funding and will receive the remainder of their allocation after submitting a plan for the use of their funding by June 7, 2021 to the U.S. Department of Education. States are required to set-aside funds from their grants for the following purposes: 5% to address learning loss, 1% for evidence-based summer enrichment programs, and 1% for evidence-based, comprehensive afterschool programs. States are also required to subgrant at least 90% of their funding to school districts (including charter schools that are considered school districts). On April 21, 2021, the U.S. Department of Education released a template for states to use when developing their plans that encourages states to describe their plans for meaningful consultation with stakeholders, including students and families.

How are school districts allowed to spend their funding?
A Local Educational Agency (i.e., a school district) that receives funding must make publicly available on its website a plan to reopen schools for in-person instruction within 30 days of receiving funding. School districts are required to use at least 20% of funds to address learning loss through evidence-based interventions that respond to students’ academic, social, and emotional needs. The remaining funds can be used for:
- coordinating with public health departments;
- conducting activities to address the needs of students from low-income families, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster care youth;
- purchasing educational technology (including hardware, software, and connectivity as well as assistive technology or adaptive equipment);
- summer learning, and supplemental after-school programs;
- mental health services;
- addressing learning loss;
- school facility repairs to reduce risk of virus transmission and support student health;
- implementing public health protocols including policies in line with guidance from the Centers for Disease Control and Prevention for school-reopening;
- implementing activities to maintain the operation and continuity of services and to employ existing staff; and
- any allowable use under the Elementary and Secondary Education Act, Individuals with Disabilities Education Act; Carl D. Perkins Career and Technical Education Act; and Adult Education and Family Literacy Act.
How do the Department of Education’s interim final requirements affect planning?

On April 22, 2021, the U.S. Department of Education published a set of interim final requirements intended to promote accountability, transparency, and the effective use of ESSER funds. Under the requirements, Local and State Educational Agencies must provide the public with the opportunity to give input and must consult with families, teachers, and other stakeholders in developing their plan. Local Educational Agencies must also submit to their State Educational Agency their funding plan on a “reasonable” timeline. These requirements became effective April 22, 2021, but the U.S. Department of Education will be accepting comments from the public to determine whether to revise the requirements through May 24, 2021.

Maintaining State Funding

To receive funding, states must provide at least as much funding for K–12 and higher education in fiscal years 2022 and 2023 as a proportion of the state’s overall spending (averaged over fiscal years 2017, 2018, and 2019). However, this requirement can be waived by the Secretary of Education. In addition, states and districts must comply with new Maintenance of Equity requirements that prevent state and local funding cuts from disproportionately impacting high poverty districts and schools.

Additional Resources

- Full Text of The American Rescue Plan Act of 2021
- U.S. Department of Education Fact Sheet on the Elementary and Secondary School Emergency Relief Fund under the American Rescue Plan Act of 2021
- U.S Department of Education Webpage: Elementary and Secondary School Emergency Relief Fund
- State Allocation Table for the Elementary and Secondary School Emergency Relief Fund
- State Plan Template for the Elementary and Secondary School Emergency Relief Fund
- Interim Final Requirements for the Elementary and Secondary School Emergency Relief Fund
- Centers for Disease Control and Prevention’s Operational Strategy for K-12 Schools
- U.S. Department of Education Guidance on Maintenance of Effort Requirements and Waiver Requests under the Elementary and Secondary School Emergency Relief (ESSER) Fund and the Governor’s Emergency Education Relief (GEER) Fund

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