

Republican Lawmakers Block Federal COVID-19 Funds from Reaching Michigan Students

By Mary McKillip

When the COVID-19 epidemic hit in spring 2020, Michigan Governor Gretchen Whitmer joined states across the nation in issuing an order to temporarily close schools to protect the public health. As in most states, school buildings remained closed for the remainder of the 2019-20 school year. For Fall 2020, school districts were required to develop reopening plans and offered varying degrees of in-person instruction. But to counter a severe spike in COVID-19 cases in November, the State Health Director temporarily suspended in-person instruction in high schools and in-person sports and extracurricular activities at all grade levels.

The State Health Director's November decision to close schools triggered intense opposition by the Republican majority in the Michigan Legislature and action to limit the State's emergency power to address the COVID-19 public health crisis.

In March 2021, the Legislature enacted HB 4048, which amended the State School Aid Act to appropriate supplemental funding for public education, including approximately \$1.5 billion in Elementary and Secondary School Emergency Relief (ESSER II) funds awarded to the Michigan Department of Education (MDE) by Congress under the Federal Coronavirus Relief and Response Supplemental Appropriations Act (CRRSA). The bill, however, conditioned the release of \$840 million in ESSER II funds to local education agencies (LEAs, or districts) on the Governor signing-off on a separate bill, HB4049. This bill amended the public health law by transferring the authority to close schools in the pandemic from the State Health Director to local health officers.

As expected, the Governor promptly vetoed the bill that would strip the State of its power to close schools in a public health crisis. Linking approval of that bill to the release of emergency federal ESSER II funds – a legislative tactic known as a “tie-bar” – has blocked the MDE from distributing those funds to districts and charter schools across the state.

Bottom line: hundreds of millions in federal funds intended by Congress to provide urgently needed resources to Michigan students and schools have been held up by the Republican majority's attempt to wrest emergency public health power from the Governor.

The Legislative Tie Barring Release of Federal Relief Funds

In December 2020, Congress approved federal emergency funding for the nation's public schools in the CRRSA. As part of CRRSA, State Education Agencies (SEA) were awarded ESSER II funds for public school districts to respond to the coronavirus pandemic. Allowable uses for the

funds include the provision of academic and support services during prolonged closure of school buildings, activities to address the unique needs of vulnerable and underserved students, activities to address learning loss, school facility repairs to prevent virus transmission, and other measures to ensure students can access education while school buildings are closed, as well as return safely to in-person instruction.

Under the CRRSA, the MDE was allocated \$1,656,308,286 by the U.S. Department of Education (USED) as Michigan's share of the ESSER II fund in January 2021. The MDE is required to allocate ESSER II funds to LEAs – districts and charter schools – within one year of receiving the funds.

Under the Michigan State Constitution, the MDE cannot release the emergency ESSER II federal funds to LEAs unless authorized by the Legislature in an appropriations bill. In March 2021, the Republican-controlled Legislature enacted HB 4048, a bill appropriating the \$1.5 billion ESSER II funds awarded by Congress to Michigan LEAs. But the bill authorized the MDE to provide LEAs with \$650 million of the total amount. The bill provided that the remainder of the ESSER II funds – \$840 million or 60% – could be paid to LEAs **only** if the Governor did not veto a separate bill, HB 4049, enacted the same day.

HB 4049 revises Michigan's public health code by prohibiting the State Health Director from closing schools for in-person instruction. It does, however, allow local health officers to do so if necessary to prevent the spread of the coronavirus and if certain community health metrics on transmission are met. In this way, the Republican majority conditioned – or “tie-barred” – the release of the COVID-19 federal emergency ESSER II funds to the Governor's approval of a separate bill transferring the power to close schools in the pandemic from state to local health officials.

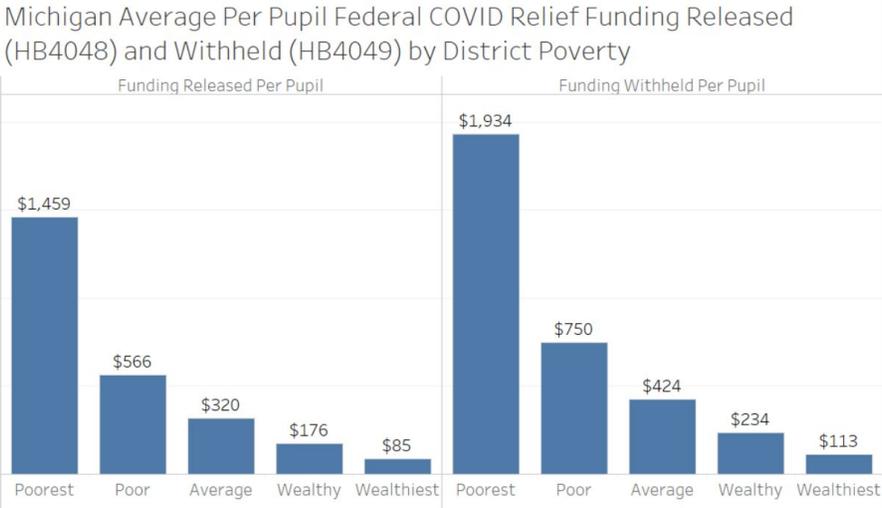
On March 9, Governor Whitmer vetoed the tie-bar in the HR 4048 appropriations bill and vetoed outright HB 4049, the bill transferring the power to close schools to local health officers. In response to the Governor's veto, the Michigan State Senate approved a resolution authorizing the Senate Majority Leader to sue the Governor if she distributed any of the \$840.7 million in ESSER funds subject to the tie-bar to LEAs. The \$840 million in ESSER II funds remain held up in Lansing and have not been released.

Impact on Districts of Holding Up Release of ESSER II Funds

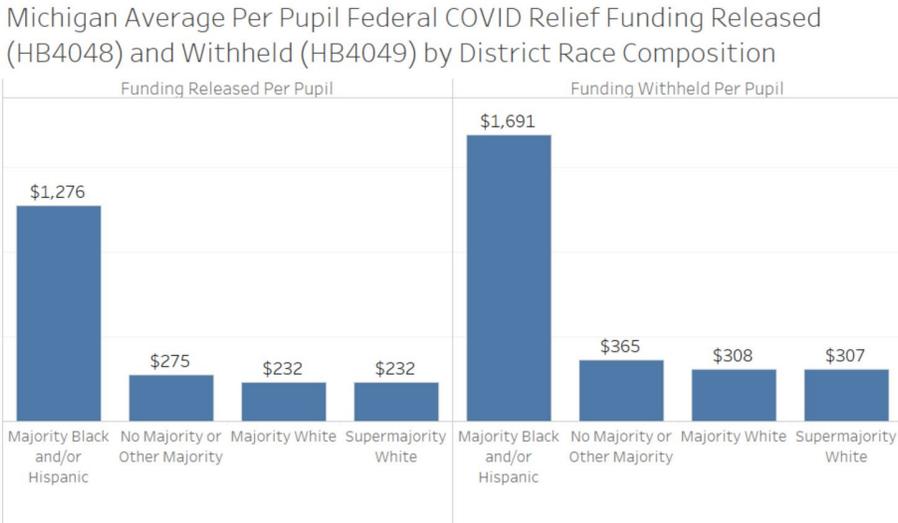
Under the CRRSA, Congress required the ESSER II funds be distributed to school districts in proportion to the amount of funds those districts receive under Title I of the federal Elementary and Secondary Education Act. The Title 1 formula provides more funding to districts serving higher enrollments of low-income students in recognition of the need for enhanced education resources for these students.

As discussed above, the HR 4808 supplemental appropriations act authorized \$650 million of the \$1.5 billion in ESSER II funds be released to Michigan LEAs. But, because of the tie-bar inserted by the Republican Majority, the remaining 60% of the funds – or \$840 million – is being

withheld. The chart below shows the distribution to LEAs across Michigan of ESSER II funds by district poverty level, both those funds paid-out and withheld.¹ Although higher poverty districts and charter schools have received more of the released funds, they have also been deprived of higher levels of funding due to the legislative tie-bar.



The impact of the Republican majority’s decision to hold up 60% of the ESSER II funds falls most heavily on districts that enroll a majority of Black and Latino students. Almost two hundred (194) Michigan districts currently enroll more than 50% Black and/or Latino students. These majority Black and Latino districts received higher amounts of the ESSER II funds released thus far, but they are also experiencing a greater deprivation of ESSER II funds: \$1,691 per pupil or nearly five times higher than other districts.



¹ The 204 districts in the “poorest” category have 80% or more economically disadvantaged students (ED). “Poor” districts have 65-80% ED (141 districts), 50-65% ED are considered “average” (224 districts), 35-50% ED are labeled “wealthy” districts (125 districts), and districts with less than 35% ED are “wealthiest” (137 districts).

ESSER II district-by-district allocations used in this analysis can be viewed [here](#). For example, Grand Rapids Public School district, which serves approximately 15,000 students, 80% of whom are economically disadvantaged, 33% Black, and 39% Hispanic, has had \$18.7 million in ESSER II funds, or \$1,230 per pupil, withheld because of the tie-bar. Similarly, the tie-bar has blocked \$15 million, or \$1,476 per pupil, from distribution to Lansing, a district of more than 10,000 students, who are 39% Black, 20% Hispanic and 81% low-income. The Flint Community Schools are due \$22 million, which amounts to over \$6,000 per pupil in a majority Black and overwhelming poor district.

Conclusion: Compounding Student Harm in the Pandemic

The pandemic has exacerbated the severe funding and resource deficits in Michigan's public schools that existed before the crisis. Numerous state and independent reports have documented that Michigan school funding has been alarmingly inadequate and inequitable for decades. While the state's public school system was once among the most well-funded, [Michigan's per-pupil spending now ranks near the bottom in the Midwest region](#). From 2008 to 2018, the State's school funding effort dropped by 25%. State per-pupil funding in 2018 was approximately \$5,000 below what it would have been had the Legislature maintained the same fiscal effort as in 2008.

The additional education costs imposed by the pandemic add to the budgetary crisis faced by so many Michigan districts. The State Legislature's continuing failure to adequately fund public education disproportionately harms schools in communities with higher proportions of low-income students and students of color. It is precisely these schools that Congress intended the ESSER II funds to help in the pandemic. The Republican majority's decision to hold these funds hostage through a tie-bar on a public health issue wholly unrelated to the educational needs of Michigan's students and schools is nothing short of tragic and completely inexcusable.