

Education Stabilization Fund Allocations to the Outlying Areas

Authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136

Methodology for Calculating Allocations

Section 18001(a)(1) of the CARES Act requires the Department to allocate not more than 1/2 of 1 percent of the total amount made available to carry out the Education Stabilization Fund (ESF) to the outlying areas on the basis of their respective needs, as determined by the Secretary, in consultation with the Secretary of the Interior. The Department will award the full 1/2 of 1 percent of the \$30.75 billion appropriated for the ESF, or \$153,750,000, to the Outlying Areas.

The Department determined that it would be most consistent with the overall structure and purposes of the ESF to calculate allocations for the Outlying Areas in approximately the same proportion as the CARES Act provides for awards to governors under the Governor's Emergency Education Relief Fund and awards to State educational agencies under the Elementary and Secondary School Emergency Relief Fund.

Consequently, the Department determined total ESF awards to each Outlying Area by allocating 20 percent of funds using the Governor's Emergency Education Relief Fund (GEER Fund) formula described in Section 18002(b) of the CARES Act and 80 percent of funds using the formula for Elementary and Secondary School Emergency Relief Fund (ESSER Fund) awards described in Section 18003(b) of the CARES Act.

The GEER Fund formula allocates 60 percent of funds available based on each Outlying Area's relative population of individuals aged 5 through 24 and 40 percent based on each Outlying Area's relative number of children counted under section 1124(c) of the Elementary and Secondary Education Act of 1965 (i.e., children counted for the purposes of making Title I, Part A formula grants to local educational agencies, or the Title I, Part A formula count).

The ESSER Fund formula allocates available funds based on the proportion that each Outlying Area received under Title I, Part A in the most recent fiscal year. However, section 1122(c)(3) of the Elementary and Secondary Education Act (ESEA) prohibits the Department from considering the Title I, Part A hold harmless provisions in ESEA section 1122 in calculating State or local allocations for any other program administered by the Secretary, including the ESSER Fund. Therefore, to determine the ESSER Fund allocations, the Department used the fiscal year 2019 State shares of Title I, Part A allocations without the application of the hold harmless provisions in ESEA section 1122.

The Department used the most recent data available for all three elements of these formulas to determine allocations to the Outlying Areas: (1) the ages 5 to 24 resident population data that the U.S. Census Bureau released for Island Areas as part of the 2010 Decennial Census in July, 2013, (2) the Title I, Part A formula count from the fiscal year 2020 preliminary Title I, Part A allocations that the Department provided to Congress on January 22, 2020, and (3) the 2019 shares of Title I, Part A allocations without application of the hold harmless provisions in ESEA section 1122.

Final allocations to each Outlying Area, broken down by governor's shares and SEA shares, are shown in the table below.

| OUTLYING AREA | TOTAL AWARD | AMOUNT FOR GOVERNORS BASED ON GEER FUND FORMULA | AMOUNT FOR SEAS BASED ON ESSER FUND FORMULA |
|---------------------------------|--------------------|--|--|
| | | | |
| TOTAL | 153,750,000 | 30,750,000 | 123,000,000 |
| | | | |
| AMERICAN SAMOA | 45,594,123 | 7,272,191 | 38,321,932 |
| GUAM | 54,021,960 | 12,499,963 | 41,521,997 |
| NORTHERN MARIANA ISLANDS | 27,940,945 | 4,777,211 | 23,163,734 |
| VIRGIN ISLANDS | 26,192,972 | 6,200,635 | 19,992,337 |