I. Introduction

State early childhood administrators are planning to strategically invest the federal appropriations in the American Rescue Plan Act (ARP) to address disruptions in children’s care and learning due to the pandemic. State leaders must consider how this one-time funding can be used effectively while understanding the context around sustainability of programs and usage after these funds end. Keeping these issues in mind, it is critically important for this funding to be targeted to children in the early years (birth through Grade 3) to pave the way for longer-term solutions to support school readiness and healthy development.

Young children were inordinately affected by the pandemic and face real threats to their healthy development. We know from the research on how children’s brain develop that their early experiences at home and in the community are crucial for development. Experiences in the home and community with supportive adults impact their health and development long into the future. Many young children experienced significant trauma due to parent’s unemployment, episodes of experiencing homelessness, substance abuse or mental health issues, in addition to the death or adverse health due to Covid of other adult supports from caregivers, teachers, and grandparents, to name a few. And we know that many children have not had the opportunity to be fully engaged with their peers, one of the best ways children learn, for more than a year. Recent studies have found significant impacts of the loss of access to school and early education on children’s learning, particularly for low-income and minority children. According to one study, the closure of schools and child care was projected to have “a long term impact on lifetime wage earnings, with younger children losing more than older children”.

To use this money wisely to strengthen the system and address inequities that were brought into stark relief during the pandemic, policy makers often look to their peers for information and guidance. This brief provides state leaders and advocates with a deeper understanding of the possible uses of ARP Elementary and Secondary School Emergency Relief (ESSER) funding and new ideas on innovative practices and sound strategies to the address needs of children in preschool and early elementary grades. The brief considers how investments from the 2021 Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) to state child care and development funds can be aligned and synergetic to strengthen the early care and education system.

II. State and Local Roles in Planning for Federal Funds

ESSER funds can be used for “any activities authorized under the Elementary and Secondary Education Act (ESEA), IDEA, Carl D. Perkins Career and Technical Education Act, and Adult Education and Family Literacy Act.” Language in the ESSER iii act suggests a clear charge to states for investing these funds, in “activities and interventions that respond to students’ academic, social, and emotional needs and address the
disproportionate impact of COVID-19 on underrepresented student subgroups.” These funds allow and are currently being used by school districts across the country to support educational services for children and families from birth to K entry.

This section is intended to provide a high level overview of the federal funding and the state application process.

**Overview of ESSER iii Funding**

ARP ESSER iii provides a total of $170.3 billion in funding for education. This includes more than $125.4 billion for state K–12 public education programs and $39.6 billion to higher education, with the remaining funds going to other educational programs and activities. The act also provides $7.2 billion in funding for the federal E-Rate program, which will be extended to provide devices and connectivity to students, educators, and patrons of public libraries. Under this legislation, governors will also receive $2.75 billion in funding to assist private schools that “enroll a significant percentage of low-income students and are most impacted by the qualifying emergency.” Since last spring, the federal government has provided K–12 public schools with just over $200 billion (approximately $4,000 per student) in funding to address the impact of COVID-19.

ESSER funds will be distributed to states in the same way that the last two federal rescue packages were distributed: based on their relative Title I, Part A funding. The first $800 million of ESSER funding must be used by states to provide educational and wraparound services to students experiencing homelessness and other underserved student populations. The bill requires states to distribute the remaining $122 billion in the following manner:

- **Local Education Agencies (LEAs)** ($109.8 billion): Ninety percent of funding will be distributed to districts based on their relative share of Title I, Part A funding.

- **Lost Learning Time** ($6.1 billion): States must use at least 5% of their ESSER funding “to address learning loss by supporting the implementation of evidence-based interventions, such as summer learning, extended day, comprehensive afterschool programs, or extended school year programs, and ensure such interventions respond to students’ academic, social, and emotional needs and address the disproportionate impact of the coronavirus on [students of color, students from families experiencing low-incomes, students with disabilities, English language learners, migrant students, students experiencing homelessness, and students in foster care].”

- **After-School Programs** ($1.2 billion): A minimum of 1% of state funding must be used for after-school programs that address students’ academic, social, and emotional needs.

- **Summer Enrichment Programs** ($1.2 billion): At least 1% of funding must be used by states to provide students with evidence-based summer learning programs.

- **Administration Costs** ($610 million): States can spend up to 0.5% of their funding on the costs of administering this program.

- **Remaining State Funds** ($3 billion): States will be allowed to use these funds on any of the allowable uses in the act (see below).

LEAs will be required to use at least 20% of the funds they receive ($22 billion) to address lost learning time for students. They will have the freedom to spend the remaining 80% ($87.8 billion) of funding based on local needs and priorities. A state-by-state breakdown of ARP ESSER funding can be found on the [U.S. Department of Education’s website](https://www2.ed.gov/). 

**The State Education Agency Planning Process**

On March 24, the U.S. Department released 66% of each State’s allocation. The other 33% will flow after States submit (and the Department approves) their plans, which are due on June 7, 2021.
On April 24, the Department released a template for the State plans. States must consult with stakeholders and provide for public input in developing their plans. State education agencies can retain 10% of the funding for state-wide activities focused on three broad areas- addressing learning loss, summer enrichment, and comprehensive afterschool programs. The states’ plan needs to focus on providing more safe in-person learning opportunities for students quickly and addressing the educational inequities that were exacerbated by the pandemic. The template includes a number of sections that include young learners from PreK to 3rd grade including infants and toddlers who receive early intervention services through the SEA, coordination of COVID-19 Federal funding with other Federal funding (e.g. CCDBG funding and supporting LEAs in planning for and meeting students’ needs, including broad public input.

III. Principles for How to Wisely Invest Short-Term Federal Dollars

As states leaders and advocates develop plans for these federal funds, they can keep in mind three strategies for strategically targeting these investments to young learners:

1. **Align Investments with Goals for Children.** The state education agency’s (SEA) goals, often reflected in a strategic plan, are a good starting place and compass for directing new resources. For example, the Michigan Department of Education is using its 2020 Top 10 Strategic Plan to develop resources to guide LEAs investments of the funds; and to explore new opportunities in the state share of funds, for example, tapping into the additional funding to E-Rate from the FCC to expand access to broadband internet across the state. Louisiana Department of Education’s Office of Early Childhood produced a report, “Funding Our Future: LA B to 3”, at the request of legislators to guide their efforts for the use of federal funds for young children.

2. **Engage stakeholders and understand funding gaps and opportunities**- SEAs are required to engage stakeholders in the development of their plans for the use of ARP funds. Many states have conducted comprehensive needs assessments both before and during the pandemic to understand the impact on school and child care access, parental unemployment, children’s health and well-being, among others. States are also managing a significant infusion of resources from the federal government, but as these are short-term, one-time funds, it will be critical to target investments to the areas most in need that will bolster the system. For example, the Indiana Department of Education (IN DOE) has identified four priorities areas for the use of this funding: accelerated learning, sustainable innovation, supporting educators, and updating tech and other infrastructure. They have created dedicated web-pages with clear and concise information on various aspects of the federal funding to inform and engage stakeholders in considering how best to use the array of federal relief funds. To engage districts in determining their priorities and share ideas among stakeholders across the state, IN DOE has created wiki-pages on key priorities like learning loss to encourage creative thinking. They have also compiled key references to ensure ideas are grounded in the research and evidence on effectiveness.

3. **Use the research and data on high quality teaching and learning.** With this rapid infusion of funds, state and local leaders will need to make hard decisions rather quickly. It is critical to ensure that the dollars are spent wisely on interventions and strategies that have proven to be effective in supporting all children, and particularly children that have experienced trauma and hardships due to the pandemic. Pennsylvania Department of Education requires LEAs to select interventions from the Evidence Resource Center. This website is a comprehensive resource for local educators and stakeholders to ensure that high quality relevant research is applied to the local context and setting. The website includes information on the array of federal relief funding sources, and allows users to quickly access information on evidence-based strategies that support high quality teaching and learning.
IV. Ideas and Inspiration for State Leaders to Target Investments to Early Childhood

Why Should ARP ESSER funds Focus on Early Childhood

We have strong evidence that access to high quality preschool programs and exposure to a rigorous and engaging curriculum with highly qualified teachers from Pre-K to grade 3 reduce the achievement gap and avoid costlier interventions in later grades. ESSER iii provides both significant flexibility and opportunity to state and local education agencies to mitigate these effects by providing children with increased access to mental health supports, targeted tutoring and accelerated learning, and increased learning time during the summer and afterschool to get children back on a strong path to success. The funds could support transformative change in schools and communities in how we approach and support high quality teaching and learning. But investing these funds wisely, given the complexities of state bureaucracies and the federal requirements will be challenging. And state leaders must consider constraints around sustainability and equity since this is just a one-time funding influx.

Since the US Department of Education is releasing the funds through the Title I formula to states, each state may apply the use of the funds for preschool. Under a non-regulatory guidance, issued by the Department in 2012, the use of Title 1 funds for eligible preschool children has been clarified. A Title I school may operate a school-wide program if a minimum of 40 percent of the students enrolled in the school, or residing in the attendance area served by the school, are from low income families. An LEA may reserve a portion of funds off the top of its Title I allocation to operate a preschool program for eligible children. The LEA may serve all eligible children in the district as a whole or those in just a portion of the district. While the ARPA ESSER funds do not follow the Title 1 requirements, it is important for states and LEAs to emphasize that any activity must be related to preparing for, preventing, or responding to COVID-19. The argument can also be made for early childhood programs for children with disabilities under IDEA.

State leaders are in the unique position of spending an unprecedented amount of funds while knowing and understanding the constraints around sustainability of funding. The following section is focusing in on three of the template’s sections: (1) planning for the use and coordination of ARP ESSER III Funds; (2) maximizing state level funds to support students; and (3) supporting LEAs in planning for and meeting students’ needs. Examples from states are provided, and leaders should consider how funds can be spent for opportunities that minimize costs for sustainability so that impacts from these funds on students, schools and families can be sustained long-term.

(1) Planning for the Use and Coordination of ARP ESSER III Funds

The Department recognizes that seeking input from diverse stakeholders is essential to developing plans for the use of ARP ESSER funds that are responsive to the needs of students, families, and educators. In this section, SEAs will describe their plans for consultation and for coordinating the use of ARP ESSER funds with other resources to meet the needs of students.

Coordination of ARP ESSER funds with other resources

Allocating resources in ways that advance equity and ensuring they are adequate for providing the opportunities and supports students need to succeed is particularly important as we recover from the disparate impact of COVID-19 on communities of color and communities experiencing poverty. Addressing the many dimensions of resource equity, including equitable and adequate school funding, access to a well-rounded education, well-prepared, effective, and diverse educators and staff, and integrated support services, can begin to mitigate the impact of COVID-19 on schools and students and can close long-standing gaps in educational opportunity. ERS offers a toolkit on moving toward school funding that is equitable, flexible, and transparent with portfolios that reflect student and community needs, equity in access and costs. For instance, the Washington State Office of the Superintendent of Public Instruction (OSPI) released a guide in May that includes recommendations for
districts to conduct equity analyses such as one in Highland Public Schools on equity analysis of instructional practices.

The transition into kindergarten has always been an important point in children’s lives, but fall 2021 will be a particularly important transition for children and families due to the disruptions over the last year and their potential effects on children’s learning and development. When early learning experiences and early elementary experiences are well-connected, the transition can be smoother for children and families. Creating these connections, however, requires thoughtful planning, supportive policies, and ongoing investment. As such, transition isn’t simply a discrete set of activities at one point in time but instead requires ongoing effort throughout the school year and across the ECE and K-12 sectors. Studies show connections between the number of transition activities schools provide and academic gains for low- and middle-income children as well as pre-K and kindergarten teacher perceptions of children’s social skills and behavior. The level of intensity also matters with high-intensity activities, such as visits to kindergarten classrooms and joint planning and PD time and data sharing for pre-K and kindergarten teachers, being most impactful. ARP funds can be used to support myriad transition activities including joint professional development and transition planning and data sharing agreements across ECE programs and LEAs.

(2) Maximizing State-Level Funds to Support Students

The Department recognizes that States have an extraordinary opportunity to address the disproportionate impact of the COVID-19 pandemic on underserved students through the ARP required State set-asides to address the academic impact of lost instructional time, provide summer learning and enrichment programs, and provide comprehensive afterschool programs. In this section, SEAs will describe their evidence-based strategies for these resources.

Addressing the academic impact and lost student learning time

In addition, school and district leaders may want to implement innovative strategies with high quality curricular materials, and instituting whole child approaches with wraparound services that address the social, emotional, and mental health needs of students. The Council of Chief State School Officers (CCSSO) and the National Governors Association (NGA) have released a report on state plans for accelerating student learning, an approach embraced by school and district leaders to address the academic needs and the emotional well-being of students, including young learners whose transition to school was in many cases done remotely. CCSSO and NGA also issued 2021 Summer Learning & Enrichment: State Guidance for District and School Leaders which offers state education agencies (SEA) practical guidance, which they can adapt and share with their local education agencies (LEA) as they plan for summer 2021 learning opportunities to meet the most pressing needs of students and teachers in this uniquely challenging school year.

Summer programs for children about to attend PreK or K will be especially important to ease the transition to a school environment and routine and to build trusted relationships with adults, and re-engage with peers. Federal 21st Century Funds can be used for summer learning, and after school; but other ARP funds can also support summer learning or enrichment programs. As states attempt to make up for this loss, programs such as accelerating learning, tutoring and summer enrichment programming are being implemented to provide targeted, evidence-based interventions to address this learning loss. States are quickly scaling up programs that have shown positive effects and implementing new programs to address learning loss.
**State Examples of Investments in Literacy Interventions**

Tennessee is funding its [Reading 360 program](#) using $60 million from one-time federal funding for COVID-19 relief and $40 million in competitive federal grant funding.

The Michigan University professor Nell Duke released a specific guide on [research informed policies](#) on implementing early literacy support for students PreK to 3rd grade.

**State Examples of Investments in Summer Learning**

Nebraska’s Department of Education will offer the [Zearn Math Summer Intensive Series](#), a 12-week series that prioritizes essential math content students should master before starting grades 1–7. The program is designed to be used flexibly across summer school models, tutoring programs or targeted interventions.

Hawaii will offer the [Summer Start Kindergarten Transition](#) program for incoming kindergarteners who were unable to attend preschool due to the pandemic, and have had little or no classroom experience.

North Carolina recently passed a [bill](#) mandating districts offer at least 150 hours of summer instruction. California established a summer [tutoring program](#) for the state and Tennessee established after school learning mini-camps and summer camps through the [Tennessee Learning Loss Remediation and Student Acceleration Act](#), funded from a combination of TANF (Temporary Assistance for Needy Families), LEAPS (21st Century afterschool federal funds) and state funds.

Assessing Student Learning. As the pandemic created unfinished learning among all children, but primarily the underserved student populations, educators need to implement assessment methodologies that enable them to address the specific learning needs of their students. States had to adapt to the conditions of the pandemic during the fall of 2020. But states that have integrated kindergarten entry assessments in their early education system should consider reinstituting the administration of those assessments for school year 2021-22 to measure the overall impact on early learning as a result of the unfinished learning of preschoolers transitioning into formal schooling. For students’ K to 3rd grade using funds to administering and using high-quality assessments that are valid and reliable, to accurately assess students’ academic progress and assist educators in meeting students’ academic needs, including through differentiating instruction. The Oregon Department of Education released guidance for districts and schools on [formative assessments](#) in terms of purpose, clarity and interpretation of results.

Meeting the needs of children with disabilities and dual language learners. One of the student populations hit hard by the pandemic are those with disabilities. Special attention should be given to students in need of technology to effectively function in the classroom. ARP includes an extra $250 million for [Part C Early Intervention](#) and an extra $200 million for [Preschool Special Education Grants](#) under Part B 619 for FY 2021. It is expected these additional funds will be allocated to the state lead agency by July 1, 2021. States are still awaiting guidance from the Office of Special Education, though OSEP has advised states that funds are subject to the same IDEA and Uniform Guidance requirements that apply to all IDEA funds. Therefore, it probably can be assumed that anything that is currently an allowable expense for Part C or Preschool Special Education funds will be allowable for the ARP funds. The Division of Early Childhood of the Council for Exceptional Children has [made recommendations on potential uses of these funds](#) including child find and evaluation, mental health, family engagement, and assistive technology and adaptive equipment. Common developmental disabilities, such as children on the autism spectrum will need ongoing routines, including during the summer, and special support services for families. The National Center for Learning Disabilities (NCLD) released in April [promising practices to accelerate learning for students with disabilities](#). It offers effective implementation strategies and state policy recommendations. Educating all Learners provides a [resource library](#) of intervention strategies by grade span and disability categories.

Another student population that experienced disproportionate harm due to the constraints of remote learning were dual language and English learners. Migration Policy Institute predicts based on research that these losses could linger in years to come, but offers some [key recommendations](#) to education leaders, particularly around professional development and data use. There is also a need for earlier [identification of dual language learners](#).
after the pandemic. In addition, afterschool programs are an option that could give dual language learners the extra time in high-quality learning settings that they likely missed due to remote learning. Guides for educators have been developed, like “Colorin Colorado!” resource page to support educators in teaching language learners throughout and after COVID. And state leaders can support districts in this work through coordinating guidance and resources to districts, particularly around assessments and data collection.

**Bolstering the workforce.** Another major state strategy to mitigate the impact of the lost instructional time, is the stabilization of the early childhood workforce, especially in child care and in PreK, which has been severely impacted as a result of the working conditions required by the impact of the pandemic. States and local districts can make the case that the funds be used to address the exodus of the early childhood education workforce through rigorous recruitment campaigns, and to provide professional learning opportunities to those entering the field and to the incumbent workforce as they transition back to more regular in classroom instruction with an anticipated wider skills and knowledge gap among student groups. According to the Center for the Study of Child Care Employment at the University of California-Berkeley, states such as New Mexico, North Carolina, and Washington have already used various strategies with previous rounds of federal relief to make sure a portion of funding supplements base levels of compensation.

(3) **Supporting LEAs in Planning for and Meeting Students’ Needs**

State and local leaders recognize that decisions about the structures, priorities and offerings for this summer and fall will be most effective if co-designed with key stakeholders, including families, community partners like child care and Head Start, and educators who have been directly supporting and teaching students throughout the pandemic. During the planning and implementation of the next phase of the recovery, local district leaders are in a position to proactively take steps to establish and maintain outreach with the field through multiple channels to widely publicize opportunities for engagement and to announce key decisions as they are made.

The role of the state is one of guidance and policies and programs for students. More recently, a focus on equity—ensuring each and every child, regardless of race/ethnicity, geography, socio-economic, or other factor—is compelling states to break down their silos and rethink their systems from the perspectives of the diverse needs of young children and their families. Chiefs for Change has released an interactive workbook for districts, while not early childhood specific, could be very useful to help districts to prioritize funds, maximize all source of federal relief funds and identify partners. A number of states have released planning guides for districts.

### State Examples of Planning Guides for Districts

<table>
<thead>
<tr>
<th>State</th>
<th>Example</th>
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<tbody>
<tr>
<td>Illinois’</td>
<td>P-20 Council has released the Learning Renewal Resource Guide, which includes implementation guidance and resources related to academic, social, emotional and mental health support for PreK-college aged students, teachers, faculty and staff. The guide is designed to inform decision making, inspire engagement, and quicken the pace of implementation.</td>
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<td>Kansas</td>
<td>is encouraging districts to continue tapping collaborations with community partners to support students. In its recently released Navigating Next plan for the summer and 2021–22 school year, school leaders are urged to engage a collaborative team that could include district or building leadership teams, families, teachers, staff and health professionals to support implementation.</td>
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<tr>
<td>Louisiana</td>
<td>has developed Early Childhood Planning Guidance to assist local stakeholders in maximizing the use of the various federal funds to support their early childhood system.</td>
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<tr>
<td>Rhode Island</td>
<td>organized its stakeholder-driven Learning, Equity and Accelerated Pathways (LEAP) task force in February 2021 to assess the conditions of learning loss across the state, analyze student data, identify areas of focus and high leverage strategies, engage with and learn from national experts, and provide guidance on next steps and strategic use of stimulus funding.</td>
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<tr>
<td>Virginia</td>
<td>created the VA LEARNS (Leading, Engaging, Assessing, Recovering, Nurturing and Succeeding) workgroup in February 2021 to develop recommendations and identify resources and best practices related to equity, curricula and interventions strategies, and the impact on mental health and social emotional well-being of students, families and school employees. Stakeholders involved included school and district leaders, the state’s Teacher of the Year, school psychologists, representatives of the state Board of Education, parents, and community partners.</td>
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</tbody>
</table>
The Washington Office of the Superintendent of Public Instruction (OSPI) released a planning guide for submitting district plans 2021 for the use of ARP relief funds and challenging them to conduct an equity analysis (see above) and describe a continuous improvement process for Student Well-being, Student and Family Voice, Professional Learning, Recovery and Acceleration, Diagnostic Assessments, and Community Partnerships.

V. Federal Funds Provide an Opportunity to Strengthen a Unified Early Care and Education System

With the passage of the American Rescue Plan and the potential of the American Family Plan, the possibilities for transforming state systems of early care and education are both exhilarating and overwhelming. Biden’s American Families plan would greatly expand access to high-quality early care and education for many families through two approaches—substantially increasing funding for child care and the creation of a funding stream to support universal (high-quality) preschool for 3- and 4-year-olds. In previous years and legislation, it is often an either/or scenario: child care or pre-K. As we move toward a more unified system, now is the time to think strategically about the ECE system and what supports states may need. Many states have been working over the years to integrate its systems of “care” and “education” into a more comprehensive approach to birth to five. States are developing frameworks and guidance to help stakeholders think about how these funds can promote strong families, children, schools and communities.

The combination of Federal resources is not just limited to Federal dollars for education but to child care and other early care programs. Connecticut has created a formula approach to their distribution of all federal relief funds that uses specific priorities in order to allocate increased levels of funding to child care programs. The formula prioritizes quality, whether they serve infants/toddlers, whether they were open on certain dates during the pandemic and whether they are willing to commit a specific percentage of the funding to workforce compensation. There is also an equity adjustment if they are serving vulnerable communities. The Louisiana Board of Elementary and Secondary Education (BESE) approved the allocation of more than $30 million to communities to fund 2,970 seats in child care for children birth through age 3 (B-3) for the 2021-2022 school year. These seats are awarded to 22 Louisiana communities, all of which are Ready Start Networks. South Carolina, First Steps PreK+Siblings, is funding an innovative program to support the education and care needs of families with children under age 12. Siblings of four-year-olds enrolled in the First Steps 4K program now qualify for child care and after-school scholarships thanks to a partnership between SC First Steps and the SC Department of Social Services. The Governor of Maine recently announced the expansion of prekindergarten classrooms in the state by using $10 million from the ARP relief funds.

Conclusion

Right now is an important time for engaging with partners across state agencies, and local stakeholders, including parents, teachers, community members from all perspectives in planning for how best to use these funds. State leaders are in a unique position with this federal influx of funding to leverage funding from multiple streams to better serve young children, especially those who have been underserved and overlooked during this pandemic. Additionally, state leaders must consider sustainability in providing guidance and planning for programs and services, knowing that without this consideration, when funding ends there will be a proverbial “cliff” of services and programs ending which would likely impact under-served children and families the most. This brief provides some evidence-based guidance and examples that can support state leaders as they consider how best to use this one-time funding to better serve young children while considering equity and sustainability. To learn how more about how state leaders are planning to use the federal funds to strengthen the early care and education dollars check out NIEER’s Preschool Matters blog series.
VI. Selected Resources

The following selected resources are curated sites providing additional information on the use of federal relief funds for early care and education, health and home visiting.


Chiefs for Change, Schools and COVID 19:  https://covid.chiefsforchange.org/


Endnotes


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