

The following update includes two latest funding announcements on the GEER Fund (the Governor's Emergency Education Relief Fund) and for charter schools by the US Department of Education (the Department) and additional executive and legislative branch developments from the week of April 6, 2020.

Secretary DeVos Avails GEER Fund for Immediate Relief

On April 14, 2020, Secretary DeVos released nearly US\$3 billion in funding for the GEER Fund. The funds were allocated to the governors of each state to use for their elementary schools, secondary schools, and institutions of higher education in the recently enacted Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (H.R. 748). The CARES Act provides funding to each governor on a formula basis, allocating 60% of funds reserved for the GEER Fund based on each state's relative population of individuals ages 5 to 24, and 40% based on each state's relative number of children counted under the Elementary and Secondary Education Act of 1965 (ESEA). The [Methodology for Calculating Allocations](#) provides the exact allocations each state will receive.

In a [cover letter to governors](#), Secretary DeVos called the grant "extraordinarily flexible," and said the Department will not "micromanage" how governors choose to spend the funds. However, Secretary DeVos encourages governors to focus the funding on "ensuring that all students continue to learn most likely through some form of remote learning."

In an effort to ensure the swift disbursement of the funds, the Department streamlined the application process. The governors are required to complete a [Certification and Agreement](#), including application instructions, online. Once the Certification and Agreement is submitted, funds will be obligated within three business days, according to the letter.

It is important to note that elementary and secondary schools, including charter schools and non-public schools, as well as postsecondary institutions and other education-related organizations, may be eligible for the funds. Rep. Rosa DeLauro (D-CT), Chair of the House Appropriations Subcommittee on Labor, Health and Human Services, and Education, said in a statement that the funding can also be used for child care, early childhood education, social and emotional support, and protecting education-related jobs.



The Department said it will post answers to frequently asked questions related to the GEER Fund on its website in the coming days. It will also announce additional education-related resources available under the CARES Act in the "very near future."

Secretary DeVos Awards US\$65 Million to Create and Expand Public Charter Schools in Areas of Greatest Need

On April 10, 2020, US Secretary of Education Betsy DeVos announced US\$65 million in new competitive funding grants for public charter schools through the Expanding Opportunity through Quality Charter Schools Program (CSP). The CSP awards criteria are: 1) create promising new public charter schools; 2) replicate high-quality public charter schools; and 3) disseminate information about effective practices within charter schools.

Funds were awarded to [13 Charter Management Organizations \(CMOs\)](#) in Texas, California, Georgia, New Jersey, Massachusetts, Illinois, Florida and Connecticut (see table below), that proposed to replicate or expand over 100 public charter schools in their states over the next several years. According to the Department, more than 95% of the funding will go toward public charter schools in Qualified Opportunity Zones, in order to provide "more families living in economically distressed communities" with "the freedom to choose the educational option that's best suited to their child's needs."

Name of Charter Manager Organization	State	Amount (US\$ in millions)
IDEA Public School	TX	\$8.1
YES Prep Public Schools, Inc.	TX	\$9.5
Citizens of the World Charter Schools – Los Angeles	CA	\$1.7
Grimmway Schools	CA	\$1.9
Resurgence Hall, Inc.	CA	\$1.3
Great Oaks Legacy Charter School	NJ	\$1.8
Pioneer Charter School of Science II	MA	\$0.9
Responsive Education Solutions	TX	\$14.0
Chicago Charter School Foundation	IL	\$1.6
Fortune School of Education	CA	\$1.1
Mater Academy, Inc.	FL	\$19.2
Pataula Charter Academy, Inc.	GA	\$0.8
Achievement First, Inc.	CT	\$3.5
Total		\$65.4

In case you missed them, the following are additional developments from the week of April 6, 2020.

Executive Branch

- Secretary DeVos releases CARES Act relief funds for college students.** On April 9, Secretary DeVos unleashed US\$6.28 billion in direct emergency financial aid grants to college students. The funds represent 50% of the nearly US\$14 billion in funding provided to institutions of higher education in the recently enacted CARES Act. The legislation requires institutions of higher education to use at least half of those funds to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to the coronavirus disease 2019 (COVID-19). According to the legislation, these expenses include eligible expenses under a student's cost of attendance, such as food, housing, course materials, technology, healthcare and child care. The CARES Act established formulas for the distribution of funds. See [our previous update](#) for additional details.

- Department extends student loan payment guidance.**

The Department has issued additional guidance providing increased flexibility on the implementation of a pause on the collection on federal student loan payments, as mandated by the CARES Act. The CARES Act, which President Trump signed into law in late March, defers student loan payments, principal, and interest for six months, through September 30, 2020. According to the original guidance, student loan servicers were required to stop all payments beginning April 10, and the pause would be retroactive beginning March 13. The original guidance applied only to students who had already begun their current term, which was disrupted by COVID-19. The [new guidance](#) extends the relief to any payment period or term beginning between March 5, 2020 and June 1, 2020, in recognition of recent guidance from the Trump Administration that social distancing may be required for a longer period of time. The Department says it "will extend the effective period of its guidance if circumstances warrant an extension and will inform the public of such an extension at the appropriate time."

- President Trump nominates new Department of Education Inspector General.** President Trump has nominated Andrew A. De Mello to be the next Inspector General of the Department of Education. Mr. De Mello was previously a lawyer in the Tax Division at the Department of Justice, but had been serving as Senior Special Counsel at the Department of Homeland Security's Office of the Inspector General. As the Department's Inspector General, Mr. De Mello would be the top watchdog at the Department and would conduct oversight as the Department distributes over US\$30 billion in federal aid allocated under the Cares Act. On Monday, April 6, the White House sent the nomination to the US Senate for confirmation.

As the role of the Inspector General is critical in ensuring the fair and lawful distribution of the relief funds, we invite you to read our insights: "[You Can't Take the Money and Run: Federal Oversight of COVID-19 Spending](#)" and "[Managing CARES Act Stimulus Funds: Preparing for Robust Federal Oversight](#)."

Legislative Branch

- New legislation to allow loan deferral for three years.** Reps. Josh Harder (D-CA) and Brian Fitzpatrick (R-PA) are planning to introduce a new legislation, COVID-19 Graduate Relief Act, which would allow any student who graduates college during 2020 to defer their student loans for three years. The legislation would also authorize the Secretary of Education to extend eligibility for the deferment to graduates in 2021 and 2022, depending on the severity of the pandemic, according to the bill sponsors. The legislation has six other co-sponsors.

Please contact our team with any policy or technical questions with respect to the CARES Act and how to access the relief funds. We are on the pulse of all key federal education legislative and regulatory developments. Our team stands ready to assist you.

If you are interested in receiving future US education policy updates, please [subscribe here](#).

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We Are Here for You

We have created a Coronavirus Task Force composed of multijurisdictional, multidisciplinary practitioners with legal, policy, regulatory, industry and sector experience and insight. Many on the team have weathered past crises on a global scale and have a deep understanding of the complexities faced by businesses navigating unforeseen, disruptive and potentially detrimental circumstances. With our sound advice and guidance, we help clients to overcome challenges, minimize risks and build resilience, in order to maintain business continuity or get back to normal operations as quickly as possible. We are uniquely positioned – on substance and strategic locations around the world – to provide practical advice and support services. For additional information, guidelines, advisories and resources, please visit our [COVID-19 resource hub](#).



The contents of this update are not intended to serve as legal advice related to individual situations or as legal opinions concerning such situations, nor should they be considered a substitute for taking legal advice.