## Congress of the United States

Washington, DC 20515

April 7, 2025

The Honorable Linda McMahon Secretary of Education United States Department of Education 400 Maryland Avenue, SW Washington, D.C. 20002

## Dear Secretary McMahon:

We write to request the immediate reversal of the Department of Education's ("the Department") recent March 28, 2025, action to revise the liquidation extension policy for COVID-19 relief funds.\(^1\) Just over a month ago, the Department announced a policy change to the longstanding extension policy that imposed an additional step for processing of extension reimbursements.\(^2\) That policy stated "Beginning today, all future payments under the CARES Act, CRRSA Act, and ARP Act spent on allowable expenditures must be paid by the states in advance and then submitted to the U.S. Department of Education for reimbursement.\(^2\) While the Department's action added an unnecessary burden on states, it continued the longstanding extension policy established years ago in stating "All [COVID-19 Pandemic relief funding] expenditures must fall under the approved expenditures as outlined in guidance for ESSER, ARPA, and HEERF.\(^2\)

However, on March 28, 2025, with many state extension requests having been approved more than six months ago,<sup>3</sup> the Department suddenly announced that "the Department is modifying the liquidation period to end on March 28, 2025", the very same day as the announcement. Specifically, the Department stated that "The extension approval was issued recently, so any reliance interests developed are minimal...So you could not rely on the Department adhering to its original decision. [bold added]" In short, the Department changed the spending rules it affirmed just one month ago, without providing any notice, and imposing more federal red tape.

This abrupt and chaotic revision of policy is not helpful to students whose states, school districts, or institutions of higher education are uncertain about the Department's commitments to implementing federal funding designed to support students. The March 28<sup>th</sup> decision is an imposition of an unauthorized layer of bureaucratic red tape on the expenditure of resources passed by Congress to support learning recovery for our nation's students.<sup>5</sup> When combined with the massive reduction in force announced earlier this month, the Department jeopardizes an estimated \$4 billion from the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 and American Rescue Plan

<sup>&</sup>lt;sup>1</sup> https://www.politico.com/news/2025/03/28/education-department-halts-final-payouts-of-federal-pandemic-relief-funds-00258985

<sup>&</sup>lt;sup>2</sup> https://www.ed.gov/about/news/press-release/us-department-of-education-updates-guidance-covid-19-funding

<sup>&</sup>lt;sup>3</sup> https://www.k12dive.com/news/school-covid-spending-deadlines-American-Rescue-Plan-extensions/724825/

<sup>&</sup>lt;sup>4</sup> https://www.ednc.org/wp-content/uploads/2025/03/ESF Funding Letter- Sec McMahon.pdf

 $<sup>^{5} \, \</sup>underline{\text{https://www.politico.com/news/2025/03/28/education-department-halts-final-payouts-of-federal-pandemic-relief-funds-} \\ \underline{\text{00258985}}$ 

Act of 2021("ARP Act") in nearly all of our states and outlying areas and roughly 1,000 school districts nationwide. This action is particularly harmful to rural school districts that faced the greatest disruptions during the authorized program period.<sup>6</sup> This will also have a disproportionate impact on \$800 million reserved for identification and support for students experiencing homelessness, which was implemented slowly in many states.<sup>7</sup> The March 28<sup>th</sup> decision of the Department improperly imposes its will on state and local budget decisions in a manner not contemplated by Congress.

Second, we are alarmed by your lack of a recognition of the lasting effects of the COVID-19 pandemic on our nation's students. The Department's March 28 policy change asserts "Extending deadlines for COVID-related grants, which are in fact taxpayer funds, years after the COVID pandemic ended is not consistent with the Department's priorities and thus not a worthwhile exercise of its discretion." We are surprised to learn the Department is unaware of recent results of the National Assessment of Educational Progress ("NAEP") which show "National scores are below pre-pandemic levels (2019) in <u>ALL</u> tested grades and subjects." NAEP results also reveal "Gaps are growing between higher-performing and lower-performing students." Further, chronic absenteeism still is too high with the latest data indicating "a majority of students still attended schools with 20% or higher levels of chronic absence. This serious absenteeism is in stark contrast to 2019, when slightly over a quarter of schools experienced such high levels of chronic absence." Years after the COVID-19 pandemic, our schools and communities still have much work to do to help students recover and the Department's termination of the remaining resources Congress passed for that purpose will only serve to delay and undermine our students' recovery.

Third, Congress intended the Secretary to support states and districts in their use of the flexibility under the law to ensure the unique needs of their communities were met and to implement evidence-based learning loss interventions. The Department is now trying to change the spending rules and impose an administrative hurdle by stating "the Department will consider an extension to your liquidation period on an individual project-specific basis." This is despite the fact that such extensions to liquidation periods were noticed more than one year ago, with some granted more than six months ago, and that states assured to the Department that "The SEA will ensure that LEAs [school districts] use ARP ESSER funds for activities allowable under section 2001(e) of the ARP." We are astonished by the amount of hypocrisy here from an administration that has repeatedly said it wants to return education to the states, including your recent statement that "Education is fundamentally a state responsibility. Instead of filtering resources through layers of federal red tape, we will empower states...". Now, it appears the Department is turning its back on states by arbitrarily imposing more federal red tape.

We would be heartened if the Department's new policy was really intended to better support students. However, actions of the past two months tell a starkly different story. The Department has cancelled

<sup>&</sup>lt;sup>6</sup> https://www.ed.gov/media/document/esser-fiscal-year-2023-annual-performance-report-109451.pdf

<sup>&</sup>lt;sup>7</sup> https://www.chalkbeat.org/2021/12/3/22813274/homeless-students-covid-pandemic-relief-money-stalled/

<sup>&</sup>lt;sup>8</sup> https://www.nagb.gov/powered-by-naep/the-2024-nations-report-card/10-takeaways-from-2024-naep-results.html

<sup>&</sup>lt;sup>9</sup> https://www.attendanceworks.org/continued-high-levels-of-chronic-absence-with-some-improvements-require-action/

<sup>&</sup>lt;sup>10</sup> https://www.ed.gov/sites/ed/files/2021/03/ARP-ESSER-Grant-Award-Assurances FINAL2.pdf

<sup>&</sup>lt;sup>11</sup> https://www.ed.gov/about/news/press-release/statement-president-trumps-executive-order-return-power-over-education-states-and-local-communities

hundreds of millions in teacher training grants that were at work in addressing educator shortages and improving the quality of instruction in our schools.<sup>12</sup> The Department has cancelled hundreds of millions of research and evaluation contracts on critical issues like an evaluation of transition supports for students with disabilities, which was intended to provide states and school districts with high quality evidence on approaches to support students with disabilities with their transition to post-school outcomes. 13 The Department also cancelled an evaluation of the programs that receive the largest amount of funding appropriated for the Elementary and Secondary Education Act, depriving Congress and the Department of critical information about the implementation of those programs. <sup>14</sup> The Department cancelled contracts for the Comprehensive Centers program, which—in addition to being statutorily required—were poised to provide effective capacity building support and technical assistance to states, school systems, and schools in addressing chronic absenteeism, and math and literacy learning, among other locally and regionally identified challenges. 15 16 The Department also canceled the Long Term Trend NAEP for 17 year olds, which has been providing data on student achievement for decades.<sup>17</sup> The Department has implemented a massive dismantling and reduction in staff, <sup>18</sup> which has reduced the number of staff available at the Office for Civil Rights to protect the rights of all students. Finally, the massive reduction also appears to have delayed the processing of COVID-19 relief reimbursement requests prior to the announcement of the changed policy that is the subject of this letter. 19

Let's be very clear: The abrupt change in the liquidation extension policy is yet another way this administration is seeking to strip educational opportunities for students in order to pay for tax cuts for billionaires and large corporations. President Trump and Congressional Republicans are intent in claiming any savings they can in the federal budget that they intend to use to pay for their tax cuts for billionaires and large corporations. It is appalling to us that those billionaire and corporate giveaways are valued over the students in rural school districts that faced supply chain disruptions during the COVID-19 pandemic that led to the districts' need for these liquidation extensions, valued over students experiencing homelessness who have seen the Elementary and Secondary School Emergency Relief funds dedicated to them spent down slowly<sup>21</sup>, and valued over so many other students that will be attending schools that are already facing difficult budget choices for the next school year without the

https://www.ed.gov/about/news/press-release/us-department-of-education-cuts-over-600-million-divisive-teacher-training-grants#:~:text=U.S.%20Department%20of%20Education%20Cuts%20Over%20\$600%20Million%20In%20Divisive%20Teacher%20Training%20Grants,-U.S.%20Department%20of&text=The%20U.S.%20Department%20of%20Education,education%20agencies%20on%20divisive%20ideologies.

<sup>&</sup>lt;sup>13</sup> https://ies.ed.gov/use-work/evaluations/evaluation-transition-supports-youth-disabilities

<sup>&</sup>lt;sup>14</sup> https://ies.ed.gov/use-work/evaluations/implementation-title-iii-program-initiatives

<sup>&</sup>lt;sup>15</sup> https://www.ed.gov/about/news/press-release/us-department-of-education-cancels-divisive-and-wasteful-grants-under-comprehensive-centers-program

<sup>&</sup>lt;sup>16</sup> https://www.ed.gov/grants-and-programs/grants-birth-grade-12/school-and-community-improvement-grants/comprehensive-centers-program/2024-project-proposals

<sup>&</sup>lt;sup>17</sup> https://www.the74million.org/article/after-declaring-naep-off-limits-education-department-cancels-upcoming-test/

<sup>&</sup>lt;sup>18</sup> https://www.ed.gov/about/news/press-release/us-department-of-education-initiates-reduction-force

<sup>&</sup>lt;sup>19</sup> https://www.chalkbeat.org/newyork/2025/03/25/us-education-department-cuts-covid-reimbursement-delay-new-york-state/

<sup>&</sup>lt;sup>20</sup> https://americansfortaxfairness.org/atf-coalition-letter-opposing-extension-trump-tax-scam/

<sup>&</sup>lt;sup>21</sup> https://schoolhouseconnection.org/wp-content/uploads/2024/04/Overlooked-Almost-Out-of-Time.pdf

additional burden of this changed policy.<sup>22</sup> That is, unless states undertake the newest burden put in place by your Department and are able to navigate the Department's bureaucratic maze and receive funds for projects that may have been committed to years ago.

We believe there is a better way. We urge you to immediately rescind your March 28 revision to the longstanding liquidation extension policy. Further, we believe you should work with us to start properly executing our federal education laws as Congress intended.

We appreciate your attention to this letter and look forward to a timely response and action.

Sincerely,

Patty Murray Vice Chair

Committee on Appropriations

Tammy Baldwin Ranking Member

Robert C. "Bobby

Member of Congress

Ranking Member, Committee

on Education and Workforce

Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies

Bernard Sanders United States Senator Ranking Member, Committee on Health, Education, Labor, and Pensions

> Richard Blumenthal United States Senator

Rosa L. DeLauro Member of Congress Ranking Member, Committee on Appropriations

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 $<sup>^{22}\</sup> https://www.chalkbeat.org/2021/12/3/22813274/homeless-students-covid-pandemic-relief-money-stalled/challenges-for$ 

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