July 29, 2020

Seema Verma, Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
Hubert H. Humphrey Building, Room 445-G
200 Independence Avenue, S.W.
Washington, D.C. 20201

Sent via email

Re: Additional Public Submission for Oklahoma SoonerCare 2.0 Application

Dear Administrator Verma:

I am writing with respect to Oklahoma's application for a Section 1115 Medicaid demonstration, "Sooner Care 2.0." Along with 19 other organizations, we submitted detailed comments highlighting our concerns with the state's application during the federal comment period which closed June 30, 2020. Though the 30-day comment period is now closed, our Center recently released important new research on the detrimental impact of capping federal Medicaid funding on children that is relevant to Oklahoma's proposed demonstration. As a consequence, we are asking you to include the attached report "Illustrating the Harmful Impact of Medicaid Block Grants and Per Capita Caps on State Funding of K-12 Education" as part of the administrative record as you consider the state's proposal.

The new report by Edwin Park, Research Professor at the Georgetown University McCourt School of Public Policy Center, finds that cutting federal funding to Medicaid through block grants or per capita caps would put states at great financial risk and would result in negative budgetary impacts on K-12 schools. In Oklahoma, the state would experience a projected cut in state K-12 funding between $52 and $270 million depending on the percentage of funding cuts offset by K-12 funding cuts. This research makes clear that children would be indirectly harmed by any attempt to cap federal Medicaid funding, even if they are excluded from the cap itself.

While the report focuses on a legislative proposal to cap Medicaid, a cap on federal funding imposed through a Section 1115 demonstration would have serious negative consequences on Oklahoma's children that we urge you to consider.

Thank you for your consideration of this request.

CC: Judith Cash, Director of the State Demonstrations Group

Joan Alker
Executive Director and Research Professor, Center for Children and Families
Georgetown University McCourt School of Public Policy

Georgetown University
Health Policy Institute
CENTER FOR CHILDREN
AND FAMILIES

Illustrating the Harmful Impact of Medicaid Block Grants and Per Capita Caps on State Funding of K-12 Education

by Edwin Park

Key Findings

- States are facing large and growing budget deficits due to the COVID-19 health and economic crisis. School districts are bracing for substantial cuts to state funding of K-12 education. Those funding cuts would be even more dire if the Medicaid program had been previously converted into a block grant or per capita cap as part of the failed effort by the Trump Administration and Congressional Republicans to repeal and replace the Affordable Care Act in 2017.
- Medicaid block grants and per capita caps shift significant costs and risks to states, with the cuts to federal Medicaid funding growing larger over time. If states compensate for these funding reductions by cutting other parts of their budgets, state funding of K-12 education would be at considerable risk as it constitutes the largest share of state spending in their budgets.
- Estimates of the potential cuts in state K-12 education funding that may be instituted to offset federal Medicaid funding reductions can illustrate the harmful impact of Medicaid block grants and per capita caps. This brief examines the state-by-state impact on total per-pupil spending if the Graham-Cassidy Medicaid block grant and per capita cap proposed in 2017 was fully in effect in 2018 and if states compensated for some or all of the $28.1 billion in federal Medicaid funding cuts by instead cutting their funding of K-12 education.
- The likely adverse impact of Medicaid block grants or per capita caps on K-12 education should be considered as part of the debate over the future of Medicaid and its financing at both the federal and state levels.

Introduction

States now face large and growing budget deficits due to the COVID-19 health and economic crisis.[1] In turn, school districts are bracing for substantial cuts to state funding of K-12 education.[2] These funding cuts, however, would likely be even deeper if the Trump Administration and Congressional Republicans had succeeded in radically restructuring federal financing of the Medicaid program by converting it to a block grant or a per capita cap as part of their failed effort to repeal and replace the Affordable Care Act in 2017.

For years, critics of Medicaid have claimed that Medicaid spending "crowds out" state K-12 funding, an argument intended to generate support for cutting spending on the program at both the federal and state levels and to generate opposition for states expanding Medicaid.[3] Instead, as this issue brief illustrates, Medicaid block grants and per capita caps which would cut federal Medicaid funding would likely pose a considerable risk to state funding of K-12 education. *In other words, preserving the current federal Medicaid financing structure is essential for sufficient state funding of K-12 education.*

By cutting federal funding and shifting costs (and risks) to states, with the cuts growing larger over time, Medicaid block grants and per capita caps would impose considerable adverse pressures on overall state budgets. Medicaid is the largest source of federal funding for states. According to the National Association of State Budget Officers, Medicaid constituted 58.3 percent of all federal funding in state budgets in 2018. In comparison, federal funding for K-12 education and transportation was only 8.8 percent and 7.4 percent of total federal funding for states respectively.[4]

Moreover, it is important to note that Medicaid directly funds health and related services furnished by schools, including services provided to a child under an individualized education plan (IEP). According to the Medicaid and CHIP Payment and Access Commission, Medicaid spending on school-based health and administrative services was estimated to be $4.5 billion in 2016.[5] A Medicaid block grant and per capita cap would therefore have a direct, negative budgetary impact on K-12 schools, on top of the overall budget impact which could result in substantial K-12 funding cuts.

The Trump Administration continues to support Medicaid block grants and per capita caps and deep cuts to federal funding of Medicaid as part of its annual budget plans.[6] In addition, the Administration has issued guidance encouraging states to apply for "Healthy Adult Opportunity" (HOA) waivers that impose block grants and per capita caps[7] and Oklahoma recently became the first state to submit a request for an HAO waiver.[8] Prior to the development of the HAO guidance, Tennessee also applied for a Medicaid waiver to cap its program.[9] As a result, the future of Medicaid, including its federal financing structure, may be debated in advance of the November presidential election.

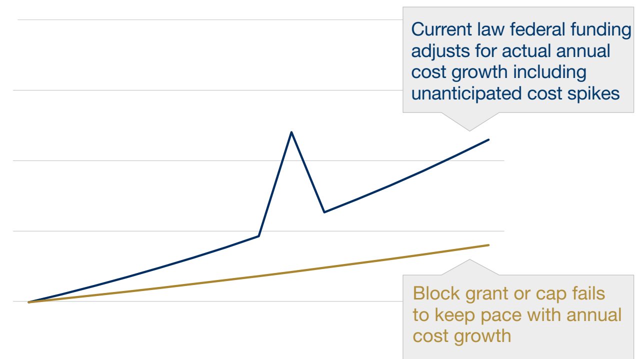
Medicaid Block Grants and Per Capita Caps

Under the existing federal-state financial partnership, the federal government pays a fixed percentage of states' Medicaid costs, whatever those costs are. In contrast, if Medicaid is converted to a block grant or a per capita cap, federal funding would be capped, irrespective of states' actual costs.[10] Under a block grant, states would receive a fixed amount of overall federal funding for their Medicaid programs. Under a per capita cap, states would receive a fixed amount of federal Medicaid funding for each beneficiary. States would be responsible for 100 percent of all Medicaid costs in excess of their funding cap.

Medicaid block grants and per capita caps are designed to produce federal savings by annually adjusting the capped funding amounts at a rate that fails to keep pace with states' Medicaid costs. This means that the federal funding cuts would grow much larger over time.[11] Moreover, these cuts would be even greater if Medicaid costs rise faster than anticipated, due to unforeseen events such as recessions, pandemics, natural disasters or expensive new drugs or treatments. Unlike under the current financing system, no additional federal Medicaid funding would be automatically provided to states to address those higher costs, which would further enlarge the Medicaid funding cuts states would face under a block grant or per capita cap, relative to current law. (For an illustration, see Figure 1.)

To compensate for the growing reductions in federal Medicaid funding, states would need to make increasingly draconian cuts to Medicaid eligibility, benefits and provider reimbursement rates. States are also typically given new flexibility under block grants and per capita caps to cut Medicaid in ways that are not permitted now, including eliminating eligibility groups and benefits that federal law requires state Medicaid programs to cover. The tens of millions of low-income children, parents, seniors, people with disabilities and other adults who rely on Medicaid today would thus be at high risk of losing access to needed care or becoming uninsured.

Figure 1. Why Medicaid Caps Reduce Federal Spending Compared to Current Law



Source: Georgetown Center for Children and Families analysis.

How Medicaid Block Grants and Per Capita Caps Could Harm State K-12 Education Funding

States may try to limit the damaging impact of Medicaid block grants and per capita caps by raising taxes or cutting other parts of their budgets. But if they did cut other parts of their budget, state funding of K-12 education would be at considerable risk as it constitutes the largest share of state spending in state budgets by far.[12]

To illustrate the potential adverse impact of Medicaid block grants and per capita caps for state funding of K-12 education, this issue brief relies on several data sources including the latest Census data from the Annual Survey of School System Finances for 2018 (recently issued on May 11, 2020), the National Association of State Budget Offices' State Expenditure Report, analysis from the Center on Budget and Policy Priorities based, in part, on Kaiser Family Foundation estimates, of the 2017 Graham-Cassidy proposal to eliminate the Affordable Care Act's coverage expansions and impose a block grant or per capita cap on the rest of the Medicaid program and the Congressional Budget Office's Medicaid and federal health subsidy baselines. (See Methodology section for more detail.)

This issue brief examines the potential state-by-state impact on state funding of K-12 education if the Graham-Cassidy block grant or per capita cap was fully in effect in 2018 (after excluding the effect of also repealing the Medicaid expansion) and if states compensated for some or all of the federal Medicaid funding cuts by instead cutting their funding of K-12 education.

- If states had offset 100 percent of the federal Medicaid funding cuts they would have faced in 2018 by cutting K-12 education, states would have cut their funding of K-12 education by a total of $28.1 billion. Total spending per pupil in 2018 from all funding sources would have been reduced by $578 or 4.6 percent, on average. State-specific reductions in per-pupil spending would have varied between $232 (Nebraska) and $3,209 (District of Columbia) and between 1.4 percent (Wyoming) and 14.1 percent (District of Columbia). (See Appendix Table 1.)
- If states had offset 50 percent of the federal Medicaid funding cuts they would have faced in 2018 by cutting K-12 education, states would have cut their funding of K-12 education by a total of $14 billion. Total spending per pupil in 2018 from all funding sources would have been reduced by $289 or 2.3 percent, on average. State-specific reductions in per-pupil spending would have varied between $216 (Nebraska) and $1,604 (District of Columbia) and between 0.7 percent (Wyoming) and 7.1 percent (District of Columbia). (See Appendix Table 2.)
- If states had proportionally offset federal Medicaid funding cuts they would have faced in 2018 by cutting K-12 education (based on K-12 spending as a share of state spending after excluding federal funding—nationally, K-12 education averaged about 25 percent in 2018 but with substantial state variation) states would have cut their funding of K-12 education by a total of $7.1 billion. Total spending per pupil in 2018 from all funding sources would have been reduced by $145 or 1.2 percent, on average. State-specific reductions in per-pupil spending would have varied between $34 (Nebraska) and $766 (District of Columbia) and between 0.3 percent (Nebraska) and 3.4 percent (District of Columbia). (See Appendix Table 3.)

Notably, prior to the COVID-19 crisis, overall K-12 spending remained below pre-Great Recession levels in some states. In addition, K-12 schools never fully restored layoffs from a decade ago. K-12 schools were still employing fewer teachers and workers than before the Great Recession.[13] Research shows that the spending cuts schools instituted after the Great Recession resulted in lower test scores and a lower likelihood of college attendance, particularly in states where schools were the most reliant on state funding.[14]

So even before states make large K-12 spending cuts in response to budget deficits resulting from COVID-19, many schools are in a weaker position they were in more than a decade ago. If states were also grappling with the increasingly negative budgetary impact of federal Medicaid funding cuts, K-12 schools would likely be even worse off today.

Conclusion

The deep cuts to state funding that K-12 schools will face in coming months and years because of the COVID-19 pandemic would be more dire if Medicaid had previously been converted to a block grant or per capita cap. And the harmful impact of those deeper K-12 funding cuts affecting tens of millions of school-age children would be in addition to the direct harmful impact of a Medicaid block grant or per capita cap on the tens of millions of low-income Medicaid beneficiaries, including children, who could end up uninsured or lose access to needed health and long-term services and supports. This issue brief illustrates these negative effects on K-12 education, which should be considered as part of any debate about the future of Medicaid's financing structure.

Methodology

This issue brief uses 2018 data from the U.S. Census Bureau's Annual Survey of School System Finances (issued May 11, 2020)[15] for elementary and secondary school enrollment (Table 19), total per-pupil elementary and secondary school spending from all funding sources (Table 8) and revenue from state sources for elementary and secondary school systems (Table 3) for the nation and for each state and the District of Columbia. For the District of Columbia, local revenue is substituted for state revenue (Table 4). Total spending for elementary and secondary school spending is calculated for the nation and for each state and the District of Columbia based on elementary and secondary school enrollment and total per-pupil spending (as the per-pupil spending in Table 8 excludes payments to other school systems and spending under non-elementary and secondary school programs including adult education and community services).

The issue brief separately estimates the federal Medicaid spending cuts nationally and for each state and the District of Columbia in 2018, if the block grant/per capita cap under the fall 2017 version of the Graham-Cassidy "repeal and replace" plan had been enacted and the block grant/per capita cap cuts (outside of the elimination of the Medicaid expansion) that estimated for 2027 (the last year of the 10-year budget window in 2017) were in effect. This estimate uses the non-public national percentage cut to the Medicaid program for 2027 and each state's share of the national cut in 2027 (after excluding the impact of the elimination of the Medicaid expansion) estimated by the Center on Budget and Policy Priorities that were the basis of a September 2017 analysis of the Graham-Cassidy plan[16] (which, in turn, relied, in part, on estimates conducted by the Kaiser Family Foundation[17]). The national percentage cut is then applied to the Congressional Budget Office (CBO) Medicaid baseline estimates for fiscal year 2018[18] to calculate the national Medicaid funding cut for 2018 (after excluding CBO's baseline estimate for federal spending on the Medicaid expansion[19]). The national cut is then allocated among the states using the state's share of the national cut in the Center on Budget and Policy Priorities estimates.

The national and state-specific Medicaid cuts are then applied to the estimates for total spending for elementary and secondary school spending to determine total per-pupil spending reductions and percentage reductions in total per-pupil spending under three scenarios: (1) 100 percent of the federal Medicaid funding cuts under the Graham-Cassidy block grant/ per capita cap are offset by cuts to state spending cuts for elementary and secondary school spending; (2) 50 percent of the federal Medicaid funding cuts under the Graham-Cassidy block grant/per capita cap are offset by state spending cuts for elementary and secondary school spending; and (3) the federal Medicaid funding cuts under the Graham-Cassidy block grant/ per capita cap are offset by state spending cuts for elementary and secondary school spending proportionally, based on the share of all state spending (excluding federal funding) spent on elementary and secondary school education in 2018. For the share of all state spending incurred for elementary and secondary school education, the issue brief relies on the National Association of State Budget Officers' State Expenditure Report (Table A1 for all state spending excluding capital expenditures, Table 7 for state spending on elementary and secondary school education—including both general funds and other state funds—and Table 1 for all state spending for the District of Columbia after excluding bonds).[20]

Appendix Table 1: Illustrative Impact on Total K-12 Per Pupil Spending of Medicaid Block Grant or Per Capita Cap, 100 Percent of Federal Funding Cuts Offset by State K-12 Funding Cuts

State	Estimated Cut to State K-12 Funding, 2018	Cut to Total Spending Per Pupil, 2018	% Cut to Total Spending Per Pupil, 2018
United Sates	-$28,079,000,000	-$578	-4.6%
Alabama	-$236,000,000	-$318	-3.3%
Alaska	-$92,000,000	-$692	-3.9%
Arizona	-$786,000,000	-$855	-10.4%
Arkansas	-$513,000,000	-$1,070	-10.6%
California	-$4,483,000,000	-$722	-5.8%
Colorado	-$385,000,000	-$433	-4.2%
Connecticut	-$334,000,000	-$679	-3.3%
Delaware	-$109,000,000	-$898	-5.7%
District of Columbia	-$155,000,000	-$3,208	-14.1%
Florida	-$880,000,000	-$313	-3.3%
Georgia	-$662,000,000	-$382	-3.5%
Hawaii	-$123,000,000	-$681	-4.5%
Idaho	-$102,000,000	-$360	-4.6%
Illinois	-$849,000,000	-$427	-2.7%
Indiana	-$608,000,000	-$606	-5.9%
Iowa	-$249,000,000	-$486	-4.1%
Kansas	-$131,000,000	-$263	-2.3%
Kentucky	-$703,000,000	-$1,033	-9.3%
Louisiana	-$459,000,000	-$712	-6.2%
Maine	-$135,000,000	-$756	-5.3%
Maryland	-$518,000,000	-$580	-3.9%
Massachusetts	-$772,000,000	-$853	-5.0%
Michigan	-$1,081,000,000	-$815	-6.6%
Minnesota	-$571,000,000	-$695	-5.4%
Mississippi	-$278,000,000	-$583	-6.5%
Missouri	-$470,000,000	-$528	-4.9%
Montana	-$87,000,000	-$592	-5.1%
Nebraska	-$75,000,000	-$232	-1.9%
Nevada	-$221,000,000	-$494	-5.2%
New Hampshire	-$89,000,000	-$520	-3.1%
New Jersey	-$602,000,000	-$445	-2.2%
New Mexico	-$418,000,000	-$1,315	-13.7%
New York	-$2,344,000,000	-$908	-3.8%
North Carolina	-$740,000,000	-$510	-5.4%
North Dakota	-$48,000,000	-$427	-3.1%
Ohio	-$1,261,000,000	-$794	-6.1%
Oklahoma	-$270,000,000	-$405	-4.9%
Oregon	-$488,000,000	-$843	-7.1%
Pennsylvania	-$1,121,000,000	-$714	-4.4%
Rhode Island	-$127,000,000	-$953	-5.9%
South Carolina	-$377,000,000	-$503	-4.6%
South Dakota	-$37,000,000	-$271	-2.7%
Tennessee	-$579,000,000	-$578	-6.1%
Texas	-$1,661,000,000	-$325	-3.4%
Utah	-$163,000,000	-$274	-3.6%
Vermont	-$91,000,000	-$1,237	-6.4%
Virginia	-$326,000,000	-$253	-2.1%
Washington	-$668,000,000	-$604	-4.7%
West Virginia	-$249,000,000	-$914	-8.1%
Wisconsin	-$333,000,000	-$391	-3.2%
Wyoming	-$22,000,000	-$234	-1.4%

Source: Georgetown Center for Children and Families estimates. See Methodology section.

Appendix Table 2: Illustrative Impact on Total K-12 Per Pupil Spending of Medicaid Block Grant or Per Capita Cap, 50 Percent of Federal Funding Cuts Offset by State K-12 Funding Cuts

State	Estimated Cut to State K-12 Funding, 2018	Cut to Total Spending Per Pupil, 2018	% Cut to Total Spending Per Pupil, 2018
United Sates	-$14,039,000,000	-$289	-2.3%
Alabama	-$118,000,000	-$159	-1.6%
Alaska	-$46,000,000	-$346	-2.0%
Arizona	-$393,000,000	-$428	-5.2%
Arkansas	-$257,000,000	-$535	-5.3%
California	-$2,241,000,000	-$361	-2.9%
Colorado	-$193,000,000	-$216	-2.1%
Connecticut	-$167,000,000	-$340	-1.6%
Delaware	-$54,000,000	-$449	-2.9%
District of Columbia	-$77,000,000	-$1,604	-7.0%
Florida	-$440,000,000	-$156	-1.7%
Georgia	-$331,000,000	-$191	-1.8%
Hawaii	-$62,000,000	-$340	-2.2%
Idaho	-$51,000,000	-$180	-2.3%
Illinois	-$424,000,000	-$214	-1.4%
Indiana	-$304,000,000	-$303	-3.0%
Iowa	-$124,000,000	-$243	-2.1%
Kansas	-$65,000,000	-$131	-1.1%
Kentucky	-$352,000,000	-$516	-4.6%
Louisiana	-$230,000,000	-$356	-3.1%
Maine	-$68,000,000	-$378	-2.7%
Maryland	-$259,000,000	-$290	-2.0%
Massachusetts	-$386,000,000	-$426	-2.5%
Michigan	-$540,000,000	-$408	-3.3%
Minnesota	-$285,000,000	-$347	-2.7%
Mississippi	-$139,000,000	-$291	-3.3%
Missouri	-$235,000,000	-$264	-2.4%
Montana	-$43,000,000	-$296	-2.5%
Nebraska	-$37,000,000	-$116	-0.9%
Nevada	-$110,000,000	-$247	-2.6%
New Hampshire	-$44,000,000	-$260	-1.5%
New Jersey	-$301,000,000	-$222	-1.1%
New Mexico	-$209,000,000	-$658	-6.9%
New York	-$1,172,000,000	-$454	-1.9%
North Carolina	-$370,000,000	-$255	-2.7%
North Dakota	-$24,000,000	-$213	-1.6%
Ohio	-$630,000,000	-$397	-3.0%
Oklahoma	-$135,000,000	-$203	-2.5%
Oregon	-$244,000,000	-$421	-3.5%
Pennsylvania	-$561,000,000	-$357	-2.2%
Rhode Island	-$64,000,000	-$477	-3.0%
South Carolina	-$189,000,000	-$251	-2.3%
South Dakota	-$19,000,000	-$135	-1.3%
Tennessee	-$289,000,000	-$289	-3.0%
Texas	-$830,000,000	-$163	-1.7%
Utah	-$81,000,000	-$137	-1.8%
Vermont	-$45,000,000	-$618	-3.2%
Virginia	-$163,000,000	-$126	-1.0%
Washington	-$334,000,000	-$302	-2.3%
West Virginia	-$124,000,000	-$457	-4.0%
Wisconsin	-$166,000,000	-$195	-1.6%
Wyoming	-$11,000,000	-$117	-0.7%

Source: Georgetown Center for Children and Families estimates. See Methodology section.

Appendix Table 3: Illustrative Impact on Total K-12 Per Pupil Spending of Medicaid Block Grant or Per Capita Cap, Federal Funding Cuts Offset by Proportional State K-12 Funding Cuts

State	Estimated Cut to State K-12 Funding, 2018	Cut to Total Spending Per Pupil, 2018	% Cut to Total Spending Per Pupil, 2018
United Sates	-$7,056,000,000	-$145	-1.2%
Alabama	-$66,000,000	-$89	-0.9%
Alaska	-$20,000,000	-$149	-0.8%
Arizona	-$179,000,000	-$195	-2.4%
Arkansas	-$90,000,000	-$187	-1.8%
California	-$1,255,000,000	-$202	-1.6%
Colorado	-$114,000,000	-$129	-1.3%
Connecticut	-$43,000,000	-$87	-0.4%
Delaware	-$30,000,000	-$246	-1.6%
District of Columbia	-$37,000,000	-$766	-3.4%
Florida	-$226,000,000	-$80	-0.9%
Georgia	-$185,000,000	-$107	-1.0%
Hawaii	-$20,000,000	-$111	-0.7%
Idaho	-$35,000,000	-$123	-1.6%
Illinois	-$127,000,000	-$64	-0.4%
Indiana	-$255,000,000	-$254	-2.5%
Iowa	-$49,000,000	-$95	-0.8%
Kansas	-$50,000,000	-$100	-0.9%
Kentucky	-$162,000,000	-$238	-2.1%
Louisiana	-$101,000,000	-$156	-1.4%
Maine	-$30,000,000	-$170	-1.2%
Maryland	-$113,000,000	-$126	-0.9%
Massachusetts	-$127,000,000	-$140	-0.8%
Michigan	-$386,000,000	-$291	-2.4%
Minnesota	-$189,000,000	-$230	-1.8%
Mississippi	-$63,000,000	-$132	-1.5%
Missouri	-$131,000,000	-$147	-1.4%
Montana	-$18,000,000	-$120	-1.0%
Nebraska	-$11,000,000	-$34	-0.3%
Nevada	-$44,000,000	-$98	-1.0%
New Hampshire	-$25,000,000	-$145	-0.9%
New Jersey	-$187,000,000	-$138	-0.7%
New Mexico	-$99,000,000	-$311	-3.3%
New York	-$636,000,000	-$246	-1.0%
North Carolina	-$208,000,000	-$143	-1.5%
North Dakota	-$11,000,000	-$100	-0.7%
Ohio	-$234,000,000	-$148	-1.1%
Oklahoma	-$52,000,000	-$78	-0.9%
Oregon	-$76,000,000	-$132	-1.1%
Pennsylvania	-$252,000,000	-$160	-1.0%
Rhode Island	-$25,000,000	-$189	-1.2%
South Carolina	-$92,000,000	-$122	-1.1%
South Dakota	-$7,000,000	-$50	-0.5%
Tennessee	-$137,000,000	-$137	-1.4%
Texas	-$579,000,000	-$113	-1.2%
Utah	-$54,000,000	-$91	-1.2%
Vermont	-$43,000,000	-$583	-3.0%
Virginia	-$54,000,000	-$42	-0.3%
Washington	-$214,000,000	-$193	-1.5%
West Virginia	-$39,000,000	-$142	-1.3%
Wisconsin	-$64,000,000	-$75	-0.6%
Wyoming	-$6,000,000	-$60	-0.4%

Source: Georgetown Center for Children and Families estimates. See Methodology section.

Acknowledgements

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The Georgetown University Center for Children and Families (CCF) is an independent, nonpartisan policy and research center founded in 2005 with a mission to expand and improve high-quality, affordable health coverage for America's children and families. CCF is based in the McCourt School of Public Policy's Health Policy Institute.

Endnotes

[1] Elizabeth McNichol and Michael Leachman, "States Continue to Face Large Shortfalls Due to COVID-19 Effects, Center on Budget and Policy Priorities, June 15, 2020, https://www.cbpp.org/sites/default/files/atoms/files/6-15-20sfp.pdf, and Center on Budget and Policy Priorities, "States Grappling with Hit to Tax Collections," Updated June 15, 2020, https://www.cbpp.org/sites/default/files/atoms/files/4-2-20sfp.pdf.

[2] Cory Turner, "A Looming Financial Meltdown for America's Schools," National Public Radio, May 26, 2020, https://www.npr.org/2020/05/26/858257200/the-pandemic-is-driving-americas-schools-toward-a-financial-meltdown; Laura Meckler and Valerie Strauss, "Public Schools Face a Fall with a Lot More Costs and a Lot Less Funding," *Washington Post*, May 27, 2020, https://www.washingtonpost.com/local/education/public-school-budget-cuts-coronavirus/2020/05/27/ff0f07da-9d62-11ea-ad09-8da7ec214672_story.html; and Naaz Modan, "'A Different Kind of Horrific' for K-12 as States Anticipate Revenue Shortfalls," *Education Dive*, May 29, 2020, https://www.educationdive.com/news/a-different-kind-of-horrific-for-k-12-as-states-anticipate-revenue-shortf/578701/. One estimate finds that school districts would need $230 billion in federal assistance over the next 2 fiscal years to offset state funding losses and increased COVID-19 related spending. Michael Griffith, "What Will It Take to Stabilize Schools in the Time of COVID-19," Learning Policy Institute, May 7, 2020, https://learningpolicyinstitute.org/blog/what-will-it-take-stabilize-schools-time-covid-19.

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