

Congress Reaches Agreement on Stimulus and 2021 Spending Plan



By Kyle Hyland

Posted December 21, 2020

On the evening of Sunday, December 20, 2020, congressional leaders announced that they had reached a deal on a \$900 billion COVID-19 relief package and a \$1.4 trillion omnibus spending plan that will keep the government funded through September 30, 2021, the end of the federal fiscal year.

The framework of the deal is similar to the relief package proposed by a bipartisan group of senators on December 14, 2020. A [summary](#) from the House Appropriations Committee says that the relief package earmarks \$82 billion for education providers and will be allocated similarly to the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The \$82 billion includes the following:

- \$54.3 billion for the K–12 Elementary and Secondary School Emergency Relief Fund
- \$22.7 billion for the Higher Education Emergency Relief Fund
 - \$20.2 billion distributed by a formula taking into account head count and full-time equivalent enrollment
 - \$1.7 billion for Historically Black Colleges and Universities, Tribal Colleges and Universities, Hispanic Serving Institutions, and certain other institutions
 - \$113 million for institutions of higher education with unmet need
- \$4.1 billion for the Governor’s Emergency Education Relief Fund

The relief package also includes an extension of the CARES Act Coronavirus Relief Fund (CRF) expenditure deadline from December 30, 2020 to December 31, 2021. As a reminder, the state allocated \$54 million of its CRF share for the California Community Colleges COVID-19 Response Block Grant in the 2020–21 State Budget Act and this extension should alleviate any concerns that community college districts were not going to be able to spend those dollars by December 30.

The two biggest political sticking points during negotiations—aid for state and local governments (pushed by Democrats but opposed by Republicans) and liability protections for businesses (pushed by Republicans but opposed by Democrats)—

were not included in the final agreement. It is unknown if the bill includes any liability measures for schools and colleges, but it is unlikely considering liability protections were being discussed broadly during negotiations.

The White House has indicated that President Donald Trump will sign the \$900 billion relief package and the \$1.4 trillion omnibus spending plan shortly after Congress approves those measures, which is expected to be sometime Monday, December 21, 2020.