Budget Reconciliation Must Support a Quality Education for All Students

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Introduction and summary

This report contains a correction.

The COVID-19 pandemic has taken a huge toll on people across the country, including children of all ages. As the new school year gets underway, it is important that state and local policymakers provide a range of supports for students that prioritize learning above politics. Effectively supporting students will require multiple, layered interventions, including investments in child care and early learning, K-12 schools, and institutions of higher education, enhanced by funds to help families meet their basic needs, such as nutrition, housing, health care, and economic stability. Families and communities can thrive if local and state-level ecosystems are built to disrupt decades of disinvestment and develop an inclusive economy and racially just democracy.

To ensure students continue learning and succeeding no matter where or how schooling happens this academic year, state and local policymakers should use funds from the $1.9 trillion American Rescue Plan (ARP) Act to meet the economic, health, academic, and social-emotional needs of children, families, and educators. But this is just the start of what is necessary for communities to recover. Federal policymakers must also take action by continuing to make investments and pass policies that will help the United States emerge from the pandemic with stronger long-term policies in place. Passing President Joe Biden’s Build Back Better agenda, which is included in the upcoming budget reconciliation package, is one way federal policymakers can steer the country toward better, more equitable rebuilding.

This report lays out a series of specific policy recommendations that would improve opportunities for education systems to disrupt inequities exacerbated by COVID-19. Reimagining public education requires considering how community safety nets and schools should be working for children, their families, and educators, not in isolation or on a school-by-school basis but through ecosystems that target eradicating poverty and transforming long-standing systems of inequity.
The Center for American Progress recommends that federal, state, and local
governments use ARP funds and funding from the budget reconciliation package to:

• **Build a stronger child care system that is affordable, accessible, and high quality,** alongside investments in Head Start and preschool programs, to serve children and families across the nation.

• **Reimagine K-12 education to better support students and families,** including support for remote learning, different forms of in-person learning, the modernization and elevation of the teaching profession, and an overhaul of crumbling school building infrastructure.

• **Reinvest in a higher education system that works for everyone** by better supporting college students from entry to completion, improving institutional quality, reducing debt, and targeting resources to advance equity.

• **Meet families’ basic housing, nutrition and health care needs while creating long-term family economic security** through quality jobs, benefits, paid family and medical leave, and other worker supports to ensure that families are able to save for their future.

• **Strengthen, expand, and promote access to affordable quality physical and behavioral health care,** including improved school- and community-based mental health services.

These recovery efforts must place a deliberate and explicit emphasis on racial equity. The pandemic has affected different communities in varying ways and, as a result, has significantly exacerbated racial disparities that existed prior to COVID-19 due to systemic racism and historic disinvestment. Policymakers at all levels should meaningfully engage with community members when deciding how to spend COVID-19 relief funds in order to ensure that a range of voices are heard and that recommendations address communities’ unique needs.

In order to ensure that the recommendations in this report reflect the needs of communities, the authors conducted two virtual conversations with educators, parents, students, and other community members from areas across the country.
Conversations with community members

To ensure that this report’s policy proposals reflect the experiences and perspectives of those closest to and most impacted by the policies, CAP partnered with facilitators to conduct two virtual community conversations with educators, parents, students, and other community members from rural and urban areas across the country. Both conversations took place on separate days during the month of May 2021.

One virtual conversation was focused on the experiences of seven participants from different rural communities and tribal lands in Louisiana, Michigan, Missouri, North Carolina, Washington. The conversation was facilitated by a member of Oweesta, a national organization dedicated to improving the financial literacy, independence, and strength of Indigenous communities.

The second virtual conversation was focused on the experiences of seven participants from different urban communities in California, Colorado, Maryland, North Carolina, Rhode Island, and Texas. It was led by a trained facilitator based in New Jersey.

The facilitators led discussions focused on three questions:

1. How has the pandemic impacted the participants’ lives and what has their general experience been like over the past year and a half?

2. How has the pandemic impacted participants’ experience with education or child care?

3. What supports and investments do participants believe are a priority for a successful and equitable recovery?

Key takeaways and insights from these conversations appear throughout the report to inform CAP’s policy recommendations. The recommendations cover ways that state and local governments can use funds from the $1.9 trillion ARP to support more immediate pandemic recovery and learning needs, as well as ways that upcoming federal legislation such as the budget reconciliation bill can provide continued investments and reimagine existing systems to better meet the needs of students, families, and educators across the country.
Building a stronger child care system

During CAP’s first virtual conversation, Holly Karlsen, a parent and administrator at an early child care center located on tribal land in Michigan, spoke about the inability of many people in her area to access child care:

“We live in a very small community, and our [child care center] waitlist right now is 117 children, and 40 of those children are under 3. So, where we are is considered an infant and toddler child care desert. We are fearful that we will see a rise in child abuse, neglect, or sexual abuse because the families that we reach out to and offer services to are no longer present in our care. A lot of times we are also the first line of detecting developmental delays in children, and we are fearful that when we go back to full capacity, we will see a delay in funding that will mean that we are not able to help support all of those children.

Karlsen’s community is not alone in having a lack of affordable, accessible child care, especially for babies and toddlers. More than half of all Americans currently live in a neighborhood that is a child care desert, where child care shortages lead to long waiting lists, job disruptions for parents, and fewer mothers in the paid labor force.¹

Karlsen also spoke about how policymakers can address existing child care problems in the United States:

“We are looking at a rehaul of child care in general in this whole nation, not just in my community. There needs to be restabilization. Right now, in my area of the state, the average early childhood provider makes about $27,000 a year. The threshold for benefits in our state is right about $20–25,000 depending on dependents. That means a lot of our teachers qualify for the free services we offer—so we are advocating for a change in wages, and we are advocating that early childhood begins at birth.”
The low wages that Karlsen mentioned—with Michigan child care workers making an average of $11 per hour and preschool teachers making $14 per hour—disproportionately impact women of color. Because of the current underinvestment in the true cost of high-quality care, families are often unable to afford child care when their wages are low. It has been 50 years since President Richard Nixon vetoed a bipartisan plan to create a comprehensive child care system. It is time to meet the early learning needs of children, families, and communities.

Policy recommendations

The ARP is the largest investment in child care in American history, providing $39 billion for child care relief and an additional $1 billion for Head Start. The Biden-Harris administration released the federal dollars to states, territories, and tribes in April, with the intention of swiftly stabilizing conditions for young children, families, and child care providers and educators. The distribution of $15 billion to the Child Care and Development Block Grant (CCDBG) will allow more eligible children to access child care. Next, states should continue to act nimbly to equitably distribute the ARP’s $24 billion Child Care Stabilization Fund to all providers—including both those who accept subsidies and those who do not—supporting child care providers to stay open and stabilize or reopen if they have closed. One strategy to ensure timely relief is to use intermediary organizations to distribute relief dollars. Through these organizations, states have the flexibility to meet local needs, including strategically funding facilities, giving more pay to educators, and meeting the needs of family child care centers.

Many states have already started plans to deploy the funds effectively, including serving more families and better considering the cost of providing high-quality care. New Mexico is a state that is doing both: It is expanding its child care system to serve families up to 350 percent of the federal poverty line and using a new cost estimation tool to pay provider subsidies. This not only gives more families access to subsidized child care, but child care providers are also able to better pay their staff fair wages and provide high-quality care. New Mexico is deploying federal ARP funds based on the needs of its local communities, with speed matching the need and an eye toward building an equitable system.

Massachusetts is another state that is acting with urgency to meet the immediate needs of children, families, and child care educators and providers. The Massachusetts Department of Early Education and Care has used its ARP dollars to create more stable funding for child care providers, helping child centers and homes stay open or incentivizing them to reopen. By providing stabilization grants based on a
“Commonwealth Cares for Children” formula, the state is supporting providers based on their licensed capacity, workforce investments, and the needs of the communities they serve. The state is also using a strong evaluation to inform future investments of stable funding for its child care field.

By passing Biden’s Build Back Better agenda, Congress has the opportunity to create long-term investment in early learning—one that is overdue for children, working parents, and the American economy. Build Back Better calls for $450 billion to create a new child care guarantee for eligible families and provide universal preschool for 3- and 4-year-olds to, together, serve America’s young children and their families.

The early learning plan will raise wages for early learning educators across settings, spur facility investments to grow the supply needed to reduce child care deserts, and ensure additional investments in Head Start and Early Head Start. It will create preschool—delivered in partnership with states—to provide more 3- and 4-year-old children access to child care in mixed delivery settings—while also incentivizing infant toddler care. The proposed reconciliation bill builds on the Child Care for Working Families Act (CCWFA), which will create a new child care guarantee for eligible families and cap child care expenses at 7 percent of household income for families at or below 150 percent of state median income. The CCWFA would also push for greater access to child care for children with disabilities.

With CAP’s research showing that low-income working families may be spending more than one-third of their household income on child care, this is essential relief for American families’ weekly and monthly household costs. It is essential that these pieces are included in the reconciliation bill to increase educators’ pay, support young children’s growing minds, and fuel economic security for families.
Reimagining K-12 schools to better support students and their families

The pandemic greatly changed how schooling happened for students, caregivers of school-age children, and educators across the country. Their experiences should inform how policymakers look to provide support during recovery and what opportunities exist to reimagine education so that it better meets the needs of all children and their families.

One of the main new features of learning during the pandemic is remote schooling. Remote learning has presented a challenge for many people, especially those who have difficulty affording or accessing technology and the internet. About 15 to 16 million students and approximately 400,000 to 500,000 teachers live in households without access to internet or adequate technology. Additionally, there were challenges overcoming language barriers, being unhoused and other issues that made it difficult to use the technology students did manage to acquire. Robyn Boyles, a community member from Colorado, spoke about the obstacles she witnessed:

My cousins, who are in school, couldn’t afford to get the internet or even laptop for them to log on to remote school and get work done. I’m sure there’s a lot more families out there with the same situation where they don’t even have the resources to go to school online or virtually, and they had to take out either loans or find a family member to help them get the supplies that are needed for virtual school.

The fact that remote learning has meant that students are expected to log on from home, or from somewhere in the community where they can access the internet, brought many inequities to the foreground. As Brenda Gonzalez, an educator from Texas, explained:

Our administrators wanted teachers to encourage their students to be on camera to show they were there and present. But then we got a lot of backlash from parents saying, “My kid does not feel comfortable showing his background because they have to see other students with their own room, while they are having to share a bedroom...
with three or four siblings or are taking care of a sibling right there and then.” In
addition to feeling uncomfortable, not being able to be in an environment that was
focused on their education will have impacts. Students may not have been able to
perform the way they would have if they had all been given the same circumstances.
So, that disparity was huge as well.

Remote learning has also presented challenges for the caregivers who support
students. Mary Beth Cochran’s grandson has ADHD and was unable to sit still
and focus during remote school. This resulted in 29 absences. Concerned, she told
the authors:

It’s awful for the ones that do have learning disabilities, that have an IEP
[Individualized Education Plan] in place, because they are falling behind and there’s
no way to catch them up and get them where they need to be. There are a lot of
grandparents in my area that don’t even have a high school education. They don’t
know how to read or write. We have limited internet in some areas. So all of the
children are behind, and I just don’t know what we can do to help.

Despite many challenges with remote learning, some students are anxious about
returning to in-person schooling or have thrived in hybrid or remote settings.
Steven Gupton, a rural North Carolina educator, noticed a welcome benefit:

One of the biggest things that came out of my equity meetings was exclusionary
discipline was almost zero. No referrals, no suspensions. So, as somebody who is big
on equity and sits on the equity committee for the school*, I was glad to hear that.
I’m glad to know that some students are thriving in a virtual setting and that some of
them may not necessarily want to come back into the physical building.

The varied experiences of participants demonstrate that one size fits all cannot
be the standard for designing schools that work for all children. As communities,
districts, and policymakers reimagine the nature of public education, it is
important that they are flexible—for example, by extending options for hybrid
learning that allow students who thrived in virtual settings to continue to do
so, while also maintaining connections to important relationships and services
offered in physical school buildings and from caring educators.
Finally, participants in the virtual conversations were clear that it is not enough to just return to the status quo. Even before the pandemic, chronic underfunding of schools was negatively affecting student achievement, limiting available supports for students and educators, and forcing people to learn and teach in unsafe and underequipped school buildings.\textsuperscript{11} In 2014, it was estimated that at least $197 billion would be needed to repair crumbling school infrastructure, and in 2020, the U.S. Government Accountability Office found that conditions remained problematic in about 54 percent of America’s schools.\textsuperscript{12} Tanay L. Harris, a parent and educator from Maryland, noted:

\begin{quote}
You [policymakers] talk about kids going back to school, but I have seen schools with no warm running water or soap and no thorough cleaning mechanisms in place to truly disinfect the building. We need intentional money for infrastructure for school buildings. The inequities in public school buildings are disappointing and, quite frankly, violent. We talk about the violence in communities but hardly address the violence that begets the violence. It is violent that people are without housing, it is violent that people are unemployed and underemployed, it is violent that students go to schools with poor conditions in inequitable learning spaces. This is all by design. Our students need to be going to 21st century schools and be provided with all the things they need that foster their gifts, talents, and genius.
\end{quote}

Significant investments are necessary to address not only the impacts of the pandemic but also the funding inequities that existed before and were exacerbated by the pandemic.

\textbf{Policy recommendations}

The ARP includes $350 billion for state, local, territorial, and tribal governments to respond to the pandemic. These Coronavirus State and Local Fiscal Recovery Funds are very flexible, and local school districts have a lot of decisions to make on how to best spend them.

In order to safely continue in-person learning, districts should use ARP funds to set up locations where students can have supervised virtual learning with school personnel. Districts should prioritize students whose parents or guardians are essential workers as the delta variant and other mutations begin surface. Where possible, districts could also use funding to train vaccinated community members to work as Opportunity and Counseling Corps members, either within reopened schools or to support children in their communities or homes.\textsuperscript{13} Some corps members could provide support as tutors or resident teachers to address the learning needs of students, while others
could serve as social workers, school counselors, and psychologists to support the mental health of students and prepare them for graduation and beyond. Furthermore, districts can get creative about using locations beyond school buildings where students can properly social distance and adequate ventilation is available. Such locations may include community centers, recreational facilities, religious buildings, and public libraries. This will allow districts to expand in-person learning full time if the community demand is there should additional school closures occur.

Districts should also use funds to improve the quality of and access to remote learning. Some amount of remote learning is likely to remain in the new school year, especially given the COVID-19 variants. Remote learning will also continue to be a reality even after the pandemic subsides as natural disasters that disrupt schooling become ever more frequent due to climate change. Therefore, districts should use ARP funds to ensure that every student has access to a device and high-speed internet and that all teachers are trained in effective strategies for remote instruction. Districts should also invest in high-quality curriculum and learning platforms that can support teachers in providing quality online instruction.

Additionally, districts should use ARP funds to help meet the basic needs of students and their families, so that children are able to focus on learning. For example, districts can coordinate with social services to provide families assistance with child care, nutrition, housing, and more. These efforts may include policy ideas recommended throughout this report, such as increased federal investment in a system of early learning across child care, Head Start, and preschool, and the discovery of innovative ways to deliver or allocate school meals.

Improving school infrastructure must be reinstated as a priority—since funding for repairing and rebuilding crumbling schools is not included in the bipartisan infrastructure package despite $100 billion being proposed in the Rebuild America’s Schools Act as well as in the Build Back Better agenda. Funding in the reconciliation bill will be crucial to addressing the lack of adequate drinking water, heating, ventilation, and air conditioning systems in many schools, as well as create thousands of necessary good jobs. This lack was dangerous to students before the pandemic but poses additional risks as a result of COVID-19. Additionally, greening school infrastructure through electrifying school buses, weatherizing school buildings, investing in clean energy technologies, and more will make schools more resilient in the face of climate change and yield health and learning benefits for students and their communities.
Looking forward, it is important that federal policymakers make necessary additional investments in K-12 education through the budget reconciliation bill. Ensuring an investment in building and retaining a strong educator workforce, modernizing a crumbling physical infrastructure, and developing innovative strategies that prevent major disruptions to student learning and educator preparedness will be crucial. Further, being mindful of the needs of unique populations—such as students with disabilities, students who are housing unstable, English language learners, immigrants, and youth who are incarcerated or in foster care systems—must be kept front and center as budget decisions are made. Missing this opportunity for political expediency would be tragic for generations to come.
Rebuilding a strong higher education system that works for everyone

Remote learning and the subsequent closing of many college campuses made it harder for some students to access food. In response to the pandemic, Congress approved billions in federal aid for emergency grants to students, preventing a much wider catastrophe. But some students in need were not aware of the opportunity to apply for these grants, and the design of the Coronavirus Aid, Relief, and Economic Security (CARES) Act aid formula disadvantaged community colleges. 17 Three conversation participants were college students, and they all noted that before the pandemic, they or their peers often relied on free food offered on college campuses to eat a meal during the day. With the closing of physical campuses, many students struggled to get enough food.

Joshua Turner, the former Student Government Association president at Central Louisiana Technical Community College, spoke about what he saw in his community: “I have seen a lot of issues surrounding getting food during the pandemic, especially being in a rural community. I have seen parents who are in college that literally don’t eat so their children can eat.” Policymakers who are focused on helping students graduate college need to realize that funding food and housing supports is integral to ensuring that students can meet their basic needs, focus on their coursework, and work toward graduation.

Even before the pandemic, college students encountered many hurdles, including a higher education system that has struggled to recover from education funding cuts made in the wake of the Great Recession. 18 A large portion of students today are also juggling family and work demands on top of academic responsibilities. 19

During the pandemic, total college enrollment saw its largest year-over-year decrease in a decade, especially at community colleges. 20 Fewer high school seniors from the class of 2021 completed the Free Application for Federal Student Aid (FAFSA) compared with the previous academic year, with the largest drops among students from low-income backgrounds and students of color. 21 Completing the FAFSA is required to access federal grants and loans.
as well as several forms of state and institutional aid. Additionally, nearly 2 in 5 undergraduate students experienced a financial disruption in the 2019-20 school year, and 8 percent either withdrew from college or took a leave of absence.22

Policymakers at the federal and state level as well as institutional leaders must reinvest in a higher education system that will help students weather the effects of the pandemic, coupled with centuries of systemic inequities.

Policy recommendations

Similar to previous relief legislation, half of the $40 billion for higher education in the ARP is going to institutions, while half will go to students as emergency aid. But now, the ARP requires that in distributing the latter funds, institutions prioritize students with exceptional financial need. Emergency student aid grants are keeping students above water, with some relying on the support to pay for internet, groceries, and other basic needs.23 Some institutions, especially Historically Black Colleges and Universities (HBCUs), have used these funds to forgive students’ unpaid loan balances.24

For successful implementation of ARP funds, CAP recommends that the U.S. Department of Education (ED) continue to provide clear guidance to colleges that emphasizes flexibility in meeting student needs and distributing student aid funds. Guidance provided under the Trump administration was conflicting and abruptly changed several times. After initially stating that it was up to institutions to determine student eligibility, the administration changed course weeks later to require that student relief funding only go to students who were eligible for federal aid—leaving out a considerable number of students from marginalized populations.25 As a result, many colleges restricted aid to students already receiving federal aid and are cautious about further distributions.26 Going forward, ED should consistently communicate with colleges about the flexibility allowed, such as that all students, including undocumented and international students, are eligible for ARP emergency aid.

Yet in order to build toward true long-term recovery, federal policymakers need to go beyond the immediate pandemic relief included in the ARP to provide additional investments that address resource gaps at underfunded colleges and improve college affordability. Nationally, the revenue gap between community colleges and their public four-year counterparts amounts to $78 billion, despite the vital role community colleges play in serving low-income students and students of color.27 HBCUs and other minority-serving institutions (MSIs) similarly face historical underfunding challenges. Hispanic-serving institutions (HSIs), for instance, need $1 billion more in
federal funding to improve resource equity and give the fast-growing population of Latinx adult students a better opportunity to succeed in college and the economy. Ensuring that investments for these institutions are included in the final budget reconciliation bill is imperative.

It is also important that the final budget reconciliation bill includes future federal measures to help make colleges more affordable for all students, including funding for two years of free community college, investments in MSIs, an increase in the maximum Pell Grant award, and the establishment of a College Completion Fund to help colleges improve their retention and completion activities, particularly at community colleges and other institutions that serve high numbers of students from low-income backgrounds.
Meeting families’ basic needs while creating economic security

The COVID-19 pandemic has negatively impacted millions of individuals and families, especially those most marginalized, including women, children, people of color, and individuals with disabilities. While many of these individuals and families experienced job loss due to the pandemic-related economic downturn, others—especially women—were forced to give up their employment as child care settings and schools closed, reduced hours or aftercare options, or went virtual. Holly, a child care provider from Michigan, said, “A lot of women have left the workforce during the pandemic, and in Michigan, many women did not return. So it’s important that during recovery, we are looking for ways to support women.”

Participants in the two community conversations also spoke about how job loss or a decrease in income meant that they were struggling to afford basic necessities such as food, rent, and health care, forcing some parents to make tough decisions about how to spread limited funds between the needs of different family members. Mary Beth Cochran, a single grandmother raising two grandchildren in North Carolina who participated in the second conversation, spoke about this dilemma:

I would like to see one of them [policymakers] spend even a week in our shoes, to see how we have to budget our money and decide, OK, am I going to get my prescription medicine this month? Or is my grandson who needs special arched shoes and is growing and needs a new pair? Am I going to get my medicine or his shoes? Well, the shoes have to come first.

Families with mixed or undocumented immigration status were especially affected by the pandemic. Many of these individuals lost their, often low-paying, jobs or faced greater health risks as front-line workers in industries where workers work in close quarters or rely on contact with others. But due to their immigration status, too many of these individuals and families were not eligible for government assistance that could have helped them. As Maria Rocha, an educator in Texas, lamented: “Many in my family were left without a job, with
no income coming in. On top of that, they were not able to receive government assistance because they lacked documentation. So, seeing my family go through that was very difficult.”

The economic instability many families experienced during the pandemic led to increased housing insecurity, especially for low-income families and families of color. Nearly 1 in 7 renters have not caught up on rent during the pandemic. People of color, who disproportionately work in low-wage jobs, are some of the most impacted renters. Homeowners, too, are behind on mortgage payments, with an estimated 7 million households not caught up on mortgage payments. Households struggling to pay their mortgage or rent are at heightened risk of losing their homes due to foreclosures or evictions.

Similarly, food insecurity has been a problem throughout the pandemic. As of early July 2021, some 20 million adults reported that their households did not have enough to eat. With schools physically closed during the pandemic, food insecurity became even more prevalent in households with children. Up to 9 million children live in households that have experienced food insecurity due to the pandemic. Single grandmother Mary Beth Cochran explained: “We are still having to go to food pantries and soup kitchens to [obtain] basic necessities to get us through the month. And myself, as a 52-year-old grandmother, should not have to be worrying where the next meals [are] going to come from for my grandchildren.”

Food insecurity is particularly prevalent in rural communities. As Steven Gupton, the North Carolina educator, put it:

Some students live in food deserts and do not have access to grocery stores, particularly those in rural areas. A grocery store is a 22-minute drive away, and they may not have access to that. Some are living with families that are having to decide, how do they afford to eat healthy and also afford to have certain medications in the home and pay bills and different things like that.

Policy recommendations

The ARP, passed in early 2021, included critical income supports that helped families stabilize their finances. It provided direct cash assistance in the form of economic impact payments for adults and children and an expansion of tax credits such as the child tax credit (CTC) and the earned income tax credit (EITC). It also extended unemployment insurance (UI) benefits and expanded safety net supports through the Supplemental Nutrition Assistance Program (SNAP) and the Temporary Assistance for Needy Families (TANF) program, helping the most impacted weather the pandemic.
However, millions of people are still struggling with unemployment and loss of income. The supports offered through the ARP expire at the end of 2021, which means that those who are still struggling to build their financial stability will lose a critical lifeline at a time they need it most. Congress can ensure that recovery policy interventions create long-term and sustainable change that helps every American build their financial security. Passing the Build Back Better agenda as part of the reconciliation bill would ensure that the expansions of income supplements through CTC and EITC continue. It would also ensure critical continued investments in quality job creation, access to child and home care, and paid family and medical leave, all of which allow individuals and families—especially women—to go back to work and recover their financial stability.39

By supporting job creation and job quality in industries such as child care and home care, Congress can help the economy recover and grow in the long term. But Congress also needs to prioritize increasing the minimum wage to $15 an hour; eliminating subminimum wages, particularly for people with disabilities; offering workers paid family and medical leave; and modernizing the safety net so that it is more responsive to future crises.40

Furthermore, putting all undocumented immigrants on a path to citizenship will be a vital step toward an equitable economic recovery—one that ensures that long overdue relief is provided to more than 10 million people, their families, and their communities.41 A recent CAP study estimated that such a law would increase the U.S. gross domestic product by up to $1.7 trillion over a decade and help Americans by creating more than 400,000 jobs.42 Currently, with $107 billion allocated to the Judiciary Committee in the budget reconciliation resolution with instructions for “lawful permanent status for qualified immigrants,” there is a historic opportunity for Congress to help millions of immigrants who are Dreamers, Temporary Protected Status holders, farmworkers, and essential workers.43

Housing
More than $46 billion of ARP funds are designated for emergency rental assistance designed to help people who are struggling to pay their rent and avoid eviction. Build Back Better would bolster this investment by using tax credits and government financing to create more affordable and resilient housing. Additionally, the Biden administration has issued several federal moratoriums on evictions to help the most vulnerable people stay housed as they recover from the pandemic. In August 2021, however, the U.S. Supreme Court reversed the administration’s eviction moratorium, cutting a lifeline for millions of tenants who have been struggling to make ends meet.44 The Supreme Court ruling will exacerbate housing insecurity at precisely the
time when the most vulnerable Americans need stability and safety to recover their health, rejoin the workforce, build economic stability, and provide shelter for their families. According to a recent study by Goldman Sachs, about 750,000 renters will likely lose their homes this year after the Supreme Court’s decision to block the federal eviction moratorium.45

Furthermore, much of the ARP’s emergency aid is still making its way to the people who need it. By the end of July 2021, states and localities had disbursed less than $5 billion of the ARP’s more than $46 billion in housing aid.46 Some counties have not distributed any housing assistance funds at all, and many communities are struggling to put in place adequate systems to distribute emergency rental assistance easily and expeditiously. Because the Supreme Court decision will undoubtedly increase housing insecurity around the country, the federal government needs to ensure that states and local governments are getting rental and homeowner assistance distributed to homeowners now.

States and localities must spend additional funds to increase the inadequate stock of affordable housing units and to develop permanent housing solutions that are safe and accessible to all communities, including people with disabilities and people who are homeless. A community organizer in Missouri explained in one of the community conversations: “There are ... unsheltered folks who are being pushed around the city, from camp to camp. More money should be invested in not just finding places for people to go but also building relationships with them so they can get back into the community.”

Increased federal investments and coordination are also needed to build long-term, sustainable solutions around housing that address the long history of racism and discrimination in the housing industry. For example, the U.S. Consumer Financial Protection Bureau can pass regulations that protect tenant credit records. Records of rental debt and eviction often allow landlords to automatically reject rental applicants, something that disproportionately affects people of color.47 By protecting the records of households going through pandemic-related hardships, the CFPB can ensure that these renters experience no lasting harm, allowing them to get back on their feet more easily. Additionally, laws that address discriminatory rental housing practices, such as those in Connecticut, should be put into place: Landlords should be prohibited from rejecting a prospective tenant’s application because of an eviction record.48
Hunger
The ARP also addresses hunger by increasing benefits and loosening eligibility requirements for SNAP—allowing states to provide grocery benefits to families so that kids do not miss meals when schools are closed—and investing in the Nutrition Program for Women, Infants, and Children (WIC), temporarily raising the quantity of fruit and vegetables available to participants.

But as several community conversation participants indicated, while short-term fixes are important, long-term, sustainable solutions that address food insecurity are needed. Grandmother Mary Beth Cochran said, "We need extra funding, and it needs to be a long-term solution, not just covering six months out." A community organizer in Missouri echoed this sentiment: “Policy [makers] should really try to figure out how we can help folks long term and not just off the cuff.”

The budget reconciliation bill can make some of SNAP’s pandemic-related expansions permanent, expanding the program’s reach and impact and reducing food insecurity for millions of people. Additionally, Congress can take action to make substantial improvements to the SNAP benefit, addressing eligibility requirements, purchasing restrictions, asset limits, and work requirements to make the program work more effectively for those it is intended to serve. But SNAP and housing supports alone cannot reduce hunger and poverty. Improvements to SNAP and investments in affordable, accessible housing must be paired with other policy choices—such as permanently expanding the CTC to provide parents with additional income supports—to address the many systemic causes of hunger, financial instability, and poverty.
Strengthening and expanding access to physical and mental health care

The COVID-19 pandemic has negatively impacted everyone’s lives—and has been particularly harmful for many communities of color due to the compounding effects of underlying systemic racism. There continue to be large racial disparities in who contracts the virus and who is mostly likely to be hospitalized; disparities in vaccination rates also continue to appear. Black and Hispanic people are less likely to have received a vaccine, and as cases, hospitalizations, and deaths related to the delta variant continue to rise, unvaccinated people remain at greatest risk. Although the share of vaccinations going to Hispanic and Black people has increased over time, Black people in many states have received smaller shares of vaccinations compared with their shares of cases and the total population. COVID-19 disparities add to the disproportionate barriers that Black, Indigenous, and Latinx people already face in accessing the health care they need.

Some participants in the community conversations spoke about seeing immigrant, undocumented, or mixed-status families struggling to access health care due to language barriers, challenges obtaining care or testing due to insurance status or costs, and fear of deportation or detainment due to insufficient communication about their rights or protections. Brenda Gonzalez, an immigrant and educator from Texas, elaborated:

> In our school district alone, we have over 312 languages. And information about COVID-19 or health care related to COVID-19 that were distributed to families were all in English. Our people are scared to go to hospitals—not only because of the financial aspect, which is big because they don’t have insurance so everything will be out of pocket, but also the fear of not knowing what will happen to them if they go there.
Other participants who are Native American and live on tribal land spoke about how their health services have been overwhelmed and how hard it has been to get a clear picture of the pandemic’s impact due to a lack of data collection and reporting focused on Native Americans. Cassandra Waters, a parent from Washington, said:

> Our Indian health clinics were overwhelmed with people. Since we were so rural, it was hard to get people the medical care they needed if they did get COVID. Our nearest hospital is about an hour and a half away. So that was probably the hardest part: seeing people get sick and not being sure how they could get the proper medical care.

In addition to physical health, the pandemic has taken a toll on people’s mental health, especially those who are Black, Indigenous, and other non-Black people of color (BIPOC). Since Black, Latinx, and Indigenous people have experienced higher rates of hospitalization and death due to the pandemic, many people in these communities are dealing with grief and its long-term impacts on their mental health. Even before the pandemic, people who are BIPOC experienced disparate rates of diagnosis, treatment access, and prognosis for mental illnesses due to substantial barriers to mental health services, including lack of language access, stigma, and lack of affordable high-quality health insurance.  

Many participants spoke about the toll that the pandemic has taken on their mental health—their constant fear of physical disease, concerns about not being able to afford basic necessities, isolation in quarantine, and more. Sokeo Ros, an educator and artist from Rhode Island, spoke about how hard it has been for him and his household:

> For me and many folks like myself who have or are still going through certain things like depression, anxiety, and paranoia, it takes a heavy toll when you can no longer rely on healing mechanism like being around folks, performing, and dancing with folks. We also have a three-generation household; my parents were going through some things too. And we came from genocide. Surviving genocide and coming here to do this—all those things are triggered again. Your body keeps score.
For many educators, dealing with the pressure of a new form of learning alongside the isolation and fear created by the pandemic induced took a toll on their mental and emotional well-being. Maria Rocha, an educator from Texas, was candid about how the shift affected her:

*I cried the first two months. I’m going to be straight honest. Because even though I grew up with technology, having to learn all the tools a week before remote school started was nearly impossible. The district was throwing out trainings and trainings and trainings, but we were still trying to navigate a ship without even knowing how to navigate anything.*

This experience was especially difficult given that some educators felt overwhelmed even before the pandemic, as schools and educators were already trying to do a lot with limited resources. Feroz Khan, an educator from Missouri, spoke to this challenge: “Educators have already been so burnt out over the last few years, and schools have been underfunded since before the pandemic, with not enough supplies or people to clean and take care of a school in the first place.”

Many participants agreed that in addition to much-needed mental health supports for students, schools also need to provide mental health services for educators.

**Policy recommendations**

The federal government invested ARP funds in promoting both physical and mental health through the expansion of more affordable health care access. The health care provisions of ARP include the first federal expansion of the Affordable Care Act (ACA), increasing financial assistance for people purchasing health care coverage through the ACA’s marketplaces and extending assistance to people with incomes above the original ACA eligibility limits. More than 1.5 million Americans who do not have health insurance through their employer, Medicare, or Medicaid enrolled in ACA marketplace coverage during the ARP special enrollment period. In addition, more than 2.5 million current enrollees found an average premium savings of more than $40 per month by claiming newly expanded tax credits, compared with their premiums prior to the ARP’s implementation. States can build on federal action to increase access and affordability even more, providing additional financial assistance to lower deductibles and other out-of-pocket costs for people with lower incomes.

In addition to expanded financial assistance for coverage, the ARP provided a variety of other provisions, such as new investments in mental health, behavioral health, and substance use disorder prevention and treatment programs; funding and support for...
COVID-19 testing and contact tracing; additional support for Medicaid home- and community-based services during the COVID-19 emergency; and funding to address a variety of factors that influence health, such as food and housing assistance.

The ARP included grants to state, local, and tribal governments, tribal and nonprofit community-based organizations, and primary and behavioral health organizations to address community behavioral health needs. It also included funding for youth suicide prevention and gave the Indian Health Service funding for mental and behavioral health prevention and treatment services.

Additionally, a portion of ARP funds provided to state, local, territorial, and tribal governments can be used to address educational disparities—including services to address social, emotional, and mental health needs. As the new school year approaches, CAP recommends that schools use some of these funds to implement wellness programs and on-site counseling, as well as survey educators to identify what social, emotional, and mental health programs would be most helpful, among other actions. States should use ARP funding to strengthen school and community mental health systems and increase students’ access to mental health services and supports as they transition back to school. They should use funding to support partnerships between schools and community-based mental health agencies to increase access to services, expand the school mental health workforce, and provide workforce training.

Despite existing efforts to expand access to health care, more remains to be done. The budget reconciliation bill should include components of the Biden agenda that would help make health care more affordable for individuals living in states that have not expanded the Medicaid program to low-income adults, an option created by the ACA that 12 states have so far refused to implement. For example, Congress should include a comprehensive, permanent solution to closing the coverage gap that would address racial disparities in health coverage and health inequities. Congress should also extend the ACA expansion from the ARP, making new federal financial assistance permanent for those who purchase health care coverage through the ACA’s marketplaces.

Health disparities burden not only individuals but also their communities and the nation’s economy, leading to excess medical costs, premature deaths, lost productivity, and economic losses. Lowering health care costs and expanding access to equitable care would improve health, advance equity, and improve lives.
Conclusion

The COVID-19 pandemic has been greatly disruptive to most aspects of life and has left many people in need of additional social supports. It is important that policymakers take a wide-ranging approach to recovery, supporting the basic needs of children, families, and educators, in addition to supporting their ability to continue learning and teaching no matter the learning environment or model. State and local policymakers should utilize funds from the ARP to invest in early learning, academic and social-emotional supports for students, programs that offer economic and health care supports, and more.

It is also important that policymakers do not make the mistake of being satisfied with returning to things as they were—a child care crisis for many families and low pay for early childhood educators, K-12 schools that were in disrepair and failing to provide a quality education for every child, and inequitable access to debt-free postsecondary education. Instead, policymakers should aim for the country to emerge from the pandemic with stronger systems and supports for children, students, and families—in particular, those who are Black, Indigenous, or other people of color.

Congress has an opportunity to start building toward this long-term change and recovery through the budget reconciliation process. Restoring the strategy laid out in the Build Back Better agenda should be seen as an investment in a stronger America, not an opportunity to negotiate about what we take away from our children. To succeed, it must prioritize funding for programs that support the academic, social-emotional, economic, and health care needs of students, families, and educators, while also reimagining existing systems to better meet these needs.
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*Correction, September 23, 2021: This report has been updated to clarify that Steven Gupton sits on the equity committee for the school, not the district.*
Endnotes


9 Malik, “Working Families Are Spending Big Money on Child Care.”


26 Douglas-Gabriel, “Washington pumped $35 billion into emergency grants for college students. Here’s how it’s going.”


33 The Migration Policy Institute found that in early 2020, the unemployment rate for immigrant women increased from slightly above 4 percent to 8 percent and the unemployment rate for immigrant men increased from 3 percent to more than 15 percent. See Migration Policy Institute, “U.S. Unemployment Trends by Nativity, Gender, Industry, & More, Before and During Pandemic,” available at https://www.migrationpolicy.org/programs/migration-data-hub/us-unemployment-trends-during-pandemic (last accessed April 2021).


36 Center on Budget and Policy Priorities, “Tracking the COVID-19 Recession’s Effects on Food, Housing, and Employment Hardships.”

37 Ibid.


42 Ibid.


52 Ibid.


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