

State Fiscal Stabilization Fund
Governor's Office
American Recovery and Reinvestment Act

\$53.6 billion nationally. Grants to governors for state fiscal relief to prevent cuts to key services, Includes \$39.5 billion distributed by formula to states (by application) for schools. \$8.8 billion distributed by formula to states (by application) for public safety and other government services, which may include education and education modernization, repair and renovation. \$5 billion as incentive grants tied to key performance measures, not distributed by formula.

Total Wyoming-specific dollars available by allocation (subject to application to the Secretary of Education): \$82 million. \$67 million for education, \$15 million for "public safety and other government services, which may include educational services."

Eligibility Criteria:

The \$67 million must first be used to maintain funding for school districts at FY 08 or 09 levels in FY 09, 10, 11. Remaining funds from the \$67 million are to be used for institutions of higher learning to mitigate need to raise tuition and fees FY 09, 10, 11. Anything left is distributed through Title I formula. Governor must meet specific assurances in his grant application (details on second page) to US Department of Education for any funds, including: baseline data, maintenance of effort, establishment of a "longitudinal data system," teacher effectiveness and equity in teacher distribution, enhanced quality of assessment for English language learners and students with disabilities, and to ensure corrective actions from low-performing schools. Annual report from governor required, includes number of jobs saved or created.

The \$15 million must also be applied for. No clear definition of "public safety and other government services," but could apparently be non-education. Application requirements not available.

**** Of interest:** There is also a provision for states to seek waivers from any of the requirements of the fund. Details are not yet available.

Duration: Application in FY 2009 or FY 2010. Possible requirement to notify Secretary of Education within 45 days of "intent" to apply. Funds may be used in state fiscal years 2009, 10, 11. "Use it or lose it" provision requires governor to subgrant or commit funds within two years of receipt of funds. Secretary may reallocate funds after this period.

One Potential Element of State Budget Impact: **A.** Of the \$67 million portion, K-12 School capital construction options are limited to repairs and renovation, and must be consistent with state law. No university or community college maintenance-renovation are permitted to be funded through this section. **B.** From the \$15 million portion: K-12 & higher education repairs and renovations would be permitted.

State Stabilization Application (\$67 million portion)

Must contain:

- Baseline data that demonstrates state's current status in
 - Elementary/Secondary Ed --Maintenance of effort for Elementary and Secondary education at FY2006 levels
 - Higher Ed – State support for public institutions (not including capital projects or research and development or tuition) at FY 2006 levels
 - Equity in teacher distribution – state actions to comply with NCLB highly qualified teachers between high and low poverty schools
 - Improving collection and use of data – establish longitudinal data system
 - Standards and assessment – state will enhance the quality of academic assessments required by NCLB
 - Compliance with NCLB requirements for inclusion of children with disabilities and limited English proficient students in state assessments. Includes the development of valid and reliable assessments for those students, and the provision of accommodations
 - Improvement of state academic content standards and student achievement standards consistent with NCLB
- Description of how the state intends to use its allocation, including
 - Whether the state will use allocation to meet MOE effort for NCLB or IDEA
- Description of status of state's progress in each of the data elements above
- Achievement and graduation rates for all students and subgroups included in NCLB
- Strategies for making progress toward meeting the state's student academic achievement standards
- Describe how the state would use its grant funding to improve student academic achievement in the state, including how it will allocate funds to give priority to high need local educational agencies
- Include a plan for evaluating the state's progress in closing achievement gaps