

Changes in the Rural Education Achievement Program



BACKGROUND

- The Rural Education Achievement Program (REAP)—which consists of the Small, Rural School Achievement (SRSA) program and the Rural Low-Income Schools program (RLIS)—provides formula grants to states, which then make subgrants to local educational agencies (LEAs).
- To be eligible for a subgrant, at least 20 percent of children age 5-17 served by the LEA must be from families with incomes below the poverty line, based on the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE).
- Under ESEA/ESSA, states can qualify districts for RLIS using Free and Reduced Lunch Program (FRLP) data or another “alternative poverty metric” **IF** they do not have census data.
 - 20 states submitted alternate poverty data for some districts.
 - 7 states decided that even though have census data, districts should have qualified for RLIS and submitted them as eligible applicants using alternative poverty metrics.
 - From the beginning, Maine, New Hampshire, and Oklahoma have allowed districts to qualify using alternate metrics. Alaska, Montana, and Texas started using alternative metrics in 2018.
 - The growing use of alternative metrics—for example, the number of districts using alternative metrics has risen from 28 to 51 in Maine, from 27 to 199 in New Hampshire, and from 50 to 199 in Oklahoma – has prompted concern from policymakers and the Department of Education that the funding is being diluted and not being directed as originally intended.

POLICY ISSUES

- In February 2020, former Education Secretary Betsy DeVos and the Department of Education [suddenly announced](#) changes in the type of poverty data that could be used to determine RLIS eligibility.
- In March 2020, after [congressional pressure](#), Secretary DeVos temporarily backed down from the shift.
- In April 2020, DeVos granted districts a one-year hold-harmless while Congress considered how to address RLIS eligibility issue.

OMNIBUS CLARIFIES ELIGIBILITY CRITERIA

- The Consolidated Appropriations Act, 2021 (H.R. 233), was signed into law on December 27, 2020. Title III, Section 316 of the legislation clarifies RLIS eligibility criteria under ESEA/ESSA section 5221(b)(1):
 - At least 20 percent of children age 5-17 in the LEA must be from families with incomes below the poverty line, based on SAIPE data.
 - Rural non-geographic LEAs for which SAIPE data are not available are eligible based on the state-derived equivalent of SAIPE data used to make allocations under Part A of Title I of ESEA, consistent with 34 C.F.R. § 200.72.
- LEAs that do not meet the program's eligibility requirements but that received a grant in 2019 based an alternative poverty data will remain eligible for grants for a limited number of years. The grant award will be based on a percentage of the 2019 amount that will gradually decline over a seven-year period. In fiscal years 2021 and 2022 only, the grant award will be 100 percent of the 2019 amount, so the local educational agency will be held harmless.