

**AUSTRALIAN COUNCIL FOR THE DEFENCE OF
GOVERNMENT SCHOOLS
PRESS RELEASE 873**

**STATE AID TO PRIVATE SCHOOLS IN AMERICA
UNDER CLOAK OF COVID GRANTS**

Last spring, when the pandemic began crippling the economy, the American Congress passed the \$2.2 trillion CARES Act (Coronavirus Aid, Relief, and Economic Security Act). It was a rare moment of bipartisan action. Included in the act was the Paycheck Protection Program, which offered \$660 billion to help small businesses weather an economic catastrophe in which many would be forced to close their doors and lay off their employees. The PPP would enable these businesses to pay their employees and survive the pandemic.

However, in the inevitable lobbying, someone added non-profits to the list of organizations eligible to receive government aid under the PPP.

The PPP grants are called loans, but they are forgivable if used for payroll, rent, heating, and other expenses. It's unlikely that any will be repaid.

Public schools were not eligible to apply for PPP, because they received a fund of \$13.2 billion, which they were required to share with charter schools. Charter schools, however, were eligible to apply for PPP as “nonprofits,” meaning they could double dip into both funds. Over 1,200 charter schools got very generous payouts, with some collecting more than \$1 million. The average public school received \$134,500 from the CARES Act.

Private and religious schools flocked to the PPP and collected far more than public schools. An organization called Good Jobs First created a website called Covid Stimulus Watch to see who got the money. They estimated that private, religious, and charter schools collected nearly \$6 billion from PPP, about six times more per school than public schools.

While the federal PPP was scooped up by charter schools, private schools, and religious schools, more than [110,000 restaurants closed](#), ending the employment and income of many hundreds of thousands of employees, while wiping out the life savings of thousands of owners.

To understand how incredibly generous the Treasury Department was in handing out PPP money to private and religious schools, you should review the list of grants that are attached, representing awards in four states: New York, Massachusetts, Ohio, and Michigan. You will be stunned to see the amounts collected by religious schools and elite private schools. The data were collected by Mellissa Chang of Good Jobs First. If you are wondering about your own state, you can contact her at mellissa@goodjobsfirst.org.

The figures provided to religious schools, Roman Catholic, Jewish, Islamic and Evangelical are mouth watering! Public schools averaged only \$134,000. Private school grants ranged from \$250,000 to \$7.5 million. So, for the current American politicians private schools are worth a great deal more than public institutions.

You can get the pdf for the New York data [here](#).

You can get the pdf for the Massachusetts data [here](#).

You can get the pdf for the Ohio data [here](#).

You can get the pdf for the Michigan data [here](#).

See also <https://dianeravitch.net>

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