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As Tennessee Holds Public Budget Hearings, In the Black Cautions that Federal Education Funding in Tennessee May be in Peril

What can legislative and education leaders across the state do to protect core education services if funding is eliminated?

NASHVILLE, Tenn. - As state agencies prepare to present their requested FY27 budgets to the governor and other budget leaders, [In the Black](#), an initiative of the Millennial Debt Foundation, has released a white paper on the perils of too much reliance on federal funding.

The white paper titled "[Reverse ESSER: A Framework for Safeguarding Tennessee Education Amid Federal Uncertainty](#)" presents insights and policy recommendations to address the potential for substantial federal education funding losses. On the heels of the Tennessee General Assembly's House Finance, Ways, and Means Committee series of hearings reviewing agencies' budget histories, coupled with upcoming FY27 budget decisions, the timeliness of these recommendations is paramount.

Authored by In the Black's Policy Director, William Glass, the white paper outlines key findings in how Tennessee successfully utilized the federal government's Elementary and Secondary School Emergency Relief (ESSER) funds offered to Tennessee during the COVID-19 pandemic and how Tennessee, and other states, can take those best practices a step further and protect what matters most in public education should funding go away.

Some of the key findings include:

- The Tennessee Department of Education developed a strategic template structure for districts that received ESSER funds with clearly defined categories for spending and assessment requirements. Instead of using the strategic template for assessing expenditures, In the Black recommends reversing the model to identify potential vulnerabilities resulting from funding loss.
- Recommendations on developing a Reverse-Triage Template to identify possible solutions or strategies that can address various outcomes beyond the districts' control.

- Recommendations for state leadership to operationalize a Reverse ESSER model for addressing federal education funding shortfalls.

“Our elected officials cannot assume the same levels of federal funding for education will continue,” said Glass. “We have already experienced the turmoil when funds are withheld or even paused temporarily. It is incumbent upon states to develop strategic plans for addressing the shortfall without sacrificing the institutional readiness of our education system.”

The Reverse ESSER white paper is available on the [In the Black website](#). You can also learn more about the In the Black movement, which is centered around the idea that fiscal stewardship is both important and achievable when citizens insist on it, at intheblack.org. Follow along on [Instagram](#), [Facebook](#), [X](#), [LinkedIn](#), and [YouTube](#).

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ABOUT IN THE BLACK

In the Black is an initiative of the Millennial Debt Foundation, a nonpartisan 501(c)(3) dedicated to promoting fiscal stewardship in local and state policy. Founded by Hamilton County Mayor Weston Wamp and inspired by the late U.S. Senator Tom Coburn's call to get government “back in black,” In the Black brings together generational leaders to address America's long-term fiscal challenges. The organization is supported by individual donors, the Lynde and Harry Bradley Foundation, and Arnold Ventures.