

## **Fact Sheet – Coronavirus Response and Relief Supplemental Appropriations Act, 2021**

On December 27, 2020, the bipartisan Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) was signed into law. The measure contains \$900 billion in COVID-19 relief funding and \$1.4 trillion in appropriations funding to fund government programs through September 30, 2021. The legislation also makes notable changes to federal higher education policies.

### **COVID-19 Relief Provisions**

#### **Higher Education Emergency Relief Fund (HEERF)**

- **\$22.7 billion** for the HEERF, allocated as follows:
  - **\$20.2 billion** for direct grants to non-profit institutions of higher education (IHEs)
    - Funds are to be allocated to institutions based on the following formula:
      - 37.5% according to the relative share of full-time equivalent (FTE) Pell Grant recipients
      - 37.5% according to the relative share of the total number of Pell Grant recipients (headcount)
      - 11.5% according to the relative share of non-Pell FTE students
      - 11.5% according to the relative share of total non-Pell students (headcount)
      - 1% based on FTE enrollment of Pell recipients who were exclusively enrolled in distance education prior to the pandemic
      - 1% based on headcount of Pell recipients who were exclusively enrolled in distance education prior to the pandemic
    - **Student Share:**
      - While H.R. 133 does not require institutions to allocate 50% of their HEERF funds to students in the form of emergency grants, it does direct colleges to spend the same amount on emergency grants as they did under the CARES Act.
      - When allocating emergency grants, institutions must prioritize students with exceptional financial need.
      - The grants may be used to cover a student's cost of attendance (COA) or emergency costs that arise due to COVID-19, including tuition, food, housing, health care and child care.
    - **Institutional Share:**
      - Institutional funds are flexible and can be used to offset lost revenues, technology costs, payroll, staff training, and student support activities authorized by the Higher Education Act (HEA).

- **\$1.7 billion** in dedicated funding for Historically Black Colleges and Universities (HBCUs), Tribal colleges and universities (TCUs), Hispanic-serving Institutions (HSIs) and other Minority Serving Institutions (MSIs).
- **\$113 million** for institutions of higher education with unmet need related to the pandemic, allocated through the Fund for the Improvement of Postsecondary Education (FIPSE).
- **\$681 million** in funding for students at for-profit colleges.

### **Governor’s Emergency Education Relief Fund (GEERF)**

- **\$4.1 billion** for the GEERF, with **\$2.75 billion** reserved for providing emergency assistance to non-public schools.
  - Governors can use non-reserved funds to provide grants to local education agencies (LEAs) or IHEs.

### **Broadband Connectivity**

- **\$7 billion** for broadband services, including **\$285 million** for grants to HBCUs, TCUs, HSIs and other MSIs to support connectivity.
  - Grant funding can be used to purchase routers, modems, hotspots, and laptops.
  - Funding recipients are required to prioritize providing support to low-income students, including those who are eligible for the Pell Grant or for FCC’s Lifeline program.

### **Child Care**

- **\$10 billion** for Child Care and Development Block Grants to support child care providers facing reduced enrollment and provide care for children of essential workers.

### **Expansion of Supplemental Nutrition Assistance Program (SNAP)**

- Extends SNAP eligibility to college students, including part-time students, who are eligible for federal or state-funded work study programs during the regular school year or have an expected family contribution (EFC) of zero during the current academic year.
- This change will remain in effect until 30 days after the COVID-19 public health emergency is lifted.

## **Fiscal Year (FY) 2021 Funding Provisions**

### **Pell Grants**

- **Pell Grant Maximum Award:** \$6,495 (\$150 higher than FY20)
  - A rescission of \$500 million was made to the Pell Grant Surplus

### **Campus-Based Aid**

- **Federal Supplemental Educational Opportunity Grants (SEOG):** \$880 million (\$15 million higher than FY20)
- **Federal Work Study (FWS):** \$1.190 billion (\$10 million higher than FY20)

## **Institutional Aid**

- **Strengthening Institutions Program (SIP):** \$109 million (\$1 million higher than FY20)
- **Strengthening Tribally Controlled Colleges and Universities (TCUs):** \$38 million (\$1 million higher than FY20)
- **Strengthening Alaska Native & Native Hawaiian-serving Institutions:** \$19 million (\$1 million higher than FY20)
- **Strengthening Historically Black Colleges and Universities (HBCUs):** \$338 million (\$13 million higher than FY20)
- **Strengthening Predominantly Black Institutions (PBIs):** \$14 million (\$1 million higher than FY20)
- **Strengthening Asian American & Native American Pacific Islander-serving Institutions (AANAPISIs):** \$5 million (\$1 million higher than FY20)
- **Strengthening Native American-serving Nontribal Institutions:** \$5 million (\$1 million higher than FY20)
- **Aid for Hispanic-serving Institutions (HSIs):** \$163 million (\$7 million higher than FY20)
- **Fund for the Improvement of Postsecondary Education (FIPSE):** \$41 million (\$17 million higher than FY20)

## **Student Support Programs**

- **Federal TRIO Programs:** \$1.097 billion (\$7 million higher than FY20)
- **Gaining Early Awareness & Readiness for Undergrad Programs (GEAR UP):** \$368 million (\$3 million higher than FY20)
- **Child Care Access Means Parents in School (CCAMPIS):** \$55 million (\$2 million higher than FY20)

## **Workforce Training & Adult Education Programs**

- **Strengthening Community College Training Grants (SCCTG):** \$45 million (\$5 million higher than FY20)
- **Career and Technical Education (CTE) State Grants:** \$1.335,000,000 billion (\$52 million higher than FY20)
- **Adult Education State Grants:** \$689 million (\$18 million higher than FY20)

## **Other Higher Education Provisions**

### **Pell Grant Eligibility**

- **Second Chance Pell**
  - Restores Pell Grant eligibility for incarcerated individuals, including those serving sentences in federal, state, or local penal institutions.
  - Eligible education and training programs must be approved to operate in a correctional facility by the appropriate state agency. Programs must also enable participants to transfer credits to at least one IHE in the state where the correctional facility is located.

- **Drug-Related Convictions and Secret Service Registration**
  - Allows individuals with drug-related convictions and those who have not registered with the Selective Service to qualify for federal student aid.
  - Removes questions on the FAFSA related to drug convictions and Selective Service eligibility.
- **Borrower Defense Claims**
  - Restores Pell Grant eligibility for students who were unable to complete their program of study due to their institution closing or whose loans were discharged in a successful borrower defense claim

### **Free Application for Federal Student Aid (FAFSA) Simplification**

- Reduces the FAFSA from 108 questions to 36.
- Expected Family Contribution (EFC) will now be called the Student Aid Index (SAI). The SAI will be determined based on dependency status, number of parents in the household and family income as it relates to the federal poverty level.
- Allows SAI to be as low as \$-1500, whereas the EFC cannot go below zero. This adjustment would allow the neediest students to receive aid in excess of their Cost of Attendance (COA)
- These changes are estimated to make an additional 500,000 students eligible for Pell grants each year and qualify another 1.7 million students for the maximum award.

### **Repeal of Subsidized Usage Limit Applies (SULA) Requirement**

- Rolls back the SULA requirement which bars students from receiving subsidized Direct Loans for more than 150% of the published length of their program.
- Requires the Department of Education (ED) to implement the repeal by July 1, 2023 at the latest.

### **HBCU Capital Financing Loan Forgiveness**

- Cancels all debt obligations stemming from outstanding loans made through the HBCU Capital Financing Program, which helps schools finance repairs to campus facilities.
- This provision is estimated to forgive more than \$1.3 billion in outstanding loans for over 40 HBCUs.

### **Tax Provisions**

- Allows employers to contribute up to \$5,250 tax-free towards their employees' student loan payments until January 1, 2026.