



Summary of Higher Education and Research Provisions

H.R. 748, The Coronavirus Aid, Relief, and Economic Security Act

Last Updated: 9:00 am ET, March 26, 2020

Agency / Issue	Provisions
Department of Education	<p>Education Stabilization Fund</p> <ul style="list-style-type: none"> • \$30.75 billion total, less 2% for Indian Education, grants to governors in impacted areas and administrative expenses; or \$30.135 billion, divided into three funds (Section 18001): <ul style="list-style-type: none"> ○ Governors Emergency Education Relief Fund – 9.8 percent or \$2.953 billion ○ Elementary and Secondary School Emergency Relief Fund - 43.9 percent or \$13.229 billion ○ Higher Education Emergency Relief Fund – 46.3 percent or \$13.953 billion • Imposes maintenance of effort (MOE) on participating states that ties funding for the Governors fund and the K-12 fund to an average of the past three years spending on K-12 and higher education for fiscal years 2020-21. MOE does not include support for capital projects, R&D, and tuition and fees paid by students. Funds are not restricted to public institutions within the state. • The Secretary may waive the MOE requirement for states that have experienced a precipitous decline in financial resources. (Section 18008)

	<ul style="list-style-type: none"> • Uses HEA definition of an institution of higher education. • <i>Governors Emergency Education Relief Fund</i> – \$2.953 billion (Section 18002) <ul style="list-style-type: none"> ○ Funds allocated to states on basis of 60% of population ages 5-24 and 40% on population of children counted under ESEA. ○ Funds may be used to “provide emergency support through grants to institutions of higher education serving students within the State that the Governor determines have been most significantly impacted by coronavirus to support the ability of such institutions to continue to provide educational services and support the ongoing functionality of the institution.” • <i>Higher Education Emergency Relief Fund</i> – \$13.953 billion (Section 18004) <ul style="list-style-type: none"> ○ Funds to be used “to prevent, prepare for, and respond to coronavirus. Funds may be used to defray expenses for institutions of higher education, such as lost revenue, technology costs associated with a transition to distance education, and grants to students for food, housing, course materials, technology, health care, and child care.” ○ Allocates 90% (\$12.558 billion) directly to institutions through the Title IV distribution system. <ul style="list-style-type: none"> ▪ Institutional amounts are calculated using 75% of full-time equivalent enrollment of Pell students at an institution and 25% of the institutional award is calculated using full-time equivalent enrollment of non-Pell students. ▪ Students who were exclusively online are removed from the calculation. ▪ At least 50% of funds (or \$6.279 billion) awarded to institutions must be used to provide direct emergency aid to students, including “grants to students for food, housing, course materials, technology, health care, and child care.” ▪ Allowable uses for the institutional portion of the funds are broad and can be used to “defray expenses for institutions of higher education, such as lost revenue, technology costs associated with a transition to distance education.”
--	--

	<ul style="list-style-type: none"> ▪ Recipients of funds must retain current employees to the “maximum extent practicable.” ○ Reserves 7.5% (\$1.047 billion) for minority-serving institutions. ○ Reserves 2.5% (\$349 million) for grants to institutions particularly impacted by coronavirus, to be administered through FIPSE. It would be disbursed through grants, so the Department would establish criteria for grants and awards. Details not explicitly outlined in the bill. Priority for these grants goes to smaller institutions who received less than \$500,000 under the formula and MSI grants and still have significant unmet need. <p>Regulatory Flexibility</p> <ul style="list-style-type: none"> • Sec. 3503 Campus-based aid waivers – Waives the requirements that institutions match federal funds and waives the limits on transferring funds between programs in the SEOG and Federal Work-study (FWS). • Sec. 3504. Use of supplemental educational opportunity grants for emergency aid – Allows institutions broad flexibility to disburse SEOG funding as emergency grant aid to students. • Sec. 3505. Federal work-study during a qualifying emergency – Allows institutions to make FWS payments for students for a period of up to one year, even if the student is unable to perform the required work due to campus closures. • Sec. 3506. Adjustment of subsidized loan usage limits – Excludes loans borrowed from counting towards annual or cumulative limits if a borrower is unable to complete the term due to a qualifying emergency. • Sec. 3507. Exclusion from Federal Pell Grant duration limit - Excludes Pell Grants awarded from counting towards annual or cumulative limits if a Pell recipient is unable to complete the term due to a qualifying emergency. • Sec. 3508. Institutional refunds and Federal student loan flexibility – suspends an institution’s obligation to return Title IV funds if a student withdraws during a payment period due to a qualifying emergency. Suspends a student’s obligation to return Title IV aid they have received if they withdraw during a payment period due to a qualifying emergency. Relieves borrowers of the obligation to repay loans that were
--	--

	<p>taken out if they withdraw due to a qualifying emergency during the payment period those loans were borrowed for. Allows for institutions to allow students to take a leave of absence without needing to return in the same semester.</p> <ul style="list-style-type: none"> • Sec. 3509. Satisfactory academic progress – Allows institutions to exclude terms impacted by a qualifying emergency in the calculation of a student SAP. • Sec. 3510. Continuing education at affected foreign institutions – Allows for otherwise eligible programs at foreign institutions to be eligible for Title IV aid for distance education. • Sec. 3513. Temporary relief for federal student loan borrowers – Suspends borrowers’ obligation to make payments on their federal Direct Loans through September 2020; suspends interest on the payments; suspends garnishment of wages, Social Security and tax refunds, among other measures, for borrowers in default during this period. • Sec. 3518. Authorized uses and other modifications for grants – Allows the Secretary to waive requirements regarding the allowable uses of grant funding and requirements on matching grants at the request of the institution.
<p>Tax Provisions / IRS</p>	<p>Temporary Universal charitable tax deduction. A temporary universal charitable tax deduction for donations of up to \$300 to both itemizers and nonitemizers. (Lankford language to increase the cap was not agreed to.)</p> <p>Temporary suspension of charitable contribution limits. The charitable tax deduction claimed by a taxpayer each tax year is generally limited to no more than 50% of the taxpayer’s adjusted gross income (AGI), unless a taxpayer gives only cash, in which case the limit increases to 60% of AGI. The bill will temporarily suspend these limitations on the charitable tax deduction per taxpayer in 2020.</p>

	<p>Delay of payment of payroll taxes provision in bill applies to higher ed - public and private non-profits - until Jan. 1, 2021. Employers who delay payment of payroll taxes will have to repay 50% by 12/32/2021 and remaining 50% by 12/31/2022.</p> <p>Expanded Section 127 employer provided education assistance to include student loan repayment made by an employer up to \$5,250 per year to the employee or to a lender of principal or interest on any qualified education loan as a tax-free benefit. To qualify, payments must be made before Jan 1, 2021.</p> <p>FMLA. Does not include fix for public universities. The Families First Coronavirus Response Act does not permit public universities to receive FMLA tax credits for the costs of providing mandated paid sick and family leave. That provision requires private sector employers with fewer than 500 employees, but all public sector employers regardless of size, to provide paid FLMA and sick leave.</p> <p>IRS. \$250M in additional funding to prevent, prepare for, and respond to coronavirus, domestically or internationally, including costs associated with the extended filing season and implementation of the <i>Families First Coronavirus Response Act</i>. This will allow the IRS to administer new tax credits for paid leave and address costs associated with delaying the filing season.</p>
<p>National Institutes of Health</p>	<p>\$945M in total NIH funding divided among: the National Heart, Lung and Blood Institute (\$103.4M), National Institute of Allergy and Infectious Diseases (\$706M), National Institute of Biomedical Imaging and Bioengineering (\$60M), National Library of Medicine (\$10B), National Center for Advancing Translational Sciences (\$36M), and the Office of the Director (\$30M) to support research and expand on prior research plans to better understand COVID-19.</p>
<p>Department of Defense</p>	<p>\$415M for the Defense Health Program RDTE to prevent, prepare for, and respond to coronavirus domestically or internationally.</p>

<p>Department of Energy</p>	<p>\$99.5M for the Office of Science to prevent, prepare for, and respond to coronavirus, domestically or internationally, for necessary expenses related to providing support and access to scientific user facilities in the Office of Science and National Nuclear Security Administration, including equipment, enabling technologies, and personnel associated with the operations of those scientific user facilities.</p> <p>\$28M for “Departmental Administration” to prevent, prepare for, and respond to coronavirus, domestically and internationally, including for necessary expenses related to supporting remote access for personnel to prevent, prepare for, and respond to coronavirus.</p>
<p>National Aeronautics and Space Administration</p>	<p>\$60M for Safety, Security and Mission Services. to prevent, prepare for, and respond to coronavirus.</p>
<p>National Science Foundation</p>	<p>\$75M for Research and Related Activities to “prevent, prepare for, and respond to coronavirus, domestically or internationally, including to fund research grants and other necessary expenses” (note: RAPIDs likely grant mechanism)</p> <p>\$1M for Operations to respond to COVID-19 impacts on the grant administration process Flexibility provided to reimburse some costs incurred due to COVID-19 virus.</p>
<p>National Endowment for the Humanities</p>	<p>\$75M for Grants and Administration “to prevent, prepare for, and respond to coronavirus domestically or internationally, to be distributed in grants”</p> <ul style="list-style-type: none"> • 40 percent of such funds shall be distributed to state humanities councils • 60 percent of such funds shall be for direct grants
<p>U.S. Department of Agriculture</p>	<p>\$3M for Forest and Rangeland Research to respond to the coronavirus including for the “reestablishment of abandoned or failed experiments associated with employee restrictions due to the coronavirus outbreak”</p>
<p>Other Research Agencies</p>	<p>NIST - \$66M. Includes \$6M for Scientific and Technical Research and Services to prevent, prepare for, and respond to coronavirus, domestically or internationally by supporting continuity of operations, including measurement science to support viral testing and bio-manufacturing. \$50M for Holling Manufacturing Extension Program and \$10M for National Network for Manufacturing Innovation to prevent, prepare for, and respond to coronavirus, domestically or internationally.</p>

	<p>NOAA - \$20M for Operations, Research, and Facilities to prevent, prepare for, and respond to coronavirus, domestically or internationally, by supporting continuity of operations, including National Weather Service life and property related operations.</p> <p>EPA - \$7.2M. Includes \$2.25M for Science and Technology to prevent, prepare for, and respond to coronavirus, domestically or internationally.</p>
--	--