



Federal Efforts to Address COVID-19

On March 27, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act ([P.L. 116-136](#)), a \$2.3 trillion stimulus package primarily aimed at bolstering support for activities to address COVID-19. The legislation is the result of bipartisan negotiations between House and Senate leadership.

The CARES Act marks the third of three federal spending packages to address COVID-19. The first, the Coronavirus Preparedness and Response Supplemental Appropriations Act (P.L. 116-123), became law on March 6 and provides \$8.3 billion in emergency funding to combat the outbreak. It provides \$7.76 billion to federal, state and local agencies and authorizes an additional \$500 million in waivers for Medicare telehealth restrictions. Federal agencies have also been provided a total of \$3 billion for vaccine research.

On March 18, the president signed into law a second supplemental funding bill, the Families First Coronavirus Response Act (P.L. 116-127). Major provisions of the law include paid emergency leave and free testing for COVID-19. More specifically, the measure provides paid emergency leave with two weeks of paid sick leave and up to three months of family and medical leave.

Major Higher Education and Research Provisions of CARES Act

(as of March 27, 2020; subject to updates)

Federal Department/Agency	Proposed Funding	Activities Supported
Department of Education		
<i>Sec. 18001 Education Stabilization Fund</i>	\$30.75 billion total	Higher education would receive \$13.953 billion (46%) of the \$30.75 billion total. Formula would determine amount of direct funding to institutions.
<i>Sec. 18004 Higher Education Emergency Relief Fund</i>	\$13.953 billion (46%)	A formula for institutions with Title IV funding:

		<p>90% of funding to IHEs based on formula that considers the number of FTE students and Pell Grant recipients to prevent, prepare for, and respond to the coronavirus by proportioning it:</p> <ul style="list-style-type: none"> • 75% according to the relative share of full-time equivalent enrollment of Federal Pell Grant Recipients who are not exclusively enrolled in distance education courses prior to the coronavirus emergency • 25% according to the relative share of full-time equivalent enrollment of students who were not Federal Pell Grant Recipients who are not exclusively enrolled in distance education courses prior to the coronavirus emergency <p>7.5% for additional awards to address needs directly related to coronavirus used to defray expenses including technology costs, faculty and staff, and for grants to students for any component of the student’s cost of attendance (food, housing, health care, etc.)</p> <p>2.5% for institutions of higher education that the Secretary determines to have the greatest unmet needs related to coronavirus which may be used to defray expenses.</p>
Regulatory Flexibility		
<i>Sec. 3504 Use of supplemental educational opportunity grants for emergency aid</i>		Allows an institution to use SEOG funding to be dispersed as emergency aid for both undergraduate and graduate students.
<i>Sec. 3504 Federal work-study during a qualifying emergency</i>		Allows an institution to make 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.

<i>Sec. 3506 Adjustment of subsidized loan usage limits</i>		Excludes loans borrowed from counting towards annual or cumulative limits if a borrower is unable to complete the term due to a qualifying emergency.
<i>Sec. 3507 Exclusion from Federal Pell Grant duration limit</i>		Excludes any semester (or equivalent) that the student does not complete (due to a qualifying emergency) from counting towards their total Pell Grant support.
<i>Sec. 3510 Continuing education at foreign institutions</i>		Would allow otherwise eligible institutions to offer distance education.
<i>Sec. 3513 Temporary relief for federal student loan borrowers</i>		Secretary shall suspend borrowers' payments on federal Direct Loans through September 2020. Also suspends interest on the payments. Counts payments during this period towards loan forgiveness. Suspends garnishment of wages, Social Security and tax refunds for borrowers in default during this period.
<i>Sec. 3519 Service obligations for teachers</i>		Secretary may modify categories of extenuating circumstances under which a recipient of a TEACH Grant may fulfill their service obligation (includes a qualifying emergency). Also waives requirement that years of teaching service need to be consecutive if service interrupted by a qualifying emergency.
Department of Health and Human Services		
National Institutes of Health (NIH)	\$945.5 million	Therapeutic research related to COVID, including underlying risks to cardiovascular and pulmonary conditions. Combined with the first supplemental package, Congress has provided \$1.78 billion for NIH research.
SAMHSA Emergency Response Grants	\$100 million	Flexible funding to address mental health, substance use disorders, and provide resources and support to youth and the homeless during the pandemic.

Department of Energy	\$127.5 million	Additional funding granted to certain agencies/programs that will directly address research or operations related to COVID-19.
Office of Science	\$99.5 million	
National Science Foundation	\$76 million	
National Endowment for the Arts	\$75 million	
National Endowment for the Humanities	\$75 million	
Institute of Museum and Library Sciences	\$50 million	
National Aeronautics and Space Administration (NASA)	\$60 million	
National Oceanic and Atmospheric Administration (NOAA)	\$20 million	
TAX PROVISIONS		
<i>Sec. 2204 Allowance of partial above the line deduction for charitable contributions</i>		A temporary universal charitable tax deduction for donations of up to \$300 per individual to both itemizers and non-itemizers.
<i>Sec. 2205 Modification of limitations on charitable contributions during 2020.</i>		Alters limits on charitable contributions for 2020 and increases limitations on itemized deductions.
<i>Sec. 2206 Exclusion for certain employer payments of student loans</i>		Expands Sec. 127 to include student loan repayment up to \$5,250 per year made by an employer 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.