April 17, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
The Capitol H-232
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
The Capitol H-204
Washington DC 20515

Dear Speaker Pelosi and Minority Leader McCarthy,

As Congress continues developing legislative proposals to provide support during the COVID-19 pandemic, the Council of Graduate Schools (CGS) would like to share the following considerations and recommendations. For nearly six decades, CGS has served as the national organization dedicated to advancing graduate education and research. Our membership includes nearly 500 institutions of higher education in the United States, Canada, and abroad. Collectively, our members grant 87 percent of all U.S. doctorates and the majority of U.S. master’s degrees.

The COVID-19 pandemic has imposed numerous challenges that our institutions are now trying to navigate. Graduate programs are facing difficult decisions to address the concerns of their students, faculty, and facilities. From discussions with the deans and chairs of the graduate schools within our member institutions, it is apparent that support for graduate students, both domestic and international, is of utmost importance. Ensuring that graduate programs and the overall institution can continue to serve students at this time, while also turning an eye to future enrollment, are issues that are also inherently embedded in sustaining ongoing research efforts and preparing the future workforce.

We commend your leadership which has led to the passage of three major supplemental packages to date. The most recent of which, the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), included provisions to support higher education and the federal research enterprise. We are appreciative of these investments, which will directly support students, institutions, and the research pipeline. We offer the following recommendations for your consideration as you draft additional legislation and also bring to your attention additional challenges brought on by the pandemic.

**Bolster Funding to Support Students and Institutions: Provide at least $46.6 Billion**

The CARES Act provided a $30.75 billion-dollar Education Stabilization Fund, of which nearly $14 billion would be allocated to institutions of higher education (IHEs). Of this $14 billion, 50 percent of what an institution receives must be allocated towards student emergency grant aid, and the remaining 50 percent can be used towards costs related to transitioning to online classes, technology needs, and grants to meet students’ housing and food needs.

We believe that $14 billion should be a starting point, rather than the total amount that institutions receive. CGS joins its higher education colleagues in requesting an additional $46.6 billion to be divided equally to support students and institutions. A letter dated April 9, 2020 authored by the
American Council on Education and signed by 41 higher education associations (including CGS) was sent to House and Senate leadership detailing the rationale behind this funding request, which takes into consideration the financial needs of students, the constraints placed on college and university budgets, and the overall economic and societal impact of the pressures our institutions are facing.

**Additional Support for the Federal Research Enterprise**

CGS commends the additional investments included in the CARES Act for certain federal research agencies to address the coronavirus, including the National Institutes of Health (NIH), the National Science Foundation (NSF), the National Endowment for the Arts, the National Endowment for the Humanities, as well as several others. This support will allow agencies and their community partners to find ways to address the coronavirus and its systemic effects.

In prioritizing public health and safety, several campuses across the nation have had to make the difficult but necessary decision to shut down laboratories, libraries, and other facilities that graduate students, post-doctoral fellows, faculty, and other staff need to access in order to perform their work. The immediate consequences alone of doing so are damaging enough; the long-term effects and the unknown that will arise in the coming months to years are likely to prove even more devastating. For example, some CGS members have noted how the destruction of biological samples as a result of shutting down laboratories will create setbacks that have academic and economic repercussions. We believe that additional investments from Congress will help provide colleges and universities a pathway to continue advancing research that is able to be performed during the pandemic—including that which is being done to directly address coronavirus—as well as reinvigorating the future research endeavors that have been put on hold or forced to be abandoned.

Our members have expressed concern that the delays brought on by the pandemic will have serious implications for not just the research process itself, but also for the graduate students, postdoctoral research fellows, and faculty who perform that work. For those who are funded through federal grants, supplemental funding for project extensions will be extremely critical. Some agencies, including NIH and NSF, have released guidance for grantees to allow for no-cost extensions. However, we believe that additional funding is needed for graduate students, postdocs, and faculty to continue being supported on the grants, given that the suspension of certain research activities will mean that these individuals will be delayed in their efforts.

For example, doctoral students who were on track to graduate but are now uncertain when they will be able to complete their research as a necessary requirement hang in the balance. These same individuals, who fully expected to matriculate into the workforce in the coming months, will now be simultaneously missing out on opportunities and traineeships that support early career scientists.

Therefore, we request additional funding to federal research agencies to provide cost-extensions. This will help provide continued stipends and salaries and other assistance for those directly involved in the research grant. Doing so will ensure that students continue to graduate and enter the research pipeline and that faculty can advance professionally. We would also request that more fellowship and traineeship slots be supported with additional funding to assist graduate students and postdocs. Additional postdoc positions would provide opportunities for researchers to grow professionally and

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contribute their skills and expertise to the research enterprise.

Moreover, would urge that federal research agencies continue to release guidance that will help grantees navigate the trajectory of their research moving forward, such as what project extensions are allowable. Flexibility, when appropriate, is key to ensuring success of grantees in carrying out their work.

**Exempt Grant Aid from Taxation**

Middle and low-income students are particularly vulnerable during this time of economic instability. Current law dictates that scholarships and grant aid to students for non-tuition expenses are taxed as unearned income. CGS joins its higher education colleagues in requesting that this taxation is temporarily suspended to prevent these students from further financial distress. Additionally, any grant aid provided to students through the CARES Act provisions also ought to not be taxed so that students are not on the hook for this expense when the express intent of this grant aid is to help alleviate financial need.

**Federal Student Loan Terms and Debt Forgiveness**

Jobs requiring a master’s or doctoral degree at entry-level comprise one of the fastest-growing segments of the workforce, demonstrating the value of a graduate degree. However, job market uncertainty due to the coronavirus is forecasting significant doubt on whether new graduates will be able to secure employment. Workforce contractions within academia and the private industry will mean that graduates have far fewer options available to them to start earning an income, despite carrying a student loan debt balance. Additionally, many individuals with graduate degrees enter public service-oriented career fields, which typically come with considerably lower salary ranges than other fields. For these reasons, we believe there are additional steps that can be taken to ensure that loan terms and borrowing terms are responsive to the challenges that students, prospective students, and those in repayment are facing.

The CARES Act includes temporary relief for federal student loan borrowers by suspending payments and setting the interest rate on federal loans to zero percent through September 30, 2020. It also suspends the garnishment of wages, Social Security, and tax refunds for borrowers in default during this period. Additionally, the Department of Education has made the suspension of loan payments retroactive as of March 13, 2020, and borrowers can receive a refund for repayment amounts made during this period. These temporary changes will bring relief for certain borrowers, including those that have taken out federal loans to finance their graduate education. We urge that there be an extension granted beyond September 30, 2020 to account for students whose graduation date falls later in the year (many students graduate in December, for example), given these graduates will likely be facing similar employment challenges.

For new borrowers who will be beginning their higher education, we recommend there be more affordable federal loans by lowering interest rates for both undergraduate and graduate loans, and also doing so in a manner that creates parity for graduate student borrowers. Graduate student loans come with higher interest rates for both Direct (Stafford) Loans (6.08 percent vs. 4.53 percent) and Grad PLUS loans (7.08 percent). We also encourage the elimination of origination fees. COVID-19

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has put more students at risk of not completing their programs when expected, and graduate students who need additional semesters could benefit from these changes.

We also think that agencies should consider granting flexibility to borrowers who are participating in a federal loan repayment program, such as the Public Service Loan Forgiveness program. For example, borrowers may find themselves dropping to part-time employment through no fault of their own, yet a loan repayment program may require that they serve full-time consecutively in order to receive the forgiveness. Due to the ongoing COVID-19 pandemic, adjusting these requirements, even if on a temporary basis, would assist in retaining participants in such programs and in the roles where they currently serve.

**Supporting the International Student Pipeline**

We have questions about how agency regulations will impact current and future international students studying at U.S. institutions. For international students who are unable to be physically present in the U.S. this fall due to travel restrictions or campus closures, distance education may be the primary or sole source of educational instruction. It is unclear how this will impact an international student’s ability to begin their program of study. The same concern extends to funding stipends for international students who have a research assistantship supported through federal grants. We also urge the Department of Homeland Security to consider an extension to the Optional Practical Training program and allowing flexibility with the filling window to give participants the best opportunity to be successful.

Again, CGS thanks you for your bipartisan efforts to support higher education and research, which are critical to U.S. infrastructure at this time. If our organization can be of assistance, please do not hesitate to contact our Vice President of Public Policy and Government Affairs, Lauren Inouye, at Linouye@cgs.nche.edu.

Sincerely,

Suzanne T. Ortega

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**AFFILIATES**

| Conference of Southern Graduate Schools | Midwestern Association of Graduate Schools | Northeastern Association of Graduate Schools | Western Association of Graduate Schools |