

Coronavirus Response and Relief Supplemental Appropriations Act of 2021: Key Elements for Graduate Education

December 21, 2020

On December 21, lawmakers introduced the Consolidated Appropriations Act of 2021, which included the Coronavirus Response and Relief Supplemental Appropriations Act in Division M. In total, the COVID-19 division provides roughly \$900 billion in economic relief and \$22.7 billion for colleges and universities.

Higher Education Funding

What funding is included in the COVID-19 Division?

The legislation provides \$82 billion for the existing Education Stabilization Fund, with **\$22.7 billion (28%) reserved for the Higher Education Emergency Relief Fund (HEERF)**. The bill requires at least 50% of an IHE's allocations be spent on student financial support, which may include students exclusively enrolled in distance education.

The formula for allocations for each IHE proportions the amount by:

- 37.5% FTE Pell Grant recipients not exclusively enrolled in online courses prior to COVID-19
- 37.5% total number of Pell Grant recipients not exclusively enrolled in online courses prior to COVID-19
- 11.5% FTE non-Pell students not exclusively enrolled in online courses prior to COVID-19
- 11.5% total number of non-Pell students not exclusively enrolled in online courses prior to COVID-19
- 1% FTE Pell Grant recipients exclusively enrolled in online courses prior to COVID-19
- 1% total number of Pell Grant recipients not exclusively enrolled in online courses prior to COVID-19

\$113 million is reserved for institutions with unmet needs, including institutions with high populations of graduate students.

\$1.7 billion is reserved for HBCUs and MSIs.

Institutions that were required to remit payment to the IRS for the excise tax based on investment income for tax year 2019 or 2020 will have their allocation reduced by 50%.

\$4.1 billion is reserved for the Governor's fund and \$54.3 billion is dedicated to K-12 education.

How does this compare with CARES?

The CARES Act established the Education Stabilization Fund totaling \$30.75 billion for education and allocating **\$13.9 billion (46%) to HEERF.**

The funding required at **least 50% of each IHEs funds to go toward direct student financial support.**

Formula:

- 75% based on FTE Pell grant recipients not enrolled exclusively online
- 25% based on FTE non-Pell Grant recipients not enrolled exclusively online

The CARES Act reserved \$1.05 billion for HBCUs and MSIs.

What has CGS requested?

CGS has joined the higher education community on several requests and has most recently advocated for at least **\$120 billion for colleges and universities.** On December 2, CGS also **joined the community** in demonstrating the dramatic challenges institutions are facing when considering enrollment, student financial need, auxillary revenues, and new expenditures related to responding to COVID-19.

Student Loan Provisions

What provisions are included in the COVID-19 Division?

The legislation **does not** include an extension of the suspension of loan repayment and interest accrual.

Note: On December 4, the Department of Education announced that the suspension on interest and repayment on federal student loans would be extended to January 31, 2021.

How does this compare with CARES?

The CARES Act established a suspension on borrower payments on Federal Direct Loans and the suspension of interest accrual through September 30, 2020.

What has CGS requested?

CGS has most recently **requested the administration continue the zero-interest deferred payments for borrowers** and the suspension of collection activities for borrowers who have defaulted on any type of federal loan provided under the CARES Act and the administration's August extension. The request includes **relief for borrowers until December 31, 2021**, or until the federal government formally declares an end to the pandemic, whichever occurs first. CGS has also **requested** Congress provide similar extensions.

Research Provisions

What provisions are included in the COVID-19 Division?

The legislation provides **\$1.25 billion for the National Institutes of Health** for research and clinical trials related to the long-term effects of COVID-19.

However, **the bill neglects to include other agencies**, including the National Science Foundation, the National Endowment for the Arts (NEA), and the National Endowment for the Humanities (NEH).

How does this compare with CARES funding?

The CARES Act provided:

NIH: \$945.5 million

National Science Foundation: \$76 million

NEA: \$75 million

NEH: \$75 million

NASA: \$60 million

Department of Energy, Office of Science: \$99.5 million

What has CGS requested?

Most recently, CGS has been working to secure support for two research related bills which would provide support the research enterprise in light of COVID-19. CGS launched a campaign reaching out to over 170 House and Senate members requesting co-sponsorship on the Research Investment to Spark the Economy (RISE) Act, H.R.7308/S.4286, and the Supporting Early-Career Reserachers Act, H.R.8044.

On September 25, CGS [endorsed](#) the Senate's RISE Act, S.4286, which would provide **\$26 billion in additional support for federal research**. The funding support is accompanied by additional flexibilities provided to extend training programs or employment for researchers. CGS previously [endorsed](#) the original House legislation July 10. There are currently 145 co-sponsors on the House legislation.

On September 30, CGS [endorsed](#) the Supporting Early-Career Researchers Act, which would provide the National Science Foundation funding to provide postdoctoral fellowships for early-career researchers whose employment prospects may have been impacted by COVID-19. There are currently 25 co-sponsors.