Below is a brief analysis that addresses the areas of the CARES Act directly or indirectly related to Education. Please send any questions, concerns or ideas to Congreswoman Scanlon’s District Director Heather.Boyd@mail.house.gov or Congresswoman Scanlon’s K-12 Legislative Staff Faith.Wilcox@mail.house.gov

**K-12 Education**
The bill would create a $30.8 billion Education Stabilization Fund relating to the coronavirus. The secretary would reserve as much as 2% for specified purposes, then divide the remainder up as follows:
- 43.9% for elementary and secondary school emergency relief grants,
- 46.3% for higher education, and
- 9.8% for grants to state governors.
- Assistance could go to nonpublic schools in some instances.
- The measure also would provide $100 million for “Safe Schools and Citizenship Education,” which could be used by elementary, secondary, and post-secondary schools for cleaning affected schools, counseling, and distance learning.

**Health and Human Services Department**
The measure’s HHS funding would total about $140.4 billion, according to a committee summary, and would include:
- $100 billion for the Public Health and Social Services Emergency Fund to reimburse eligible health-care providers for health-care expenses or lost revenue directly attributable to the coronavirus. Funding could go to public entities, providers enrolled in Medicare and Medicaid, and other for-profit and nonprofit entities that provide diagnoses, testing, or care for individuals with Covid-19.
- $27 billion for the Public Health and Social Services Emergency Fund for coronavirus preparation and response, such as vaccines, countermeasures, and medical surge capacity. The bill would set aside at least $3.5 billion for the Biomedical Advanced Research and Development Authority, and as much as $16 billion for the Strategic National Stockpile.
- $4.3 billion for the Centers for Disease Control and Prevention, of which at least $1.5 billion would be provided to state, local, and tribal entities. Another $500
million would be reserved for global disease detection and response and $500 million for public health data surveillance and analytics infrastructure.

- $3.5 billion for the Administration for Children and Families (ACF) Child Care and Development Block Grant. Money could be used to support child care providers that are closed or had a drop in enrollment.
- $1.87 billion for ACF’s children and families services programs, which includes $1 billion for the Community Services Block Grant and $750 million for Head Start.
- $1.03 billion for the Indian Health Service, which could be used for surveillance, testing capacity, community health representatives, public health support, telehealth, and other activities.
- $955 million for aging and disability programs operated by the Administration for Community Living.
- $945 million for the National Institutes of Health, including $706 million for the National Institute of Allergy and Infectious Diseases.
- $900 million for the ACF Low-Income Home Energy Assistance Program.
- $425 million for the Substance Abuse and Mental Health Services Administration, of which $250 million would go to Certified Community Behavioral Health Clinics.
- $275 million for the Public Health and Social Services Emergency Fund for other health needs, including $90 million for the Ryan White HIV/AIDS Program.
- $200 million for the Centers for Medicare and Medicaid Services program management account.
- $80 million for the Food and Drug Administration for countermeasure development, advanced product manufacturing, and supply monitoring.

Higher Education
Financial Aid
The measure would allow the Education Department to waive requirements related to institutions’ eligibility for and allotment of federal financial aid, as well as certain reporting requirements. The department would also have broad authority to waive provisions to ensure that schools receiving federal aid aren’t adversely affected by formula-based calculations during the coronavirus emergency.

The package would direct the department to waive requirements that higher education institutions match a portion of federal student aid for two school years. When calculating eligibility against lifetime usage limits, the department couldn’t count a student’s enrollment in subsidized loan or Pell Grant programs during any semester the student didn’t complete because of the emergency.

The department would waive repayment of grants and loans by students who received support and were forced to withdraw from school.

The department could allow institutions to keep unused grant or loan assistance if students were unable to use the funding due to the emergency. It could modify the required and allowable uses of funds provided to institutions, as well as nonfederal matching requirements, upon the request of an institution or other grant recipient.

The measure would allow institutions to:
• Roll over unused funds from the previous five years for use during the next five-year period.
• Make work-study payments to participating students who were unable to fulfill their work requirements due to closed workplaces.
• Treat any unspent work-study funds as grants to support the ability of low-income students to access and complete higher education.
• Use supplemental educational opportunity grants to provide emergency aid to students facing unexpected expenses and unmet needs.
• Provide students with leaves of absence that don’t require them to pick up where they left off if they return the same semester.
• Exclude credits for classes a student began but didn’t finish due to the emergency when determining the student’s academic progress for financial aid eligibility purposes.

Foreign institutions could offer distance learning without jeopardizing their eligibility for U.S. financial aid during a declared public health emergency or similar emergency in the relevant country. The provision would be retroactive to March 1. The department could amend the types of extenuating circumstances that can excuse a Teach Grant recipient from fulfilling teaching service obligations. It would have to consider service that is part-time or interrupted due to the Covid-19 crisis to have been full-time. It would also have to waive teacher student loan forgiveness requirements related to consecutive years of service if an interruption was caused by the emergency and the borrower completes a combined five years or more of qualifying teaching service.

Other Education Provisions

Loan Repayment: The measure would suspend student loan payments and interest accrual through Sept. 30, which would cover six months for most borrowers. Each month for which payments are suspended would be treated as if on-time payments were made for purposes of federal loan forgiveness programs. Involuntary collections related to student loans, such as wage garnishments or tax refund reductions, as well as negative credit reporting would also be suspended for the same period.

General Waivers: The Education Department would have broad authority during the coronavirus emergency to waive obligations at the request of state or local governments, school systems, or the Bureau of Indian Education. Waivers could address academic assessments, institutional support for schools, professional development, allocation and accounting for federal education funding, and reporting requirements, among other things. They would generally be limited to the current academic year. Civil rights laws couldn’t be waived.

HBCU Capital Loans: The measure would appropriate $62 million for the department to defer and cover the principal and interest on capital loans to historically black colleges and universities due during the emergency. After the original loan is repaid, the institutions would have to repay any amounts covered by the department.

AmeriCorps Service: The Corporation for National and Community Service would have to allow AmeriCorps participants who are eligible for educational awards and whose service has been limited due to Covid-19 to perform other activities to accrue necessary service hours. The corporation could provide the full value of an educational
award for service to participants forced to suspend or limit their involvement or exit the program early as a result of the coronavirus emergency.

**Student Loans**
Employer student loan repayment assistance paid after the bill’s enactment and before Jan. 1, 2021, would be excluded from employees’ income tax. Repaid amounts would count toward a $5,250 limit on other forms of employer-provided education assistance, such as tuition and related expenses, that can be excluded from income.