

CARES Act – Division A – Title III – Subtitle B – Education Provisions

Section	Summary
Sec. 3501. Short title.	COVID-19 Pandemic Education Relief Act of 2020
Sec. 3502. Definitions.	<p>“Coronavirus” means SARS–CoV–2 or another coronavirus with pandemic potential (incorporating the definition by reference from PL 166-123).</p> <p>“Foreign institution” means an institution of higher education located outside the US that is described in the Higher Education Act, 20 USC 1002(a)(1)C and (a)(2).</p> <p>“Institution of higher education” (“IHE”) means an educational institution described in 20 USC 1001 and 1002(a), which generally includes educational institutions that admit only persons with a high-school diploma, licensed by the state, awards associates’ or bachelors’ degrees, is public/nonprofit, and accredited; also includes for-profit colleges and postsecondary vocational institutions.</p> <p>“Qualifying emergency” means a public health emergency related to the coronavirus as declared by section 319 of the Public Health Service Act, the Stafford Act, or the National Emergencies Act.</p> <p>“Secretary” means the Secretary of Education.</p>
Sec. 3503. Campus-based aid waivers.	<p>For funds made available for award years 2019-2020 and 2020-2021, the Secretary of Education shall waive the requirement that a participating IHE provide a non-Federal share to match Federal funds provided to the institution for (1) Federal Supplemental Educational Opportunity Grants (FSEOG) (need-based grant aid to undergraduate students with exceptional financial need) and (2) Federal Work-Study (FWS) Programs. This does not apply to private for-profit organizations.</p> <p>During a period of a qualifying emergency, an institution may transfer up to 100% of its unexpended FWS allotment to its FSEOG allotment (but may not transfer from FSEOG to FWS allotment).</p>
Sec. 3504. Use of Supplemental Educational Opportunity Grants for emergency aid.	<p>An IHE may reserve any amount of its FSEOG allocation for a fiscal year to award, in such fiscal year, emergency financial aid grants to assist undergraduate or graduate students for unexpected expenses and unmet financial need as the result of a qualifying emergency.</p> <p>In determining eligibility for emergency financial aid, an IHE may (1) waive the amount of need calculation under § 471 of the Higher Education Act of 1965,¹ (2) allow for a student affected by a qualifying emergency to</p>

¹ Generally, amount of need is equal to [cost of attendance] – [expected family contribution] – [other financial assistance]. 20 USC § 1087kk. Aid provided under Sec. 3504 does not count as other “other financial assistance.”

Section	Summary
	receive funds in an amount not more than the maximum Federal Pell Grant for the applicable award year, and (3) utilize a contract with a scholarship-granting organization for the sole purpose of accepting applications from or disbursing funds to students enrolled in the IHE, as long as the contracted organization disburses the full allocated amount to the recipient. Emergency financial aid grants will not be treated as “other financial assistance” for the purposes of the amount of need calculation.
Sec. 3505. Federal work-study during a qualifying emergency.	Students who received a work-study award for the academic year during which a qualifying emergency occurred, who earned Federal work-study wages from the institution for such academic year, and who were prevented from fulfilling their work-study obligation for all or part of such academic year due to the qualifying emergency, may, at the IHE’s option, receive payments in an amount equal to or less than the amounts of wages such students would have been paid had the students been able to complete the work-study obligation, as a one-time grant or as multiple payments. The period of time for which payments may be made is capped at one academic year. Payments made to affected work-study students must meet the matching requirements of section 443 of the Higher Education Act unless waived by the Secretary of Education.
Sec. 3506. Adjustment of subsidized loan usage limits.	Generally, a student may not receive subsidized Federal Direct Stafford Loans for longer than a period equal to 150 percent of the published length of the educational program in which the student is enrolled. ² This section establishes an exception by directing the Secretary to exclude from a student’s enrollment period limit any semester that the student does not complete due to a qualifying emergency, if the Secretary is able to administer such policy in a manner that limits complexity and the burden on the student.
Sec. 3507. Exclusion from federal Pell Grant duration limit.	Generally, a student may not receive a Federal Pell Grant for longer than 12 semesters or the equivalent thereof. This section establishes an exception by directing the Secretary to exclude from the limit any semester that the student does not complete due to a qualifying emergency, if the Secretary is able to administer such policy in a manner that limits complexity and the burden on the student.
Sec. 3508. Institutional refunds and federal student loan flexibility.	The Secretary shall waive the refund requirement for grants or loans (except Federal work-study assistance) that would otherwise apply if a student withdrew from the IHE during the period of enrollment if the student withdraws as a result of a qualifying emergency. The Secretary shall waive the amounts that students are required to return from Pell Grants or other grant assistance if the student withdraws as a result of a qualifying emergency. The Secretary shall cancel a borrower’s obligation to repay the entire portion of a Federal

² 20 USC § 1087e(q)(3).

Section	Summary
	<p>Assistance (Title IV) loan associated with a payment period for a recipient of such loan who withdraws from the IHE during the payment period as a result of a qualifying emergency.</p> <p>An IHE may, as a result of a qualifying emergency, provide a student with an approved leave of absence that does not require the student to return at the same point in the academic program that the student began the leave of absence if the student returns within the same semester.</p> <p>IHEs using a waiver relating to withdrawal of financial aid recipients must report the number of such recipients, the amount of grant or loan assistance of the recipient, and the total amount the institution has not returned under title IV of the Higher Education Act.</p>
<p>Sec. 3509. Satisfactory academic progress.</p>	<p>Generally, to be eligible to receive any grant, loan, or work assistance under Title IV of the Higher Education Act, a student, at the end of the second academic year, must be maintaining satisfactory progress in the course of study the student is pursuing. This is defined to mean either a cumulative C average or its equivalent, or academic standing consistent with the requirements for graduation. This section establishes an exception by allowing an IHE to exclude from the quantitative component of the calculation any attempted credits not completed by a student as a result of a qualifying emergency without requiring that the student appeal.</p>
<p>Sec. 3510. Continuing education at affected foreign institutions.</p>	<p>Generally, a student cannot receive Title IV Federal Assistance for an educational program at a foreign institution offered in whole or in part through telecommunications. This section creates an exception by giving the Secretary the ability to permit any part of an otherwise eligible program to be offered via distance education in the case of a public health emergency, major disaster or emergency or national emergency declared by the applicable government authorities in which the foreign institution is located, for the duration of such emergency or disaster and the following payment period.</p> <p>An otherwise eligible program that is offered in whole or in part through distance education by a foreign institution between March 1, 2020, and the date of enactment of this Act <i>shall</i> be deemed eligible for the purposes of Federal Direct Loans for the duration of the qualifying emergency. An IHE that uses this authority must report such use to the Secretary by June 30, 2020 for the 2019-2020 award year and not later than 30 days after such use for an award year after that. The Secretary must report not later than 180 days after enactment and every 180 days thereafter for the duration of the qualifying emergency and the following payment period the identities of each foreign institution that carried out a distance education program authorized under this section.</p>

Section	Summary
	<p>For the duration of a qualifying emergency and the following payment period, the Secretary may allow a foreign institution to enter into a written arrangement with an IHE in the US that participates in the Federal Direct Loan Program for the purpose of allowing a student of the foreign institution who is a borrower under the Federal Direct Loan Program to take courses from the IHE in the US. A foreign institution that is a public or other nonprofit institution may enter into such an agreement only with an IHE in the US that meets the requirements of 20 USC § 1001, including that it is a public or other nonprofit IHE. A foreign institution that is a graduate medical school, nursing school, or veterinary school that is not a public or other nonprofit institution may enter into a written arrangement with an IHE described in 20 USC §§ 1001 or 1002 (which includes proprietary institutions, postsecondary vocational institutions, etc). A foreign institution that uses this authority must report such use to the Secretary by June 30, 2020 for the 2019-2020 award year and not later than 30 days after such use for an award year after that. The Secretary must report not later than 180 days after enactment and every 180 days thereafter for the duration of the qualifying emergency and the following payment period the identities of each foreign institution that entered into a written arrangement authorized under this section.</p>
<p>Sec. 3511. National emergency educational waivers.</p>	<p>The Secretary of Education may waive certain enumerated provisions of law and regulation upon request by States, Indian Tribes, and, to a more limited extent, local educational agencies, if the Secretary determines that such waiver is necessary and appropriate due to the coronavirus emergency.</p> <p><u>Requirements that can be waived for States and Indian Tribes:</u></p> <ul style="list-style-type: none"> • Academic assessments under section 1111(b)(2) of the Elementary and Secondary Education Act of 1965 (ESEA); • Assessment exceptions for recently arrived English learners under section 1111(b)(3) of ESEA; • Certain requirements to establish long-term goals, measure indicators, meaningfully differentiate public schools and identify schools for improvement based thereon, and annually measure achievement of 95 percent of students under the statewide accountability system under 1111(c)(4) of ESEA; • Certain school support and improvement activities under 1111(d)(2)(C)-(D) of ESEA; • Certain annual state report card requirements under 1111(h) of ESEA (specifically, 1111(h)(1)(C)(i)-(iii)(I), (iv)-(vii), and (xi); 1111(h)(2)(C) as it relates to waived sections of (1)(C), and 1111(h)(2)(C)(i) and (ii)); and • Certain requirements for carryover of funds from appropriations to a succeeding fiscal year under 20 USC § 1225(b). <p><u>Requirements that can be waived for States, Indian Tribes, and local educational agencies:</u></p>

Section	Summary
	<ul style="list-style-type: none"> • Use of funds for schoolwide programs to upgrade the entire educational program of a school that serves an area in which not less than 40 percent of the children are from low-income families under section 1114(a)(1) of ESEA; • Maintenance of fiscal effort (generally, at least 90 percent of the aggregate expenditures spent on the provision of free public education) in accordance with sections 1118(a) and 8521 of ESEA • Limitation on carryover funds over 15 percent under section 1127 of ESEA • Needs assessments of local educational agencies for Student Support and Academic Enrichment Grants under section 4106(d) of ESEA • Assurances in applications for Student Support and Academic Enrichment Grants to local educational agencies relating to proportional use of funds, including at least 20 percent allocated to support well-rounded educational opportunities, under 4106(e)(C)-(E) of ESEA; • Limitation on Student Support and Academic Enrichment Grant funds to use no more than 15 percent for purchase of technology infrastructure under Section 4109(b) of ESEA; and • The definition of professional development for the purposes of the ESEA. <p>Any waivers issued by the Secretary under this section will apply to public charter schools within the boundaries of the recipient of the waiver in accordance with State charter school law and pursuant to section 1111(c)(5) of ESEA.</p> <p>Any school located in a State that receives a waiver under paragraph (1) [the first bullet list] and that is identified for comprehensive support and improvement, targeted support and improvement, or additional targeted support in the 2019-2020 school year will maintain that status in the 2020-2021 school year and continue to receive supports and intervention.</p> <p><u>Waiver Process</u></p> <p>States will have the opportunity to access an expedited waiver process for any of the waivers in the first bullet list. The Secretary will approve or disapprove the waiver request within 30 days, and is limited in her ability to disapprove waiver requests.</p> <p>Any State educational agency, local educational agency, or Indian tribe that desires a waiver under the second bullet list must submit a request that identifies the Federal programs affected by the requested waiver, describes which Federal statutory or regulatory requirements would be waived, describes how the coronavirus emergency prevents or restricts the entity's ability to comply with such requirements, and provides an assurance that the entity will work to mitigate any negative effects of the waiver. Waiver requests available</p>

Section	Summary
	<p>under the second bullet list must be provided to the public and all local educational agencies in the State with notice and comment opportunity.</p> <p>All waivers will be for the 2019-2020 school year, except to carry out full implementation of any maintenance of effort waivers granted during the 2019-2020 academic year.</p> <p><u>Reports and Further Waivers</u></p> <p>The Secretary must notify the Senate HELP Committee, the House Education and Labor Committee, and the House Appropriations Committee within 7 days of granting a waiver. The Secretary must publish a notice of a granted waiver in the Federal Register and on the Department of Education website within 30 days. Not later than 30 days after enactment of this Act, the Secretary must submit a report with recommendations on any additional waivers under the Individuals with Disabilities Education Act, the Rehabilitation Act of 1973, the ESEA, and the Carl D. Perkins Career and Technical Education Act of 2006 the Secretary believes are necessary to be enacted into law to provide limited flexibility to States and local educational agencies to meet the needs of students during the coronavirus emergency.</p>
<p>Sec. 3512. HBCU Capital financing.</p>	<p>The Secretary may grant a deferment for the duration of a qualifying emergency to an institution that has received a loan under Title III Part D of the Higher Education Act relating to Historically Black College and University Capital Financing. During the deferment period, the institution shall not be required to pay any principal or interest required under the loan agreement and the Secretary shall make principal and interest payments otherwise due under the loan agreement.</p> <p>At the closing of a loan deferred under this section, the institution shall repay the Secretary for the payments of principal and interest made by the Secretary during the deferment, on a schedule that begins upon repayment to the lender in full on the loan agreement. In no circumstance, however, will repayment be required to begin before the date that is 1 full fiscal year after the date that is the end of the qualifying emergency. Any provision of a loan agreement or insurance agreement modified by the authority under this section shall remain so modified for the duration of the period covered by the loan agreement or insurance agreement.</p> <p>This section <i>appropriates</i> \$62,000,000 to carry out this section.</p> <p>Within 180 days of enactment and every 180 days thereafter during the period beginning on the first day of the qualifying emergency and ending on September 30 of the fiscal year following the end of the qualifying emergency, the Secretary will report to the authorizing committees the identities of each institution that received assistance under this section.</p>

Section	Summary
<p>Sec. 3513. Temporary relief for federal student loan borrowers.</p>	<p>The Secretary shall suspend all payments due for loans made under Part B (Federal Family Education Loan Program) and Part D (William D. Ford Federal Direct Loan Program) of Title IV of the Higher Education Act through September 30, 2020. No interest will accrue on such loans. The Secretary shall deem each month for which a loan payment was suspended under this section as if the borrower had made a payment for the purpose of any loan forgiveness program authorized under Part B or D of Title IV.</p> <p>During the period that loan payments are suspended, the Secretary shall ensure that suspended payments are treated as if it were a regularly scheduled payment for the purpose of reporting information to a consumer reporting agency.</p> <p>During the period that loan payments are suspended, the Secretary shall suspend all involuntary collection related to the loan, including wage garnishments, reduction of tax refund, reduction of Federal benefits, or any other involuntary collection activity by the Secretary.</p> <p>The Secretary may waive certain provisions to carry out this section, including the Paperwork Reduction Act, the master calendar requirements and negotiated rulemaking under the Higher Education Act, and pre-notification requirements for agency systems of records under the Privacy Act of 1974.</p> <p>Within 15 days of enactment, the Secretary shall notify borrowers whose payments have been suspended and interest waived, and those whose involuntary collection activities have been suspended. Beginning on August 1, 2020, the Secretary shall provide no less than 6 notices by postal mail, telephone, or electronic communication to borrowers indicating when the normal payment obligations will resume.</p>
<p>Sec. 3514. Provisions related to the Corporation for National and Community Service.</p>	<p>Individuals serving in a position eligible for an education award through the National Service Trust under Title I Subtitle D of the National and Community Service Act of 1990 (NCSA) (e.g., Americorps) who are performing limited service due to COVID-19 or whose positions have been suspended or placed on hold due to COVID-19 will be allowed to accrue other service hours that will count toward the number of hours needed for the education award. Individuals who are required to exit their position early at the direction of the Corporation for National and Community Service may be deemed as having met the requirements of the position and be awarded the full value of the educational award.</p> <p>Fixed-amount grant recipients under section 129(l) of the NCSA may be permitted to maintain a pro rata amount of grant funds at the discretion of the Corporation for National and Community Service for participants who exited, were suspended, or are serving in a limited capacity due to COVID-19.</p>

Section	Summary
	The Corporation for National and Community Service may extend the term of service (for not more than 1 year after the end of the national emergency) or waive any upper age limit (except not above 26) for national service programs carried out by the National Civilian Community Corps.
Sec. 3515. Workforce response activities.	Unobligated funds allocated to local areas for workforce investment activities and providers under Title I, Subtitle B of the Workforce Innovation Opportunity Act (WIOA) for program year 2019 may be used for statewide rapid response activities as described in section 134 of the WIOA for responding to a qualifying emergency. While generally not more than 10 percent of the total amount of funds may be used for administrative costs, up to 20 percent may be used if the amount over the 10 percent is used for responding to a qualifying emergency. Of the funds reserved by the Governor that remain unobligated, such funds may be released within 30 days after the date of enactment of this Act to the local boards most impacted by the coronavirus as determined by the Governor.
Sec. 3516. Technical amendments.	This section updates statutory cross-references in the Internal Revenue Code as amended by the Fostering Undergraduate Talent by Unlocking Resources for Education (FUTURE) Act.
Sec. 3517. Waiver authority and reporting requirement for institutional aid.	Any IHE that was receiving assistance under Title III (Institutional Aid), Title V (Developing Institutions), or Subpart 4, Part A, Title VII (Masters Degree Programs at Historically Black Colleges and Universities and Predominantly Black Institutions) of the Higher Education Act at the time of a qualifying emergency, the Secretary may waive certain eligibility data requirements, wait-out period, and allotment requirements, as well as any statutory or regulatory provision to ensure that such institutions are not adversely affected by any formula calculation for fiscal year 2020 and for the period from the first day of a qualifying emergency through September 30 of the fiscal year following the end of the qualifying emergency, as necessary. Any funds paid to such institutions and not expended or used for the purposes for which the funds were paid to the institution during the 5-year period following the date on which the funds were first paid to the institution may be carried over and expended during the succeeding 5-year period. The Secretary must report within 180 days after the date of enactment of this Act, and every 180 days thereafter until September 30 of the fiscal year following the end of the qualifying emergency to the authorizing committees the identities of each institution that received a waiver or modification under this section.
Sec. 3518. Authorized uses and other modifications for grants.	The Secretary is authorized to modify the required and allowable uses of funds for certain grants under the Higher Education Act to IHEs or other grant recipients (not including student financial aid recipients) at the

Section	Summary
	<p>request of an IHE or other grant recipient as a result of a qualifying emergency for the period through September 30 of the fiscal year following the end of the qualifying emergency.</p> <p>The Secretary is also authorized to modify any Federal share or other financial matching requirement for a grant awarded on a competitive basis or a grant awarded under certain parts of the Higher education Act at the request of an IHE or other grant recipient as a result of a qualifying emergency through September 30 of the fiscal year following the end of the qualifying emergency.</p> <p>The Secretary must report within 180 days after the date of enactment of this Act, and every 180 days thereafter until September 30 of the fiscal year following the end of the qualifying emergency to the authorizing committees the identities of each institution that received a modification under this section.</p>
<p>Sec. 3519. Service obligations for teachers.</p>	<p>The Secretary may modify the categories of extenuating circumstances for a recipient of a Teach Grant under Subpart 9, Part A, Title IV of the Higher Education Act who is unable to fulfill all or part of the recipient’s service obligation during a qualifying emergency may be excused from fulfilling that portion of the service obligation, and shall consider teaching service that, as a result of a qualifying emergency, is part-time or temporarily interrupted to be full-time service and to fulfill the service obligations under section 420N of the Higher Education Act.</p> <p>Under loan forgiveness provisions for teachers under sections 428J and 460 of the Higher Education Act, the Secretary shall waive the requirement that the years of teaching service be consecutive if the teaching service is temporarily interrupted due to a qualifying emergency and the borrower resumes teaching service after the temporary interruption and completes a total of 5 years of qualifying teaching service.</p>
<p>Appropriations to the Department of Education</p>	<p>Division B of the CARES Act appropriates \$30,750,000,000 through September 30, 2021 for the Education Stabilization Fund to prevent, prepare for, and respond to coronavirus. Of such funds:</p> <ul style="list-style-type: none"> • Not more than 0.5 percent (\$153,750,000) to the outlying areas on the basis of their respective needs in consultation with the Secretary of the Interior • 0.5 percent (\$153,750,000) for the Secretary of the Interior for programs operated or funded by the Bureau of Indian Education • 1 percent (\$307,500,000) for grants to States with the highest coronavirus burden • Of the remaining funds (\$30,135,000,000): <ul style="list-style-type: none"> ○ 9.8 percent (\$29,532,300,000) in Emergency Education Relief grants to the Governor of each State with an approved application.

Section	Summary
	<ul style="list-style-type: none"> ▪ A notice for applications will be issued no later than 30 days of enactment of the Act and applications will be approved or denied within 30 days of receipt. ▪ 60 percent of funds allocated on the basis of a State’s relative population of individuals aged 5 through 24 ▪ 40 percent of funds on the basis of their relative number of children counted under section 1124(c) of the ESEA ○ 43.9 percent (\$13,229,265,000) in Elementary and Secondary School Emergency Relief grants to each State educational agency with an approved application. <ul style="list-style-type: none"> ▪ A notice for applications will be issued no later than 30 days of enactment of the Act and applications will be approved or denied within 30 days of receipt. ▪ The elementary and secondary school emergency relief grants will go to each State education agency in the same proportion as each State received under Part A of Title I of the Elementary and Secondary Education Act (ESEA) in the most recent fiscal year. ▪ The State must allocate no less than 90 percent of the grant funds as subgrants to local educational agencies (including charter schools) in proportion to the amount of funds such local educational agencies received under Part A of Title I of the ESEA in the most recent fiscal year. ○ 46.3 percent (\$13,952,505,000) to the Higher Education Emergency Relief Fund, allocated by the Secretary as follows: <ul style="list-style-type: none"> ▪ 90 percent to each institute of higher education to prevent, prepare for, and respond to coronavirus: <ul style="list-style-type: none"> • 75 percent according to the relative share of full-time equivalent enrollment of Federal Pell Grant recipients (not including students enrolled exclusively in distance education courses prior to the coronavirus emergency) • 25 percent according to the relative share of full-time equivalent enrollment of students who were not Federal Pell Grant recipients (not including students enrolled exclusively in distance education courses prior to the coronavirus emergency) ▪ 7.5 percent for additional awards under certain parts of the Higher Education Act: <ul style="list-style-type: none"> • Title III Part A (Strengthening Institutions) and Part B (Strengthening Historically Black Colleges and Universities)

Section	Summary
	<ul style="list-style-type: none"> • Title V Part A (Hispanic-Serving Institutions) and Part B (Promoting Postbaccalaureate Opportunities for Hispanic Americans) • Title VII Part A Subpart 4 (Masters Degree Programs at Historically Black Colleges and Universities and Predominantly Black Institutions) ▪ 2.5 percent for Higher Education Act Title VII Part B (Fund for the Improvement of Postsecondary Education) for institutions of higher education that the Secretary determines have the greatest unmet needs related to coronavirus <p>A local educational agency, State, institute of higher education, or other entity that receives funds under the Education Stabilization Fund shall, to the greatest extent practicable, continue to pay its employees and contractors during the period of any disruptions or closures related to the coronavirus.</p> <p>The bill appropriates \$100,000,000 for Safe Schools and Citizenship Education to prevent, prepare for, and respond to coronavirus to supplement funds otherwise available for Project SERV, including to help elementary, secondary, and post-secondary schools clean and disinfect affected schools.</p> <p>The bill appropriates \$7,000,000 for Gallaudet University to prevent, prepare for, and respond to coronavirus.</p> <p>The bill appropriates \$40,000,000 for Student Aid Administration to prevent, prepare for, and respond to coronavirus.</p> <p>The bill appropriates \$13,000,000 for Howard University to prevent, prepare for, and respond to coronavirus.</p>