

A Higher Education Equity Agenda in Response to COVID-19



The federal government responded to the tremendous strain the coronavirus has put on students and families, faculty, administrators, staff, and governing education authorities across the country by enacting the CARES Act. The legislation allocates over \$30 billion to address immediate needs and suspends student loan payments for six months, interest free.

While the federal response was important and necessary, there is still much more to be done at the state level to alleviate the problems created by the current pandemic:

- State agencies and institutions of higher education should coordinate amongst each other to streamline access to any existing emergency aid and economic security program like SNAP, affordable housing programs, etc.
- State agencies should institute the immediate suspension of state student loan payments, interest free, as well as wage garnishment and other forms of involuntary collection for at least six months. If a state has income-based repayment plans or other repayment plans that allow for eventual forgiveness after a set amount of payments, this period of suspension should count as payments made for those purposes. This would directly mimic actions taken by the federal government during this time.
 - Additionally, any other restrictive terms of state financial aid programs like residency or employment requirements should also be suspended, and this fractured semester should not be counted when determining a student's future eligibility for state aid.
- States should institute state student debt cancellation for those who are the most vulnerable during this time: low-income borrowers (those making 250% of the federal poverty line or less) and those with student debt but no degree. Given the recessionary economic effects facing everyone in America over the next months and years, it makes little sense to require payment from borrowers and families who are already unable to pay in many cases. Cancellation would also act as a sorely needed, grassroots, economic stimulus, as those borrowers put much of their former loan payment back into the economy.
- Colleges and universities should allocate any remaining federal work-study wages or Federal Supplementary Educational Opportunity Grant money directly to students as emergency aid, per the waiver granted by the CARES Act.
- As states begin to triage higher education budgets in response to declining state revenue in the coming months, they should take the following actions:
 - Governors should prioritize the allocation of resources to low-income student populations first when applying for CARES Act funding.
 - States should prioritize need-based aid over other types of student aid, including merit aid.
 - States should conduct oversight of the CARES Act funding given directly to colleges, to ensure it is going to institutions based on the percentage of Pell Grant recipients and overall student population enrolled at a given institution, and that at least half of the funding is issued to students as emergency aid.
 - States should allocate funds to facilitate campus partnerships and shared resources for online learning and other student support strategies in the state.
 - States should streamline state aid application forms and processes and encourage professional judgment by financial aid administrators to account for large and sudden changes in earnings.

Furthermore, as the federal response continues to develop, there are additional steps Congress and the administration should take to support students in higher education:

- Appropriate additional stabilization funds to help students and state education systems meet their needs during the crisis:
 - Funding should maintain the CARES Act requirement that at least half of the dollars received go toward emergency aid for students, including undocumented students, and increase that aid.
 - Additionally, specific language should be included prohibiting funds meant for student aid going to institutions, including reimbursing themselves for refunds given to students.
 - Funding should also maintain the existing distribution formulas that prioritize colleges that are serving the most Pell students and districts that are serving the most students from low-income backgrounds.
 - Any new bill should dedicate funding to institutions of higher education (IHEs) to support bridge programs/corequisite instruction/supplemental academic support for Pell-eligible students who missed instruction during their senior year of high school due to COVID-19.
 - Any new bill should contain some funding to be used for highly specific facilities improvement around increasing wireless internet capacity for under-resourced institutions to help with data management, predictive analytics, and course web support, especially to help in a time of social distancing, and strengthen networks ahead of some future emergency situations. Additional funds for improving student supports such as advising and counseling should be provided.
- Double the Pell Grant and eliminate taxation of the award.
- Extend the CARES Act student loan relief provisions to all borrowers of federal loans, including Perkins and privately held FFEL loans.
- Extend loan forgiveness to those who are at the most risk during this time: low-income borrowers, borrowers without degrees, and low-income Parent PLUS borrowers.
- Enact the College Transparency Act in any future COVID-19 response bill to streamline data collection.
- Suspend work requirements associated with SNAP eligibility in a time of financial instability and rising unemployment. This change would also allow many more college students to access the program and should be done without requiring states to apply for waivers.
- Streamline the FAFSA application process to account for recent changes in student and families' resources and ensure that students from low-income backgrounds can access the state and federal financial aid they need during this critical time.
- Ensure that any student or individual who filed a tax form in the previous two years, even if they are claimed as, or qualify for, dependent status on another individual's tax return, is eligible for any future stimulus check, and that the \$1,200 authorized in the CARES Act be retroactively granted to those individuals.
- Create an evidence-based Completion Innovation Fund to support student success and completion. This fund should support students' academic and social needs that have been impacted by the crisis such as mental health services and supplemental academic support, specifically, bridge programs/corequisite instruction/supplemental academic support for Pell-eligible students to make up for lost learning and increases to available advisors and counselors.