

Higher Education Emergency Relief Funding (HEERF)

Sec. 18004 of the CARES Act (P.L. 116-136)

As of May 11, 2020

CGS members may also refer to a CGS document [Financial Assistance Provisions in the CARES Act that May Impact Graduate Students](#) dated April 13 for additional related information.

Background

The CARES Act (P.L. 116-136) included approximately \$14 billion in grant relief for students and institutions of higher education (IHEs). Broadly speaking, 50% of the funding is to be dispersed as emergency grant aid to students, and 50% is to be allocated to IHEs to help cover costs related to transitioning to online education, technology, and student housing and food needs.

The first \$6.3 billion of HEERF was made available for schools to apply for in early April and was strictly to be allocated as emergency grants to students. On May 6, the department issued guidance on [reporting requirements](#) for IHEs to follow regarding emergency grant aid.

The second portion of HEERF was made available in mid-April, this time to support IHEs. An IHE could apply for its share of HEERF funding only if it first submitted the proper certification and application for the student emergency grant portion (see: Department of Education's [website](#) for more information). Each IHE's total share of HEERF is determined by a [formula](#) that takes into account the number of full-time students and Pell Grant recipients.

Frequently Asked Questions

Q: Are graduate students eligible to receive emergency grant aid from the CARES Act Higher Education Emergency Relief Fund (HEERF) (Sec. 18004)?

A: Yes. According to a [Department of Education FAQ document](#), “only students who are or could be eligible to participate in programs under [Section 484 in Title IV](#) of the Higher Education Act of 1965, as amended (HEA), may receive emergency financial aid grants. If a student has filed a Free Application for Federal Student Aid (FAFSA), then the student has demonstrated eligibility to participate in programs under Section 484 the HEA. *Students who have not filed a FAFSA but who are eligible to file a FAFSA also may receive emergency financial aid grants.* ** The criteria to participate in programs under Section 484 of the HEA include but are not limited to the following: U.S. citizenship or eligible noncitizen; a valid Social Security number; registration with Selective Service (if the student is male); and a high school diploma, GED, or completion of high school in an approved homeschool setting.”

**The higher education community has communicated to the Department of Education that additional clarification is needed with respect to the statement “Students who have not filed a FAFSA but who are eligible to file a FAFSA also may receive emergency financial aid grants.”

Q: Can graduate students who do not have a current FAFSA on file receive HEERF grant aid?

A: Yes- technically speaking. Clarification is needed from the Department of Education regarding the initial guidance it released on HEERF. The HEERF [FAQ document](#) states that

“Students who have not filed a FAFSA but who are eligible to file a FAFSA may also receive emergency financial aid grants.”

Some CGS members have noted that a significant number of graduate students did not receive grant aid. The CARES Act statutory language does not specify that students must be Title IV eligible to receive the grants. However, the Department of Education’s implementation guidance does. This potentially puts some IHEs in a quandary; there may be graduate students who do not have a current FAFSA on file who are financially in need, yet going through the process of determining whether those students meet Title IV eligibility requirements is not feasible in absence of a FAFSA on file. Circumventing the FAFSA requirement would give IHEs greater flexibility to allocate the grant aid to students according to their own determination.

Q: Can international students studying at a U.S. institution receive HEERF grant aid?

A: No. International students are not eligible according to the Department of Education’s HEERF [FAQ document](#).

Q: Can undocumented students, including those with DACA status, receive HEERF grant aid?

A: No. Based on the Department of Education’s HEERF [FAQ document](#), undocumented students and those with DACA are not eligible according to the Department of Education’s HEERF guidance. A [recent report](#) indicates that 13% of all DACA-eligible students at the postsecondary level are enrolled in graduate programs (approximately 28,000 students).¹ There is current debate among policymakers about whether the CARES Act intended to make the HEERF grant aid available to DACA recipients. While the statutory language does not require Title IV eligibility in order for a student to receive grant funding, the Department of Education has interpreted it as such in their subsequent guidance and implementation.

Q: Can students who receive their education online receive HEERF grant aid?

A: It depends. Per the Department of Education’s [HEERF FAQ document](#), “students who were enrolled exclusively in an online program on March 13, 2020...are not eligible for emergency financial aid grants.” The key word here is *exclusively*. The formula that the Department of Education uses to calculate the distribution of funds to IHEs excludes students who were enrolled exclusively in distance education courses at the time the President declared the novel coronavirus disease outbreak (March 13, 2020). “Additionally, the emergency financial aid grants to students are for expenses related to the disruption of campus operations due to the coronavirus, and students who were enrolled exclusively in online programs would not have expenses related to the disruption of campus operations due to coronavirus.”

Q: Is CARES Act emergency grant aid to students treated as taxable income?

A: No. On May 7, the Internal Revenue Service (IRS) stated in an [FAQ](#) that “Emergency financial aid grants under the CARES Act for unexpected expenses, unmet financial need, or expenses related to the disruption of campus operations on account of the COVID-19 pandemic,

¹ Feldbaum, M., Hubbard, S., Lim, A., Penichet-Paul, C., and Siegel, H. (April 2020). Undocumented students in higher education: how many students are in U.S. colleges and universities, and who are they? Retrieved from: <https://www.presidentsimmigrationalliance.org/wp-content/uploads/2020/04/2020-04-16-NAE-PA-Report-Undocumented-Students-in-Higher-Education.pdf>

such as unexpected expenses for food, housing, course materials, technology, health care, or childcare, are qualified disaster relief payments under section 139 of the Internal Revenue Code. This grant is not includible in your gross income.”

Regulatory Recommendations/Requests

1. As an initial first step, CGS and its higher education colleagues have asked the Department of Education to provide additional guidance to further clarify previously released guidance about the HEERF program in the CARES Act, namely the language regarding having a current FAFSA on file.

Legislative Recommendations/Requests

2. CGS and its higher education colleagues request a legislative technical fix to the CARES Act statutory language to clarify that emergency grant aid to students is not limited to Title IV eligible students.

Additional Resources

- U.S. Department of Education [CARES Act: Higher Education Emergency Relief Fund](#)
- IRS [FAQs: Higher Education Emergency Relief Fund and Emergency Financial Aid Grants under the CARES Act](#)