



Policy solutions that work for low-income people

April 7, 2020 (Updated)

The Honorable Bobby Scott

Chairman
House Education and Labor Committee
Washington, D.C. 20515

The Honorable Lamar Alexander

Chairman
Senate HELP Committee
Washington, D.C. 20510

The Honorable Virginia Foxx

Ranking Member
House Education and Labor Committee
Washington, D.C. 20515

The Honorable Patty Murray

Ranking Member
Senate HELP Committee
Washington, D.C. 20510

Re: COVID-19 Postsecondary Education Requests for Fourth Economic Stimulus Package

Dear Chairman Scott, Ranking Member Foxx, Chairman Alexander, and Ranking Member Murray:

We, the Center for Law and Social Policy (CLASP), write to submit our postsecondary education requests for the fourth COVID-19 economic stimulus package. CLASP is a national, nonpartisan nonprofit organization dedicated to advancing policy solutions for people with low incomes through a racial equity lens. Our postsecondary education work focuses on ensuring a high-quality, affordable education to all students with low incomes, especially students of color, immigrants, and adult learners.

The educational disruptions due to COVID-19 are disproportionately affecting students with low incomes and students of color. As campuses have closed nationwide and many students (as tax dependents) were barred from receiving the \$1,200 stimulus check from the CARES Act, thousands of students have lost their source of income, food, broadband access, and housing. Considering that 60% of students [work](#) and 40% work full time, and about half of students [faced](#) either food or housing insecurity in the last year, the immediate and long-term impact of Coronavirus on students with low incomes is devastating.

While the CARES Act took important first steps to provide relief and support to students, such as over 6 billion dollars in emergency financial [aid](#), temporary relief on student loan payments, and continued work-study payments, this is not nearly enough. As thirty million people filed jobless claims in the [last six weeks](#) and the looming recession is likely to last at least all year, it is crucial that the next stimulus measure provide significant and targeted funding to support college students with low incomes who have not only faced extreme education interruption but also income and housing loss.

CLASP requests for postsecondary education in a fourth stimulus or CARES II package include:

- 1. Strengthen the Education Stabilization Fund.** Provide at least \$50 billion in education stabilization funding to provide fiscal relief to states, institutions of higher education and postsecondary students. Emergency funding to states and institutions will help to strengthen their capacity to continue to offer students a high-quality education, maintain operations, retain faculty

and staff, and cope with the disruptions caused by COVID-19. At least half of the education stabilization funds must go directly to college students, including new students, to help meet the basic needs of students with low incomes, particularly students of color, adult learners, and students impacted by the justice system. Emergency aid can help to cover the cost of food, housing, childcare, health care, computers, learning materials, and other expenses during this national emergency.

- Include targeted funding of at least \$5 billion for historically black colleges and universities and minority-serving institutions to offer emergency aid to students, maintain operations, keep college tuition and college costs affordable, and promote student success, particularly in the health care fields, as these fields will be in higher demand due to the Coronavirus.
- Set aside at least \$10 billion for community colleges to offer emergency aid to students, maintain operations, keep tuition and college costs affordable, and increase student success, especially in health-related fields.
- Ensure that students without a high school diploma who are eligible for funds allocated through Title IV of the Higher Education Act (HEA) under Ability-to-Benefit alternatives can access emergency financial aid.
- **Prevent tuition price gouging.** Economic recessions tend to cause people to seek postsecondary credentials that they hope — and they have been led to believe — will help them land a job or to improve their job security and pay. At the same time, cutbacks in state budgets cause institutions to offer fewer rather than more low-tuition seats supported by appropriations. Congress must ensure that institutions of higher education do not engage in tuition price gouging at a time when students and workers are struggling to make ends meet.

2. Address the needs of undocumented students and ensure that CARES Act emergency student financial aid is extended to all students with low incomes, regardless of their immigration status. Although the language of the CARES Act did not impose student eligibility restrictions on emergency aid, the Department of Education issued recent [guidance](#) barring any student who is ineligible for federal student aid under Title IV of the Higher Education Act, most notably beneficiaries of Deferred Action for Childhood Arrivals (DACA), Temporary Protected Status (TPS), Deferred Enforced Departure (DED) and undocumented students, from receiving the CARES Act's emergency aid from their institutions of higher education. The Coronavirus has created another layer of uncertainty for undocumented youth. Before the pandemic, many of these individuals were enrolled in college or working to support themselves and their families. This includes working in areas of national need.

- Ensure that DACA, TPS, DED beneficiaries and undocumented students can access emergency financial aid.
- Expand Federal Pell Grants and federal student aid to undocumented immigrant youth, including those who would qualify for relief under the American Dream and Promise Act.
- Extending work authorization for DACA-eligible students, TPS, and DED recipients would help to mitigate economic hardship on their families due to layoffs and job losses.
- It is also critical to ensure that all immigrants, including undocumented students and DACA beneficiaries, have access to critical testing and treatment related to COVID-19, which can be accomplished by ensuring that medical needs related to COVID-19 are covered under emergency Medicaid.

- Immediately ceasing all immigration enforcement activities would help to provide safety and security for these students and their families.
- 3. Offer High-Quality Online Education and Provide Essential Supports to Postsecondary Students.** Create oversight and accountability measures for Department of Education waivers to ensure all remote learning is high-quality. Along with providing high-quality online education, require institutions to continue to provide access to financial aid counselors, academic counseling, tutoring, and other essential supports, along with information about public benefits and unemployment insurance. These supports help students with low incomes, students of color, first-generation college students, immigrants, adult learners, and students impacted by the criminal justice system to succeed in school and provide them with economic security.
- During this national pandemic, ensure that students have equitable access to faculty and essential supports such as online financial aid counseling, academic tutoring, information about how to access public benefits and unemployment insurance, mental health services, and accommodations for students with disabilities and chronic illnesses.
 - Strengthen the definition and quality assurance standards for “regular and substantive interaction” to ensure that institutions of higher education are offering students with low incomes and students of color access to faculty, staff, tutoring, counseling and other essential supports they need to succeed in school.
- 4. Transparency, Accountability, and Oversight of all State and Institutional Grants.** The CARES Act offers flexibility and discretion to states and institutions in allocating their funding. While this is necessary to get relief to students quickly, there must be oversight on how much money is spent, that the money goes to students, and especially the students most impacted, and that any measures conform to civil rights protections.
- 5. Support Public Benefits Access to College Students with Low Incomes.** Congress should waive eligibility requirements so students can enroll and remain in critical nutritional programs like SNAP during the crisis. Following Senator Harris' proposed [bill](#), Congress should also expand the Disaster-SNAP program to cover the COVID-19 crisis and lift the in-person application process for Disaster-SNAP. This expansion can allow states and territories to extend vital public benefits access to students and immigrants.
- 6. Restore Pell Grants to Incarcerated Students.** Restore Pell Grants to incarcerated students. Even before the current crisis, these individuals were likely to face significant obstacles to postsecondary education and employment upon release. The economic crisis caused by the Coronavirus pandemic makes it even more critical to support individuals who faced systemic barriers to education and employment. The Second Chance Pell experimental sites are a start, but they are not enough.
- 7. Debt Relief for Student Borrowers:** Canceling at least \$10,000 of student debt for all borrowers will provide much-needed relief to most borrowers, including students of color and students with low incomes. Pausing payments is a temporary fix and borrowers with low incomes will not be able to continue to make payments in a future recession economy.
- 8. Oversight on Loan Collection Activities.** Institute oversight measures to ensure the Department of Education complies in ceasing all involuntary collections, including wage and benefit

garnishments. Students with low incomes and students of color cannot afford to have their wages garnished and credit ruined in the process.

- 9. Suspend Student Loan Payments for ALL borrowers.** It is estimated that 20% of borrowers, up to 9 million borrowers, who have Perkins loans, private loans, or commercially-held FFEL loans are not covered by the bill and still need to make monthly payments.
- 10. Relief for Homeless Students.** An immediate halt on all evictions and a pause in rent payments. A recent [survey](#) showed 56% of college students were housing insecure in the previous year, and 17% were homeless. As college campuses shut down, many students have lost their sole source of housing. Institutions of higher education should provide relief for these students through emergency grants and stipends and provisions for housing, such as keeping some dorms open.
- 11. Support the Expansion of Broadband.** Increased funding for Lifeline, ERATES, and other broadband programs would help students with low incomes transition to online and remote education. Up to 30% of households do not have broadband access and students no longer have resources such as public and university libraries.
- 12. Clear Guidance on Benefits for Public Institutions.** Clear guidance on whether public colleges and universities are included in all provisions for employers of the CARES Act, such as the employee retention tax credit and the paycheck protection program which excludes public entities. Ensure that public institutions of higher education can access benefits in CARES Act and Families First.
- 13. Clear Guidance on Benefits for Contingent Faculty and Instructional Staff.** Contingency employees, such as [adjunct faculty](#) and other instructional staff, provide essential services to college students. Adjunct faculty represent two-fifths of all faculty at the nation's colleges and universities, but their primary source of income comes from teaching multiple courses, sometimes at more than one institution without much job security or benefits. Clarify that for contingent faculty *there is not a reasonable assumption of continued employment* in between semesters to ensure access to unemployment insurance benefits.
- 14. Support the Automatic Extension of All Work and Student Visas:** Clear guidance and support is needed for international and immigrants who might face expired student and work visas due to a lack of income.
- 15. Prevent Predatory For-Profit Institutions from Getting Stimulus Money and Benefits.** "Proprietary schools" (which operate as for-profits) should not be allowed to continue preying on students with low incomes, students of color, and adult learners and then get tax and small business aid. Congress should also close the 90/10 loophole and rein in for-profit institutions that promote predatory practices

Students with low incomes, especially students of color and immigrants, were already struggling to access and afford a high-quality postsecondary education before this unprecedented crisis. The outbreak of COVID-19 and the looming recession it triggered have completely upended the lives and livelihoods of millions of students and families. These recommendations will provide relief and support to postsecondary students with low incomes and their families.

We look forward to working with your committee staff moving forward to provide much-needed relief to students with low incomes and their families, states, and public institutions. If you have questions about this letter, please contact Rosa M. García at rgarcia@clasp.org or Asha Banerjee at abanerjee@clasp.org.

Sincerely,

Rosa M. García, Director, Postsecondary Education and Workforce Development

Asha Banerjee, Policy Analyst, Postsecondary Education and Workforce Development