

April 6, 2020

# COVID-19 Resource Guide

*Higher Education*



[www.facebook.com/RepDelBene](https://www.facebook.com/RepDelBene)

[@RepDelBene](https://twitter.com/RepDelBene)



●● A NOTE FROM CONGRESSWOMAN SUZAN DELBENE ●●

The COVID-19 pandemic is the largest public health and economic crisis our state and county have faced in a lifetime. Many people have lost their jobs, kids are out of school, and businesses have closed their doors. This situation requires bold action to provide relief to the most affected and provide a strong recovery.

I want you to know that I'm fighting for you in Congress. Since the beginning of this outbreak, my priorities at the federal level are protecting families, workers, and small businesses, and getting our health care system the resources it needs to save lives.


Congress has now passed three emergency bipartisan funding bills to address this pandemic and provide relief to our communities.

This guide contains information about the resources available to higher education institutions and students impacted by the COVID-19 pandemic. This guide is meant to be reference tool and the information within is not exhaustive. Inside you will find a compilation of existing federal and state resources.

Because the situation is constantly evolving, check my website ([delbene.house.gov](http://delbene.house.gov)) or call my office in Bothell at 425-485-0085 for additional assistance.

Please know that my staff and I are here to help. Stay safe and healthy.

Sincerely,

  
Suzan DelBene  
U.S. Representative

# TABLE OF CONTENTS

**QUICK GUIDE .....4**  
**CARES ACT HIGHLIGHTS.....5**  
**CARES ACT: STUDENTS.....6**  
**CARES ACT: INSTITUTIONS OF HIGHER EDUCATION ..... 12**  
**CARES ACT: OTHER ..... 15**

## QUICK GUIDE

### [Congresswoman DelBene's COVID-19 Resource Page](#)

My page on COVID-19 resources is continually updated, and includes information for businesses, workers, nonprofits, and more.

### **Federal Student Aid** issued [Coronavirus Information for Students, Borrowers, and Parents](#)

**Washington State:** A comprehensive list of state resources is available on the governor's coronavirus page: [coronavirus.wa.gov](https://coronavirus.wa.gov)

### **Washington State Employment Security Department (ESD)**

- Visit <http://esd.wa.gov>
- Sign in through [eServices](#)
- Call 800-318-6022\*  
*Please be advised that wait times on the phone will be long; the Department Recommends attempting to enroll online if you are able*

**Washington State Health Benefit Exchange:** Information on the WA Exchange's response to COVID-19 can be found here: <https://www.wahbexchange.org/coronavirus-faqs/>

**IRS information on COVID-19 and Tax Filing:** <https://www.irs.gov/coronavirus>

**Washington State Department of Health:** The Washington State Department of Health's website is the place to go for [the best local information about COVID-19 in Washington state](#)

- If you have questions or concerns related to your health, call the state Department of Health at 800-525-0127, and press #.

**Washington State Department of Social and Health Services:** The DSHS website has [information about community programs and eligibility](#).

**Washington Department of Financial Institutions:** DFI has a list of [financial resources for consumers](#) impacted by COVID-19.

For assistance please contact any of my offices, or visit my website at [www.delbene.house.gov](http://www.delbene.house.gov)

*Bothell Office:*  
22121 17<sup>th</sup> Ave. SE,  
Ste 220  
Bothell, WA 98021  
(425) 485-0085

*Mount Vernon Office:*  
204 W. Montgomery St.  
Mount Vernon, WA 98273  
(360) 416-7879

*Washington, DC Office:*  
2330 Rayburn HOB  
Washington, DC 20515  
(202) 225-6311

## CARES ACT HIGHLIGHTS

The CARES Act gives students, borrowers, educators, schools, and colleges the direct, immediate, and comprehensive relief they need as we confront an unprecedented public health emergency. The bill provides approximately \$31 billion in emergency education funding to students, schools, institutions, and states across the country.

The CARES Act offers immediate relief to **federal student loan borrowers**:

- Suspends loan payments and prevents interest from accruing on all federal student loans through September.
- Halts all involuntary collection of federal student loan debt, including wage garnishment and tax refund offset, through September.

The CARES Act helps students cope with **campus closures**, and ensures students do not lose vital financial support as a result of campus closures related to the coronavirus:

- Allows colleges to continue paying students using Federal Work Study even if the student is unable to work during the crisis.
- Ensures that any semester that a student is unable to complete as a result of the crisis is not counted against their Pell Grant or subsidized loan eligibility limit. Additionally, students will not be required to repay federal loans taken out the semester that is interrupted by COVID.
- Allows American students who are studying at a foreign institution to continue their education during this crisis by taking courses via distance ed or at a partnering U.S. based institution.

The CARES Act provides \$3 billion to governors for **emergency education relief** that can be spent on school districts, institutions of higher education, or both.

## CARES ACT: STUDENTS

**For our students**, the CARES Act secured more than \$30 billion in emergency education funding, paused payments for federal student loan borrowers and suspended wage garnishment and negative credit reporting during this time

### *Loan Limits & Pell Grants*

- The measure excludes any semester that a student is unable to complete because of the pandemic from counting towards either a student's subsidized loan usage limits or their lifetime Pell Grant eligibility limit.
- In such circumstances, the student would not be required to return the Pell grant or federal loan. It also waives the requirement that institutions calculate the amount of grant or loan assistance that they must return to the department when a student drops out of school, if caused by the pandemic.
- In addition, for students who drop out of school because of the virus, their grades would not affect their federal academic requirements for continuing to receive Pell Grants or student loans.

### *Work-Study Funds & Opportunity Grants*

- The Federal Work-Study program funds part-time employment for undergraduate and graduate students with financial need, allowing them to earn money to help pay postsecondary education expenses.
- The bill generally allows colleges and universities to continue making work-study payments to students who are unable to work because they became sick or a virus-related closure occurred at their place of employment.
- It also allows colleges and universities to award additional Federal Supplemental Educational Opportunity Grants (FSEOG) to students who have been impacted by COVID-19.
- FSEOGs are provided to undergraduate students with exceptional financial needs, and range from \$100 and \$4,000 a year depending on financial need. But unlike Pell Grants where every eligible student receives aid, the Education Department provides each participating college with a finite amount of FSEOG funds, and once they are allocated no more FSEOG awards can be made for the year.

### *Frequently Asked Questions for Students:*

**Q: Do I need to make student loan payments during this crisis?**

A: The CARES Act provides borrowers with most federal loan loans various relief. The bill suspends payments and interest accrual on most federal loans until September 20, 2020. The suspension of payments would not adversely impact borrower's eligibility for loan forgiveness. Additionally, the bill suspends debt collection on federal student loans – prohibiting wage garnishment, tax seizure, and benefits reduction.

Monitor the Department of Education's Office of Federal Student Aid website for the latest updates, which is available [here](#) or call them at (872) 5327. Please note that, while debt collection is paused for eligible federal student loans, debt collection may continue for other consumer loan obligations.

**Q: What types of student loans are covered?**

A: All loans owned by the Department of Education will be covered under the CARES Act, including having interest waived and payment suspended. Eligible loans include Direct Loans, Federal Perkins Loans, and Federal Family Education Loan (FFEL) Program loans held by the Department of Education. However, FFEL Program loans that are owned by private lenders, and some Perkins Loans which are owned by the college or university you attended, are not covered. Private student loans are not eligible for protection, but you can contact your private student loan servicer to see if they, in their discretion, will provide some payment or interest relief.

**Q: Who should I contact if my servicer is still taking my student loan payments?**

A: If you're having issues with your student loans, you may want to contact your student loan servicer first. To find out who your student loan servicer is, you can call Federal Student Aid at (800) 433-3243.

If your student loan servicer is unable to assist you, you may want to submit a complaint with the Consumer Financial Protection Bureau through their complaints webpage, available [here](#). You can also contact the CFPB via telephone by calling (855) 411-2372.

**Q: What about third parties offering assistance in accessing the student loan relief provided in the bill?**

A: Beware of any individuals or companies offering to cancel or lower your student loan payments in exchange for an upfront fee. Borrowers with federal student loans struggling to make their payments can access for free various repayment programs offered by the Department of Education.

For information on income-driven repayment plans, visit the Department of Education's webpage [here](#). Additional information on avoid student debt relief scams is available [here](#). To contact the Department of Education regarding defaulted loans via telephone, you can call at (800) 6213115.

**Q: What forms of relief are students impacted by COVID-19 eligible for?**

A: Students will be eligible for emergency financial aid grants from their institutions to meet unexpected and urgent needs related to the coronavirus, such as expenses related to food, housing, course materials, technology, health care, and child care. Students who are currently participating in the Federal Work Study program can continue to receive work-study payments from their institution if they are unable to work due to workplace closures.

Relief also exists for students who must drop out of school due to COVID-19. Students will have the portion of their student loan taken out for the semester (or equivalent) canceled. Further, students who received a Pell Grant or subsidized student loan will not have those types of financial aid counted toward their lifetime limits.

**Q: What relief is provided to federal student loan borrowers?**

A: Borrowers do not need to make payments on student loans held by the federal government (Direct Loans and FFEL Loans held by the U.S. Department of Education) through September 30, 2020. Borrowers with commercially held FFEL loans and Perkins Loans are not eligible, and private student loan borrowers are also not eligible. No interest will accrue on such loans for the same time period. This provides more than 37 million borrowers with relief from the financial pressure of making monthly payments for approximately six months.



During this period, borrowers will not be subject to involuntary collections (garnishment of wages, tax refunds, and Social Security benefits) and will not have any negative credit reporting for late payments during this time period. Student borrowers will continue to receive credit toward Public Service Loan Forgiveness, Income-Driven Repayment forgiveness, and loan rehabilitation even though they will not be making payments. If borrowers want to continue making payments during this time to pay down principal and previously accrued interest (since no interest is accruing as of March 13) they are free to do so.

**Q: When will payments resume for federal student loan borrowers?**

A: Starting August, student loan borrowers will receive notices to help inform them that their regular loan payments and interest accrual will resume after September 30, 2020. These notices will help protect borrowers by providing them with a transition period to stay on track as regular loan payments resume and to offer them the option to enroll in other relief options (such as income-driven repayment, which can lower a borrower's monthly payment).

**Q: I'm currently enrolled in a foreign institution abroad and am hearing that I might lose my student loans if I take classes online. Does this bill help me?**

A: Yes. The CARES Act allows the Secretary of Education to permit a foreign institution to offer any part of its program through distance education if there is a public health emergency or other disaster or emergency declared by the government authorities in the country where the college is located. These distance education programs may be offered for the length of the emergency or disaster and the following payment period, to ensure students can maintain their student loans and finish out their coursework before reverting back to in-person instruction.

**Q: I'm currently enrolled in a foreign institution abroad and due to personal circumstances would like to take part of my coursework at another foreign college or a college in the U.S. Can I do so and maintain my student loans?**

A: As long as there is still a public health emergency or other major disaster or emergency related to the coronavirus declared by U.S. government officials, then you may take part of your coursework at a U.S. institution of higher education with which your home institution (the foreign institution) enters and is permitted by the U.S. Secretary of Education, and maintain your student loans. This allows you to maintain your primary enrollment in your degree program with your original foreign institution, but gives you flexibility to take some coursework back in the U.S. if you need to come home. However, the CARES Act only allows this flexibility with U.S. institutions of higher education, and not other foreign institutions that are not already eligible for the federal student loan program.

**Q: Does the six-month suspension of payments and waiver of interest apply to borrowers who have federally-guaranteed but commercially-held loans through the FFEL and Perkins Loan Programs?**

A: No. The suspension only applies to all Direct Loans and FFEL loans held by the Department Education (which is about 25% of the FFEL portfolio). Approximately 37 million borrowers (or 87 percent of federal student loan borrowers in repayment) will receive relief under this plan.

**Q: Does the sixty-day protection from involuntary collections apply to these FFEL and Perkins borrowers?**

A: No, it doesn't apply.

**Q: Will outstanding interest on student loans capitalize during the six-month suspension of payments and waiver of interest?**

A: During the six-month period until September 30, 2020 when payments are suspended, interest is also not accruing on federally held loans. Therefore, there is no interest cannot capitalize (be added to the principal) on the loan. It remains unclear how interest that accrued prior to March 13 will be treated as this decision is left up to the Secretary of Education. Generally, interest only capitalizes when

you leave deferment, forbearance, or income-driven repayment. Borrowers who do not change their loan repayment, or who move from “standard” to “income driven” plans do not risk any capitalization.

## CARES ACT: INSTITUTIONS OF HIGHER EDUCATION

### *Education Stabilization Fund*

Under the Education Stabilization Fund, just over \$13.9 billion is available for a Higher Education Emergency Relief Fund for institutions of higher education to directly support students facing urgent needs related to coronavirus and to support colleges and universities as they cope with the immediate effects of coronavirus and school closures. From this amount, ninety percent, or \$12.5 billion, of that amount will be allocated to institutions based 75% on the enrollment of full-time equivalent (FTE) Pell Grant recipients and 25% on enrollment of FTE non-Pell Grant recipients. Students who were enrolled exclusively in online, distance education courses prior to the COVID-19 emergency will be excluded from this calculation. Public colleges will receive the vast majority of funding under this formula.

### *Flexible funding*

\$3 billion is also available in flexible formula funding to allow Governors to address the needs of their elementary and secondary schools and institutions of higher education. Public colleges can therefore be eligible for additional funding if the Governor determines they have been most significantly impacted by the coronavirus or if the Governor deems such institution essential for carrying out emergency educational services to students, such as child care and early childhood education and social and emotional support.

Finally, \$348 million is available to the Secretary to provide grants to institutions that have the greatest unmet needs related to the coronavirus.

### *Additional provisions for institutions include:*

- **Campus-Based Aid Waivers:** Waives the institutional matching requirement for campus-based aid programs. Allows institutions to transfer unused work-study funds to be used for supplemental grants.
- **Use of Supplemental Educational Opportunity Grants for Emergency Aid:** Allows institutions to award additional SEOG funds to students impacted by COVID-19.
- **Federal work-study during a qualifying emergency:** Allows institutions to issue work-study payments to students who are unable to work due to work-place closures as a lump sum or in payments similar to paychecks.

- **Waives the requirement that institutions calculate the amount of grant or loan assistance** that the institution must return to the Secretary in the case of students who dropped out of school as a result of COVID-19.
- **Continuing Education at Affected Foreign Institutions:** Permits foreign institutions to offer distance learning to U.S. students receiving Title IV funds for the duration of the COVID-19.
- **HBCU Capital Financing Program:** Authorizes the Secretary of Education to defer payments on current HBCU Capital Financing loans during the national emergency period so HBCUs can devote financial resources to COVID-19 efforts.
- **Waiver Authority and Reporting Requirements for Institutional Aid:** Authorizes the Secretary of Education to waive certain outcome requirements for FY2021 grant programs for HBCU and other Minority Serving Institutions.
- **Authorized Uses and Other Modifications for Grants:** Authorizes the Secretary of Education to waive or modify current allowable uses of funds for institutional grant programs (TRIO/GEARUP/Title III/Title V/and sections of Title VII) so colleges can re-deploy resources and services to COVID-19 efforts. Permits institutions to request waivers from the Secretary of Education for financial matching requirements in competitive grant and other MSI grant programs in the Higher Education Act so colleges can devote institutional resources to COVID-19 efforts.
- **National Science Foundation:** \$76 million will be directed to the National Science Foundation (NSF), which supports research activities at more than 2,000 research institutions, to better understand science related to coronavirus.

## *Frequently Asked Questions for Higher Education Institutions*

**Q: I am an administrator at a foreign institution and my college had to transition to distance education before the CARES Act was passed. We encouraged our American students with student loans to continue taking their coursework online even though they were not permitted to at the time due to existing requirements in the Higher Education Act. Will our program lose eligibility for U.S. student loans?**

**A:** The CARES Act recognizes that many institutions had to transition to distance education well before the Act was passed. If the program at the foreign institution was otherwise in compliance with requirements for federal student loan eligibility but transitioned to distance education between March 1, 2020 and the date of this act's enactment, then that program will be deemed eligible for the federal student loan program. That eligibility will last the length of the public health emergency or other major disaster or emergency related to the coronavirus, as declared by U.S. government officials, and the following payment period. After that point, the program must return to its original in-person instruction delivery mode in order to maintain eligibility for federal student loans. If your college transitions to distance education during the 2019-2020 award year, you must report that change to the U.S. Secretary of Education by June 30, 2020. If your college transitions to distance education on or after July 1, 2020, then you must report that change to the Education Secretary within 30 days.

## CARES ACT: OTHER

### *AmeriCorps Service*

The CARES Act provides relief for AmeriCorps volunteers, grantees and the Corporation for National and Community Service.

- The bill allows current National and Community Service Corporation (AmeriCorps) volunteers to receive their Segal AmeriCorps Education Award if their service year is disrupted or suspended due to the pandemic.
- It also allows AmeriCorps volunteers to reenroll for an additional year of service if their service is disrupted, and allows the agency to increase to age 26 the age limit for individuals who can reenroll. AmeriCorps would be permitted to carry over funding from the current fiscal year to next fiscal year.

### *Exclusion for certain employer payments of student loans*

The CARES Act enables employers to provide a student loan repayment benefit to employees on a tax-free basis. Under the provision, an employer may contribute up to \$5,250 annually toward an employee's student loans, and such payment would be excluded from the employee's income. The \$5,250 cap applies to both the new student loan repayment benefit as well as other educational assistance (e.g., tuition, fees, books) provided by the employer under current law. The provision applies to any student loan payments made by an employer on behalf of an employee after date of enactment and before January 1, 2021.

### *Workforce Response Activities:*

The CARES Act provides local workforce boards with additional flexibility to use funds received under the Workforce Innovation and Opportunity Act for administrative costs, including for online resources. Allows Governors to utilize reserved workforce funds on rapid response activities in response to COVID-19.

### *Frequently Asked Questions*

**Q: I'm an AmeriCorps member and I'm unable to complete my term of service as a result of COVID-19. What happens to my education award?**

A: Many AmeriCorps members will have difficulty completing the required number of volunteer hours due to current limitations on volunteer opportunities. The CARES Act allows the Corporation for National and Community Service (CNCS) to have flexibility to waive the required number of volunteer hours so that members may still receive a full Segal Education Award even if their service was interrupted as a result of COVID-19. Additionally, the CARES Act increases the upper age limit for AmeriCorps members and expands the maximum term of service so that AmeriCorps members whose service was impacted by COVID-19 are able to reenroll once the emergency is over.

**Q: My school is converting to online education because of COVID-19, will I still receive my housing allowance?**

A: Yes, with the passage of Senate Bill 3503 into law, VA will continue to make housing allowance payments to students using VA education benefits at the on campus rate, if the school converted to online education due to COVID-19.