

As Congress recognized with the passage of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, prospective and current college students are facing unique challenges during this time of national crisis. NCAN thanks Congress for this support.

However, the work is not done to ensure that our nation's higher education students are able to have their basic needs filled while continuing to pursue their studies. This support is important in the immediate, but also in the long term as our nation's economy works to recover from significant job losses. Dependent students will need additional support in response to parent job loss, independent students may have lost their own jobs, and many workers may turn to higher education to learn new skills during this tough job market. As we look forward, NCAN respectfully requests the consideration of the following proposals for future coronavirus relief packages.

Recommendations for Further COVID-19 Response

Congress should consider:

1. Automatic FAFSA renewal for returning students.

The filing rates for the Free Application for Federal Student Aid (FAFSA) are down for high school seniors and are [dropping](#) even faster for returning students – nearly 5% through the end of April. Creating a one-time ability for FSA to auto-renew the FAFSA for returning college students would allow institutions to provide these students with aid packages and prompt them to have a conversation with the financial aid office if their financial circumstances have changed. Otherwise, many students may not return because they did not complete the FAFSA due to being focused on daily survival during the epidemic.

2. A permanent Pell Grant maximum award increase.

The scheduled Pell increase for the maximum award from \$6,195 to \$6,345 for AY20-21 will cover a regular inflationary adjustment. However, given the likelihood that state budgets will fall short given falling tax revenue and rising expenses in Medicaid, it is likely states will cut their funding for higher education. The federal government should support students from low-income backgrounds, who will rise in number due to the growing unemployment rate, through both Pell Grant investment and encouraging states in their investment (below). NCAN suggests increasing the Pell Grant award by as much as double, which will support students in all states and allow more moderate-/middle-income students to receive at least some grant support for higher education.

3. Increasing funding for the Education Stabilization Fund (ESF) and Maintain Investments.

The initial investment in the ESF is well designed, focusing on Pell Grant enrollment and dividing the funds between K12, higher education and a governor's fund (the Governor's Emergency Education Relief Fund). However, it allows states to meet the Maintenance of Effort (MOE) on total investment. This could allow states to shortchange higher education to fund K12. This would be shortsighted policy that the federal government should discourage by separating the K12 and higher education MOEs in the next round of ESF funding.

Congress should also provide additional funding to the Governor's Emergency Education Relief Fund and should require this new investment be used to supplement or create state need-based aid. Likewise, this additional investment in the governor's fund should be targeted toward community colleges, which will need to expand their capacity for an anticipated surge in enrollment due to students needing more affordable higher education options and due to newly unemployed individuals seeking new skills.

4. An increase in Supplementary Educational Opportunity Grant (SEOG) funding to institutions for AY20-21.

The federal government should increase investment in the SEOG through additional funding (over the currently allocated amount) for institutions based on Pell Grant enrollment. This will provide institutions with more flexibility to support students with need, particularly unexpected need, for AY20-21.

5. Improving SNAP access for college students.

Congress should require the USDA Food and Nutrition Service (FNS) grant state waiver requests to permit college students who previously were eligible for SNAP but lost their eligibility due to COVID-19-related job loss to remain eligible for SNAP benefits. Further, Congress should consider adding pandemics to the Disaster SNAP definition to allow FEMA to implement SNAP in those areas declared a disaster.

6. Supporting DACA and undocumented students.

Congress should ensure that any and all new emergency aid funds are available to DACA and undocumented students who may be struggling with food and housing insecurity.

7. Increasing AmeriCorps funding and allowing for a third year of service.

Increased funding would allow the AmeriCorps program to provide additional volunteers next year. This would both provide jobs and additional services, as needs will rise.

Congress should allow volunteers already serving to continue to serve for a third year and receive wages for that time. While the flexibility to pause their service and continue following the pandemic is appreciated, AmeriCorps volunteers for education nonprofits serve based on an academic year. It would be highly disruptive to have second-year volunteers pause their time now, continue in the fall, and leave mid-year.

8. Providing an exception for unemployed public servants for PSLF eligibility.

Individuals currently eligible under the Public Service Loan Forgiveness program are still receiving credit for the loan payment months in which the federal government is not collecting student loan payments. However, many public servants will lose their jobs during this time, and those who are unemployed should not lose these months if they return to public service. For PSLF applicants who receive unemployment due to the coronavirus pandemic and return to work in a PSLF position, the intervening months should be counted toward their 120 PSLF qualifying payments.

The U.S. Department of Education should consider:

9. Publicizing and providing training on professional judgment guidance.

Professional judgment (PJ) is a process established in the Higher Education Act that allows financial aid administrators to adjust a student's Expected Family Contribution (EFC) if there are significant changes to the family's financial situation following the filing of the FAFSA form. Two sets of guidance appear to address situations such as this pandemic when large numbers of students may request a PJ review at the same time: the [Higher Education Relief Opportunities for Students Act of 2003 \(HEROES Act\)](#) and a 2009 letter allowing institutions to grant an EFC of \$0 to any student with an unemployed parent ([professional judgment based on unemployment status](#)).

The HEROES Act is explicitly still in effect based on the last update and the second set of guidance has not been withdrawn. Yet institutions are hesitant to use this existing guidance without express updated guidance granting permission to do so from the Department. The Department should provide both guidance and training to facilitate large-scale response to the high number of college students who will need to request a change due to the economic impact of the pandemic.

10. Incorporating FAFSA language about changes in circumstance.

StudentAid.gov and FAFSA.gov now display language reminding families that if they have had a change in financial situation, they should reach out to their institution of higher education to discuss their situation. These types of reminders should also be incorporated into the online FAFSA filing experience for the AY20-21 FAFSA to further aid students in filing the form correctly and taking the necessary follow-up steps to take advantage of professional judgment if applicable.

11. Title IV eligibility for emergency aid.

Congress should re-examine the decision to allow colleges to issue CARES Act Higher Education Emergency Relief Fund grants only to students who are Title IV eligible. First, Title IV eligibility requires a Social Security number to be on file, so institutions are only considering students who already have a FAFSA on file for this aid or requiring students to file additional paperwork to demonstrate their eligibility. This excludes the many students who did not file a FAFSA but otherwise would be eligible for this aid. Additionally, the CARES Act did not expressly prohibit any groups for receiving this aid, which is not considered federal financial aid. Students not traditionally eligible for financial aid, such as DACA recipients and undocumented students, should be eligible to receive coronavirus relief dollars.

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