



Summary of Select Provisions the HEROES Act (H.R. 6800)

On May 12, House lawmakers introduced H.R. 6800, the Health and Economic Recovery Omnibus Emergency Solutions ([HEROES Act](#)), a \$3 trillion stimulus package primarily aimed at bolstering support for activities to address the novel coronavirus pandemic.

The HEROES Act comes after President Trump signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act ([P.L. 116-136](#)), a \$2.3 trillion stimulus package primarily aimed at bolstering support for activities to address COVID-19. On April 24, the president also signed Paycheck Protection Program and Health Care Enhancement Act (PL 116-139) to provide an additional \$484 billion in coronavirus aid to small businesses. A central theme to the HEROES Act is that it provides additional follow-up support (funding) for programs initially included in the CARES Act and further clarifies the parameters of other programs (such as the emergency grant aid to students). On May 14, CGS joined a higher education community [letter](#) to House leadership citing support of the initial version of the HEROES Act.

Major Higher Education and Research Provisions of HEROES Act

(as of May 14, 2020; subject to updates)

Federal Department/Agency	Proposed Funding	Activities Supported
Department of Education		
<i>State Fiscal Stabilization Fund</i>	\$90 billion total to support education	30% of funds (\$26.7 billion) of state funds are reserved for public higher education institutions <u>Within the state, funds for public institutions are formula allocated among institutions with:</u>

		<ul style="list-style-type: none"> • 75% based on the relative share of the total enrollment of Pell students at an institution; and • 25% based on the relative share of the total enrollment • The allocation excludes students who were exclusively enrolled online at the time of the coronavirus emergency • The allocation appears to use headcount, rather than full-time equivalent enrollment <p><u>Uses of funds:</u></p> <ul style="list-style-type: none"> • Education and general expenditures (including defraying expenses due to lost revenue, reimbursement for expenses already incurred, and payroll) • Grants to students for expenses directly related to coronavirus and the disruption of campus operations (which may include emergency financial aid to students for food, housing, technology, health care, and child care costs that shall not be required to be repaid by such students) • Acquisition of technology and services directly related to the need for distance education and the training of faculty and staff to use such technology and services.” <p>Priority shall be given to under-resourced institutions, institutions with high burden due to the coronavirus, and institutions who did not possess distance education capabilities prior to the coronavirus emergency</p> <p>Institutions are required “to the greatest extent practicable”</p>
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		<p>to “continue to pay its employees and contractors during the period of any disruptions or closures related to coronavirus”</p> <p>5% of the funds is for the governor’s discretion (can allocate to K-12 or higher education)</p>
<p><i>Higher Education</i></p>	<p>\$10.15 billion</p>	<ul style="list-style-type: none"> • \$1.4 billion reserved for disbursement through FIPSE to Sec. 101 institutions with “unmet needs related to the coronavirus,” including exclusively online institutions <ul style="list-style-type: none"> ○ Intended to be grant funding available to institutions particularly impacted by the pandemic • \$1.711 billion reserved for Minority Serving Institutions <ul style="list-style-type: none"> ○ For HBCU professional or graduate institutions (under section 326 of HEA), the Secretary shall allot to each eligible institution an amount in proportion to the award received in FY20 appropriations ○ For American Indian tribally-controlled colleges and universities (under section 316 of HEA), the Secretary shall allot funding according to the formula in section 316(d)(3) of the Higher Education Act ○ For institutions eligible under the Strengthening Institutions program (under part A of Title III of HEA) and HSIs (under parts A and B of Title V of HEA), the Secretary “shall issue an application for eligible institutions to demonstrate unmet need, and the Secretary shall allow eligible institutions to apply for

		<p>funds under one of the programs for which they are eligible”</p> <ul style="list-style-type: none"> • \$20 million for Howard University • \$11 million for Gallaudet University • \$7 billion reserved for private nonprofits allocated on a formula basis: <ul style="list-style-type: none"> ○ 75% on the basis of relative share of enrollment of Pell recipients; and ○ 25% on the basis of relative share of total enrollment of non-Pell recipients ○ Excludes students who were exclusively enrolled online at the time of the coronavirus emergency from the calculation ○ Establishes a floor that is equal to the lesser of either \$1 million or the combined loss of revenue and new expenses associated with the coronavirus at the institution, only for institutions with a headcount of at least 500 students
Regulatory Flexibility		
<i>Student Loans</i>		
<i>Sec. 110501 Forgiving Private Student Loan Debt</i>		Directs the Secretary to make private student loan payments on behalf of borrowers through the end of September 2021 ; or until such time as \$10,000 in loan payments have been made.
<i>Sec. 150113 Expanding Loan Relief to All Federal Student Loan Borrowers</i>		Extends the suspension of payments and interest on some federal loans under CARES to all federal loans (incl. certain

		FFEL loans, Perkins Loans and Public Health Service loans).
<i>Sec. 150114 Extending the Length of Borrower Relief Due to the Coronavirus Emergency</i>		<p>Extends the suspension of payments, interest and collections activity under CARES and HEROES to September 30, 2021</p> <p>Refunds to borrowers the payment on principal made on eligible loans since the passage of CARES (as a means of making the payment by the Secretary retroactive)</p> <p>Suspends the requirement for borrowers in income-based repayment plans to recertify their income or family size for the next year</p>
<i>Sec. 150115 No Interest Accrual</i>		<p>Suspends calculation and capitalization of interest on all federally held covered loans and pays interest on behalf of the borrower for all non-federally held loans for the length of the suspension period</p> <ul style="list-style-type: none"> • The suspension period is either September 30, 2021 or a period in which the national U–5 measure of labor underutilization as calculated by BLS is lower on average over a three-month period than it was on average for the three-month period preceding Feb. 2020 and/or the rate has dropped for each of previous two consecutive months
<i>Sec. 150116 Notice to Borrowers</i>		<p>Requires the Secretary. to provide notice to borrowers of their eligibility to consolidate, move to IBR loans and the changes in the terms of their loans resulting from CARES and HEROES</p> <p>Requires the Secretary to provide not less than six notices to</p>

		borrowers of their restored obligations when the period of suspension is due to expire
<i>Sec. 150117 Writing Down Balances for Federal Student Loan Borrowers</i>		Requires the Secretary to make payments on behalf of borrowers for all covered federal loans up to \$10,000
<i>Sec. 150120 Special Rules Relating to Federal Direct Consolidation Loans and PSLF</i>		Establishes new terms relating to borrowers consolidating their loans regarding the option to participate in PSLF and have their status within PSLF calculated by the Department Requires the Secretary to notify borrowers of their eligibility, as well as notice when the period is expiring
Federal Work Study		
<i>Sec. 150102 Application of Waiver to Participating Nonprofit Employers</i>		Waives a nonprofit's share of Federal Work study
<i>Sec. 150103 Extension of Federal Work-Study During a Qualifying Emergency</i>		Extends Section 3505 of CARES Act allowing institutions to make Federal Work Study payments for students for a period even if the student is unable to perform the required work due to campus closures
Unemployment		
<i>Sec. 150109 Facilitating Access to Financial Aid for Recently Unemployed Students</i>		Allows for any student who is receiving, or has applied for, unemployment benefits to be treated at the time of their application for the FAFSA, to be treated as a dislocated worker

		<p>Requires ED to work with institutions to ensure students are aware of their eligibility for, and the benefits allowed to them</p> <p>Allows institutions, with explicit permission of individual, to disclose information collected as part of the FAFSA to relevant federal agencies to verify eligibility for federal programs.</p>
Other Regulatory Flexibilities		
<i>Sec. 150110 Student Eligibility</i>		<p>Restricts the Secretary from imposing any restrictions on or defining a student for the purposes of HEROES and CARES on anything other than their enrollment status at an institution</p> <p>Exempts institutions that disbursed funds under CARES from penalties “if such provision is consistent with such subsection and section 18004 of the CARES Act (Public Law 116–136)”</p>
<i>Sec. 150111 Definitions of Distance Education</i>		<p>Provides definitions of the terms “Distance Education,” “Technology,” “Instructor,” “Substantive Interaction” and “Regular Interactions” which are drawn from the consensus language on distance education in the finalized, but not yet effective regulations</p>
Department of Health and Human Services		
National Institutes of Health	\$4.745 billion	Reserved for COVID-19 related research as well as to address issues related to support the shutdown and start-up costs of

		biomedical research, which may have stopped due to the COVID-19 crisis across the nation
National Science Foundation	\$125 million	Reserved for research to prevent, prepare for, and respond to the COVID-19 crisis
National Endowment for the Arts	\$10 million	Reserved for grants to respond to the impacts of coronavirus
National Endowment for the Humanities	\$10 million	
TAX PROVISIONS		
<i>Sec. 20211 Improvements to Employee Retention Credit</i>		<p>Makes public institutions eligible for an expanded employee refundable payroll tax credit of up to 80% of \$15,000 in the wages paid to each employee by employers each quarter (and \$45,000 in the aggregate) during the COVID-19 crisis</p> <p>Employers whose operations were “fully or partially” suspended due to government orders related to COVID-19 are eligible for the credit</p>
<i>Sec. 20232 Emergency Financial Aid Grants – Exempt from Taxation</i>		<p>Exempts all CARES Act emergency student financial aid grants and any institutional provided emergency student financial aid grants from taxation</p> <p>Holds students who receive any such emergency financial aid grants harmless for eligibility under various higher ed tax credits</p>

ACCESS TO CARES ACT LOANS		
<i>Sec. 90001 Amendments to the Paycheck Protection Program</i>		<p>Expands the SBA Paycheck Protection Program (PPP) and extend the covered period from June 30 until December 31. Expands eligibility to all nonprofits of all sizes (not just those with under 500 employees)</p> <p><i>There are no additional funds provided for the program, which has already run out of funding since it was included in the original CARES Act</i></p>
<i>Sec. 110604 Main Street Lending Requirements</i>		<p>Expands eligibility for the Main Street Lending program to non-profits</p> <p>Requires that the Fed offer a low-cost loan option to non-profits shortly after passage of the legislation.</p> <p>Loans could be forgiven for non-profits predominately serving low income communities that are ineligible for a PPP loan</p>
IMMIGRATION AND WORKFORCE		
<i>Sec. 191201 Extension of Filing and other Deadlines</i>		<p>Allows certain undocumented individuals who were lawfully present in the U.S. when HHS declared a public health emergency to be protected from negative immigration consequences due to the inability to meet filing deadlines or leave the country</p>

		<p>Allows for automatic extensions of temporary immigration status or work authorization if it is set to expire during the emergency, including those under Deferred Action for Childhood Arrivals (DACA)</p>
<p><i>Sec. 191204 Supplementing the COVID Response Workforce</i></p>		<p>Directs the Secretary of Homeland Security to expedite the processing of applications and petitions seeking employment or classification of an “alien” as a nonimmigrant to practice medicine, provide healthcare, engage in medical research, or participate in a graduate medical education or training program involving the diagnosis, treatment, or prevention of COVID–19</p> <p>Directs the Secretary of State to prioritize the processing of visa applications submitted by aliens who are seeking a visa based on an approved nonimmigrant petition to practice medicine, provide healthcare, engage in medical research, or participate in a graduate medical education or training program involving the diagnosis, treatment, or prevention of 19 COVID–19</p> <p>A nonimmigrant who is participating in a graduate medical education or training program may engage in work outside the scope of the approved program, if:</p> <ul style="list-style-type: none"> • the work involves the diagnosis, treatment, or prevention of COVID–19 • the alien has maintained lawful nonimmigrant status and has otherwise complied with the terms of the education or training program, and • the program sponsor approves the additional work by annotating the nonimmigrant’s Certificate of Eligibility

		for 10 Exchange Visitor (J-1) Status (Form DS- 11 2019) and notifying the Immigration and 12 Customs Enforcement Student and Exchange Visitor Program of the approval of such work.
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