



AFSCME Facts

Federal Supplemental Funding for Higher Education Institutions and Students January 13, 2021

The lame duck legislative deal passed by Congress, known as the Consolidated Appropriations Act (CAA), 2021, includes additional federal financial support for colleges and universities and students who attend those institutions. This fact sheet provides an overview of the new federal funding for higher education.

How much additional funding has been provided?

Congress provided an additional \$22.7 billion for higher education institutions and students. The funds are divided into four categories: \$20 billion for the Higher Education Emergency Relief Fund (HEERF), \$1.7 billion for historically Black colleges and universities (HBCUs), Hispanic Serving Institutions and other minority serving institutions (MSI), \$113.5 million for institutions impacted particularly by the pandemic or disadvantaged by the formula for institutional aid, and \$681 million for emergency student aid for students at for-profit institutions.

How will the funding be distributed?

HEERF funding, the largest share of federal relief for higher education, will be allocated based upon several measures related to an institution's enrollment, including Pell Grant recipients, full-time students, and whether they were or were not exclusively on-line at the start of the pandemic.

How can funding be used?

Institutions are required to use the same amount of funding for student emergency aid as used with their CARES Act distribution. Student emergency funding can be used for a broad range of purposes, including anything related to the cost of attendance.

The institutional portion of the HEERF monies can be utilized for a wide range of purposes, including replacement of lost funds or new expenditures.

Are there estimates for how much each institution will receive?

Yes, the American Council on Education has developed estimates of what each institution can expect to receive. Those estimates can be found [here](#).

The U.S. Department of Education is expected to release final allotments shortly.

How will funding help HBCUs and other minority serving institutions?

The federal funding will eliminate \$1.3 billion in institutional debt held by HBCUs and other MSIs. The relief from debt service will allow these institutions to dedicate additional resources to financial aid and other purposes. The CAA also provides another nearly \$300 million for these institutions to expand broadband networks that will benefit colleges and universities, and their surrounding communities.

Did the CAA provide other financial assistance helpful to Higher Education?

Yes, the act also includes just over \$4 billion for U.S. governors to support all levels of education. The funding has two components: \$2.75 billion designated for Emergency Assistance to Non-Public Schools (EANS) and \$1.3 billion for the Governor's Emergency Education Relief (GEER) Fund, which is in addition to the \$3 billion the fund received through the CARES Act. Governors have the discretion to use some of these funds to support higher education.