

SPOTLIGHT ON HIGHER EDUCATION

HIGHER EDUCATION EMERGENCY RELIEF FUND II

By Andrea Taylor

The Higher Education Emergency Relief Fund II (HEERF II) was authorized by the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA), which was signed into law on Dec. 27, 2020. In total, the CRRSAA authorizes \$81.88 billion in support for education, \$21.2 billion of which is now available to institutions of higher education to ensure learning continues for students during the COVID-19 pandemic. Allocations to institutions are based on a formula that includes the relative shares of federal Pell Grant recipients, the relative shares of non-Pell Grant recipients, and the relative shares of federal Pell and non-Pell Grant recipients exclusively enrolled in distance education prior to the coronavirus emergency. CRRSAA continues to support the important work of addressing students' unmet needs by providing a minimum amount of funding that each institution must devote towards financial aid grants to students. Institutions that were previously approved for Coronavirus Aid, Relief, and Economic Security Act (CARES Act) HEERF awards are not required to submit a new or revised application to receive additional funding under the CRRSAA.

HEERF II has some similarities—as well as important differences—from the CARES Act HEERF funding allocated to institutions in the Spring of 2020. HEERF II provides certain changes and flexibilities by expanding the allowable uses of funding as the COVID-19 pandemic continues to impact the enrollment, instruction and the overall financial health of many institutions. Some important changes include:

- **Expanded the allowable uses of grant funds** – In contrast to HEERF awards provided under the CARES Act, HEERF II's allowable uses include defraying expenses, including lost revenue and reimbursement of expenses already incurred.
- **Modified the share of funds that must be used for financial aid grants to students** – The CARES Act required that 50% of an institution's HEERF allocation be used to award financial aid grants directly to students. The CRRSAA requires that an institution receiving funding under HEERF II provide the "same amount" in financial aid grants to students from the new CRRSAA funds that it was required to provide under its original CARES Act HEERF allocation. Because this law appropriates more funding for supplemental and new awards to institutions, it is anticipated that a larger share of HEERF II allocations will be available for institutional support than under the CARES Act.
- **Added allocations for students enrolled in exclusively distance education courses** – Students enrolled in exclusively distance education courses are included in the CRRSAA allocation formula. Institutions will now receive allocations that factor in such students under the formula, and the formula also allows exclusively online institutions that were ineligible for funding under the CARES Act to apply for grant funds. Amounts apportioned for students enrolled in exclusively distance education courses may be used only for financial aid grants to students.

Institutions should regularly check the [HEERF II CRRSAA](#) website for the latest CRRSAA information and program guidance.