

July 30, 2020



Dear Colleague:

We are at an urgent inflection point in Washington as Congress begins to negotiate House and Senate and Democratic and Republican proposals to provide federal relief as a result of the COVID-19 pandemic.

Negotiators are aiming to pass a final bill in the next ten days. I am writing to ask you to call your Representative and Senators again in support of our collective priorities for private, nonprofit higher education in the next federal relief bill.

With Senate Republicans unveiling their [coronavirus relief proposals](#) last night, final negotiations between both chambers and both parties in Washington are getting underway with heightened intensity.

We have asked for \$46.6 billion in federal funding for higher education. This does not cover the full need for higher education. In fact, starting earlier in the summer, we recognized that reopening was going to take significant effort. Using figures provided by NAICU members and in consultation with our peer higher education associations, we estimated the cost of safely reopening across higher education at \$73.8 billion.

While progress has been made on the funding levels and liability protections we are seeking, neither the Senate Republican proposal released last night nor the Democratic House bill passed in May provide enough support for colleges and universities and their students.

Legislation	Higher Education Funding Level	Liability Protection
Senate Republicans	\$29 Billion	Included
House Democrats	\$37 Billion	Not Included
Senate Democrats	\$132 Billion *	Not Included

* Reflects total estimates related to reopening costs and lost revenue due to the pandemic.

As you contact your elected officials, here are several key talking points that NAICU has developed for you to use in those conversations.

Overall

- I am pleased that both parties, and both the Senate and the House, have recognized the unprecedented challenges facing American students, colleges and universities in their current bills for dealing with the effects of the pandemic.
- But, the Senate Republican bill and the House bill are not sufficient for us to weather the challenges we face to safely reopen this fall.

Funding

- We recommend a funding level of \$46.6 billion for institutions and students to address increased student financial need and increased institutional costs and revenue losses.
- Funding should be distributed to institutions based on their total number of FTE students, not headcount.

(Additional context, not for distribution: Full-time equivalency greatly benefits private, nonprofit colleges and universities in the distribution formula.)

- Funds should not be tied to an institution's endowment. Endowments are not a proxy for an institution's financial situation. The endowment formula specifically discriminates against private colleges and institutions that are smaller in size, while targeting many institutions on the forefront of our nation's response to the current pandemic.

(Additional context, not for distribution: If IHE subject to endowment tax: limits allocations to 50% and only can be used for student grants.)

Eligibility and Use of Funds

- Use of funds should be flexible and broadened to cover:
 - Tuition and all other elements of cost of attendance for a student
 - Institutional losses and costs related to the pandemic
- Student eligibility should remain at the discretion of the institution, not just Title IV-eligible students

Liability

- Institutions need temporary, limited liability protection related to the pandemic if we are going to be able to reopen in a responsible manner that best serves our student's educational and health needs.

(Additional context, not for distribution: The Senate Republican bill, which provides liability protections, would achieve these goals.)

To provide greater detail on the status of negotiations and answer any questions you may have, NAICU is hosting a webinar on Monday, August 3, at 1:00 p.m. EDT ([Registration](#)). At that time, we will also be interested to hear how the initial outreach to your elected officials is going and what you've been hearing during those conversations.

Thank you for once again adding your voices to these critically important conversations that will have such important short- and long-term impacts on our students, institutions, and communities.

Regards,

Barbara

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President

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