

# State Higher Education Legislation in Response to COVID-19

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## Issue

This report provides a summary of passed or proposed higher education legislation in other states in response to the COVID-19 pandemic.

## Summary

Several states are considering or have considered higher education legislation in response to the COVID-19 pandemic.

For example, Washington recently enacted legislation to help fund COVID-19 response spending by higher education institutions. Minnesota recently enacted legislation to assist students with state supported grants, scholarships, and loans.

Louisiana and Maine are considering legislation on refunding certain fees or tuition to certain students, and Maryland recently passed legislation that is awaiting the governor's signature requiring colleges and universities to create plans to address an infectious disease outbreak. Massachusetts is considering legislation to, among other things, provide funding to higher education institutions to cover losses and unexpected expenses associated with the COVID-19 pandemic and suspend payments on certain state student loans. New Jersey is considering legislation on suspending interest accrual on certain state student loans and refunding certain fees.

Additionally, among other non-legislative actions by states, the New York governor temporarily suspended student debt collection on state-held student loans, while the Texas governor waived work-study regulations to allow students to continue to receive funding while college campuses are closed.

## **Examples of Enacted Legislation in Other States**

### ***Washington***

Washington recently enacted [HB 2965](#) (effective March 17, 2020) that appropriates \$200 million from state budget reserves to the Office of Financial Management for allotment to state agencies, including higher education institutions, and other governmental entities to help fund their COVID-19 responses. The act requires the office to create unique appropriation and expenditure codes in the statewide accounting system for COVID-19 spending. State agencies and higher education institutions must use these codes to track spending (1) from the \$200 million appropriation and (2) for other unanticipated spending in response to COVID-19 from appropriations in the state's omnibus operating budget act.

### ***Minnesota***

Minnesota recently enacted [HB 4531](#) (article 2, section 13) that allows the Minnesota Office of Higher Education (MOHE) to take certain actions to protect the financial stability and academic standing of students, grantees, and borrowers, including the ability to modify or waive statutory requirements related to the state work study program, state student loan programs, and MOHE administered student grants, aid, and scholarships.

## **Examples of Pending or Proposed Legislation in Other States**

### ***Louisiana***

[SB 481](#) allows state boards of public higher education to adopt policies necessary to address and minimize the negative health impacts of the public health emergency declared by the governor in response to COVID-19 on students, faculty, and employees. Policies may include, among other things, tuition and fee refunds, online and distance learning, and student housing and food services.

### ***Maine***

[HP 1549](#) requires any higher education institution in the state that temporarily suspends classes and requires students, faculty, and staff to remain off campus due to an infectious disease,

including COVID-19, to proportionally reimburse students for (1) any unused fees previously paid to the institution by the student and (2) tuition if classes are not conducted remotely or through an alternate method. This bill also requires these institutions to develop a plan to (1) allow certain students to remain on campus with housing and dining options, based on individual circumstances, and (2) compensate staff and faculty for lost compensation due to the temporary suspension.

## ***Maryland***

Maryland's legislature recently passed [HB 187](#) that requires public higher education institutions to annually submit an outbreak response plan to the Maryland Department of Health by August 1 beginning in 2021. The plan must include certain processes for instances where there is an outbreak of a contagious disease, including (1) a process for notifying students, families of students, faculty, and staff of the outbreak and (2) the provision of staff to implement the outbreak response plan. This legislation is currently awaiting the governor's signature.

## ***Massachusetts***

[HD 4936](#) requires the state to establish the COVID-19 Public Institutions of Higher Education Emergency Fund, which funds grants to higher education institutions to cover revenue loss and unexpected expenses associated with the COVID-19 pandemic. Unexpected expenses include, among other things, increased safety and security measures; implementation of online or virtual classes; or loss of revenue from dormitories, housing, meals, or events. Funding would also cover employees' lost wages, expanded sick time costs, and other associated employment costs. The bill requires the state's higher education board to administer the fund and requires the state comptroller to transfer \$125 million from the General Fund to this new emergency fund.

[HD 4961](#) requires the Massachusetts Educational Financing Authority to suspend payment and collection of student loan payments. This bill would also suspend interest accrual and any additional fees on student loan payments.

## ***New Jersey***

[A3947](#) requires the state Higher Education Assistance Authority to suspend accrual of interest on certain New Jersey College Loans to Assist State Students Loan Program in deferment or forbearance. Another bill [A3927](#) requires higher education institutions to provide a refund or credit to students for unused on-campus student housing and meal plans due to the COVID-19 public health emergency.

## **Examples of Additional State Actions**

### ***New York***

On March 17, 2020, the governor [announced](#) that the state would temporarily halt the collection of some debts, including student debt owed to the state, for at least 30 days. This action also suspends interest accrual on state-held student loan debt referred for collection.

### ***Texas***

On March 15, 2020, the governor [waived state regulations](#) to allow college students participating in work-study programs to continue to receive funding for their jobs while college campuses are closed. The waiver allows institutions to continue paying students for hours they would have been able to work prior to the outbreak and does not include additional funding.

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