

## States Leading the Way in Emergency Aid for College Students

June 2022

College students live closer to the financial precipice than is commonly realized. Nearly three in four students have unmet financial need even after receiving all the financial aid for which they are eligible.<sup>1</sup> The most recent national survey by The Hope Center for College, Community, and Justice found that three in five college students nationwide had experienced food or housing insecurity in the past year.<sup>2</sup> Far too many students are one emergency away from being knocked off the pathway to graduation.

Students' options for preventing or relieving financial emergencies are inadequate. Public and private financial aid programs help but most fall short of meeting financial need, which not only includes tuition and fees but also non-tuition expenses like housing, food, transportation, technology, and textbooks. Public benefit programs should provide a safety net for students, but application procedures are bureaucratic, and the most important federal food and housing benefit programs are actually written to exclude college students.

A growing number of colleges—just over 500 were identified in a 2016 landscape survey—maintain a small pot of money for students who need assistance for emergencies.<sup>3</sup> Based on a cash transfer model that is effective in the general population, these “emergency aid” programs for students are also effective.<sup>4</sup> Among community college students at institutions participating in the Ascendium Education Group’s Dash Emergency Grant program, 88% re-enrolled, graduated, or transferred in the term following their award, well above the nationwide community college persistence rate of 62%.<sup>5</sup> Another emergency aid initiative, The Minnesota Emergency Aid for Postsecondary Students program, found spring-to-fall retention rates were higher among aid recipients at almost all campuses, even though “those who received an emergency grant are among the highest need students on campus.”<sup>6</sup>

However, emergency aid funds at institutions tend to be small-scale and under-financed.

*This brief is part of a series focusing on innovative policies that states have implemented to assist students with their basic needs security. We're highlighting best practices across the country, so that states can build a postsecondary landscape in which students have equitable access to the resources they need to meet their basic needs and succeed in college.*

*In this brief, we discuss state-specific emergency aid initiatives to help students who are facing financial emergencies. We identify states that are thoughtfully using these emergency aid programs to meet students' basic needs, and highlight insights and best practices from which other states can learn.*

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The 2016 landscape survey found that three-quarters of colleges with emergency aid programs provided unrestricted grants to 50 or less students, and 90% of colleges had program budgets of less than \$100,000. They identified their primary funders as philanthropic foundations and individual donors, which are difficult to scale. A [2020 survey by The Hope Center](#) found that just 27% of responding institutions felt that they had sufficient financial resources to meet students' needs.<sup>7</sup>

Recognizing the potential of the emergency aid model, the federal government put it at the core of its efforts to support students during the COVID-19 pandemic. In response to the unprecedented disruptions caused by the COVID-19 public health emergency, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020 which created the first federal emergency aid program for students. This relief money, broadly known as the Higher Education Emergency Relief Fund (HEERF), has been supplemented twice more by Congress.<sup>8</sup> In delivering HEERF aid, the U.S. Department of Education (ED) has been clear that HEERF emergency aid is designed to be flexible and allocated to a wider range of students than traditional Title IV financial aid. ED has stated that HEERF emergency grants can and should be allocated to students experiencing basic needs insecurity, including those who have faced “significant unexpected expenses, such as the loss of employment (either for themselves or their families), reduced income, or food or housing insecurity.”<sup>9</sup>

Federal reporting shows that more than 8 million students received emergency aid from the CARES Act. Our fall 2020 national survey revealed that many students believed emergency aid helped them stay on track: 69% said emergency aid increased their chances of graduating; 82% said emergency aid increased their personal well-being; and roughly seven in ten said emergency aid made them feel that their college cared about, understood, and respected them.<sup>10</sup>

Two years later, HEERF is winding down. According to ED, 94% of HEERF funding has been spent as of May 2022.<sup>11</sup> Yet, students continue to need help—much more than institutions can finance on their own. Some states have stepped up to address the need and show how a publicly-funded emergency aid model can bolster student success and keep students on-track for graduation. Other states should seize the opportunity to follow their lead.

The Hope Center identified four key principles that determine the effectiveness of an institutional emergency aid program.<sup>12</sup> These principles should be encouraged by state and federal policymakers:

- 1 Outreach must attempt to reach the students most in need
- 2 The application should be accessible and simple to complete
- 3 Decision-making should be equitable and efficient
- 4 Distribution should be quick and seamless

A Hope Center review identified states that have implemented emergency aid programs and are thoughtfully using them to meet student needs. States that learn from these experiences can gain a headstart in developing their own programs.

### **State Innovation: Washington State Student Emergency Aid Grant**

In 2019, **Washington state** enacted the Student Emergency Aid Grant (SEAG).<sup>13</sup> SEAG is available to community and technical colleges and administered by the State Board of Community and Technical Colleges (SBCTC). The SBCTC oversees the program delivery model, reviews and approves college applications, and reports to the State Legislature at regular intervals. By statute, colleges must demonstrate their students' need for grant funds and ensure that students do not have to complete a federal Free Application for Federal Student Aid to receive funds.



SEAG has been well-funded in comparison to other state programs although not sufficiently to serve all community and technical colleges in the state. In SEAG's first 18 months of operation, the state provided \$1.4 million, and 16 out of 28 colleges received funding with grants averaging \$115,000 per college.<sup>14</sup> The colleges then disbursed funding to student applicants, 41% of whom received grants averaging \$1,266 in FY 2021. The remaining students were referred to other programs that could provide support, such as worker retraining, food pantries, and state and federal financial aid.

The SBCTC report on SEAG's first 18 months of operation illustrates the struggles of students in today's higher education system. The report notes that "housing eclipsed all other expenses for both FY20 and FY21."<sup>15</sup> In FY 2021, student housing emergencies accounted for almost half of the state's emergency aid budget. The cost of housing interventions depleted institutions' emergency aid funds so deeply that one college stopped awarding SEAG grants for housing emergencies for fear of draining its emergency aid.<sup>16</sup>

The SBCTC has identified the following components for best practice emergency aid programs:

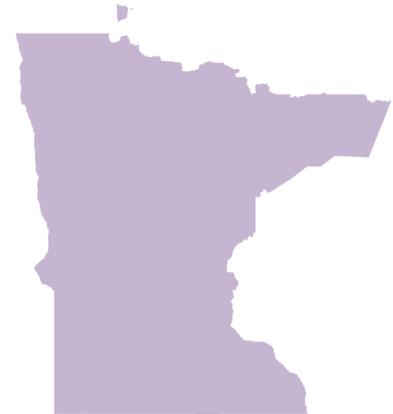
- Widespread and targeted outreach;
- Accessible and low-barrier request process;
- Equitable review and decision process;
- Timely notifications;
- Efficient disbursement; and
- Personalized follow-up and referrals.

The SBCTC evaluates college performance in each area to identify opportunities for improvement. The colleges disaggregate their data to document the outcomes of disadvantaged student populations. Over time, student outcomes have improved. In the first year of operations, students of color applied at higher rates than white students but were approved at lower rates. In the second year, colleges increased their approval levels by making adjustments, such as removing unnecessary documentation requirements and combining SEAG applications with other program applications, such as HEERF emergency aid grants.<sup>17</sup> A key driver of these improved processes was the learning community organized by the SBCTC, which enabled peer-to-peer learning and troubleshooting between grantee institutions.

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## State Innovation: Minnesota Emergency Assistance for Postsecondary Students

In 2017, **Minnesota** established the Emergency Assistance for Postsecondary Students (EAPS) program to support postsecondary institutions “with a demonstrable homeless population...to meet immediate student needs that could result in a student not completing the term of their program, including, but not limited to: emergency housing, food, and transportation.”<sup>18</sup> EAPS is administered by the Minnesota Office of Higher Education (OHE).



All postsecondary institutions are eligible for an EAPS award. In 2018-2019, the state allocated \$269,000 to EAPS. Each institution could receive up to \$43,000, and students could receive up to \$1,000 in emergency aid, with an average award of \$585. Eleven institutions were selected for participation in EAPS.<sup>19</sup>

OHE has the following set of guiding principles for each college grantee:

- Trust students;
- Be timely;
- Create a network of support for students;
- Evaluate student proposals free from bias or discrimination;
- Provide follow-up to students and track outcomes;
- Leverage available resources, both within the college or university and the community;
- Incorporate dedicated staff across departments into the service model; and
- Fit into the larger institutional mission of equity and student success.



**Wisconsin** established the first state emergency aid initiative in 2016, the Emergency Assistance for Postsecondary Students program.<sup>20</sup> This program is available only to students from low-income households (Expected Family Contribution of less than \$5,000) at the Wisconsin Technical College System and two-year institutions of the University of Wisconsin.<sup>21</sup>



In 2019, **California** authorized the use of the \$475 million Student Equity and Achievement Program for emergency aid but provided no dedicated funding for the program.<sup>22</sup>



**North Carolina** Governor Roy Cooper repurposed \$7 million in federal funding from the Workforce Innovation and Opportunity Act for the Finish Line Grants program, which provided emergency aid grants of up to \$1,000 to community college students in 2018-2019.<sup>23</sup>

## Summary

Emergency aid programs can keep students in college and demonstrate a state’s commitment to the well-being of its residents. The states showcased in this brief, coupled with The Hope Center’s extensive experience, provide best practices for all states to consider.

The federal Emergency Grant Aid for College Students Act, currently under consideration in Congress, also provides a thoughtful approach to mandating best-practice strategies.<sup>24</sup> These strategies include stipulating required features of institutional applications, such as the criteria a college will use to determine an emergency and the procedure for appealing a grant denial; priorities for college selection; and outcomes that must be reported annually.

Due to the COVID 19-era federal funding stream for emergency aid, some colleges were able to implement effective emergency aid programs. They developed administrative capacity, including procedures for marketing program availability, reviewing applications, and expediting disbursement. Without state support to sustain these programs, the advances made during the pandemic will be lost. Students will no longer have access to supports that keep them on-track for graduation. Institutions that have seen substantial enrollment declines over the past three years will lose an important tool for keeping their students enrolled and moving toward completion. It is imperative for both state and federal policymakers to move quickly to replace this temporary support for students in need with a permanent solution.

**TABLE 1 | FEATURES OF STATE EMERGENCY AID PROGRAMS**

State	Program Name	Funding Allocated	Amount Awarded to Institution	Distribution of Funding	Amount Awarded to Student
California	Student Equity and	\$475,200,000*	District amount varies; allocation for various purposes, including emergency aid	Funding is awarded to districts; Community colleges distribute funds to students	Not disclosed

State	Program Name	Funding Allocated	Amount Awarded to Institution	Distribution of Funding	Amount Awarded to Student
Minnesota	Emergency Assistance for	\$269,000	Maximum institutions award of \$43,000	Colleges apply directly through Minnesota's Office of Higher Education and distribute funds to students	Range from \$50-\$1,000 (average \$585)
North Carolina	Finish Line Grant	\$7,000,000	Awarded by student application	Students apply directly through the college financial aid office, the local Workforce Development Board, or the NCWorks Career Center. The Workforce Development Board then distributes payments to third parties.	Up to \$1,000 per semester
Wisconsin		\$450,000		Colleges apply directly through Wisconsin Technical College System (WTCS) board and University of Wisconsin System Board of Regents	Up to \$500 per student per year; Limit of 2 grants per student within school year
Washington	Student Emergency Assistance Grant (SEAG)	\$8,000,000	Average of \$115,000 per year; No max request limit	Washington Community and Technical Colleges (CTC) apply and distribute funds to students	\$601 average funded in 2021; Average changes by year depending on SEAG funding

Note: \* Total available for all purposes, including emergency aid.

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## Notes and References

<sup>1</sup> Goldrick-Rab, S. (2016). *Paying the price*. University of Chicago Press.

<sup>2</sup> Kienzl, G., Goldrick-Rab, S., Conroy, E. V., & Welton, C. R. (September 2020). [#RealCollege 2021: Basic needs insecurity during the ongoing pandemic](#). The Hope Center for College, Community, and Justice.

<sup>3</sup> Kruger, K., Parnell, A., & Wesaw, A. (2016, July). [Landscape analysis of emergency aid programs](#). National Association of Student Personnel Administrators.

<sup>4</sup> GiveWell (2018, November). [Cash transfers](#).

<sup>5</sup> Ascendium Education Group (2019, February). [A broader view of emergency aid: Toward a more holistic approach to helping students weather a financial crisis](#).

<sup>6</sup> DeSalvo, A. (2020, April 15). [Emergency assistance for postsecondary students grant program report \(p. \)](#). Minnesota Office of Higher Education.

<sup>7</sup> Kienzl et al. (2020, September).

<sup>8</sup> The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), enacted December 2020, and the American Rescue Plan (ARP) Act, enacted March 2021.

<sup>9</sup> U.S. Department of Education, [Frequently asked questions, Higher Education Emergency Relief Fund III \(p. \)](#).

<sup>10</sup> Kienzl et al. (2020, September).

<sup>11</sup> Communication from the U.S. Department of Education, May 23, 2022. Colleges have until September 30, 2023 to spend down their HEERF dollars.

<sup>12</sup> Goldrick-Rab, S. (2020, April). [Beyond the food pantry: Guide to emergency grant aid distribution](#). The Hope Center for College, Community, and Justice.

<sup>13</sup> Washington State House Bill 1893.

<sup>14</sup> Funding will be increased to \$4 million annually in FY 2022 and FY 2023.

<sup>15</sup> Washington State Board of Community and Technical Colleges. (2021, December). [2SHB 1893 Student Emergency Assistance Grant \(SEAG\) program legislative report](#), p. 8.

<sup>16</sup> Washington State Board of Community and Technical Colleges 2021, p. 18.

<sup>17</sup> Washington State Board of Community and Technical Colleges 2021, p. 7.

<sup>18</sup> [Minnesota 2017 Session Laws, Chapter 89, Subd. 29](#)

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<sup>19</sup> DeSalvo, A. (2020, April 15).; In 2020, 14 out of 20 Minnesota colleges and universities were selected for participation, but data on their outcomes is not yet available.

<sup>20</sup> [Wisconsin Act 282](#)

<sup>21</sup> In 2020-2021, Wisconsin institutions received \$450,000 to provide emergency aid assistance, providing 889 grants to 838 students. Foy, M. K. (2021, June 29). President of the Wisconsin Technical College System, [Letter to Ted Blazel, Chief Clerk of the Wisconsin State Assembly](#). Thompson, T. G. 2021, July 12). President, Board of Regents, University of Wisconsin System, [Letter to Ted Blazel, Chief Clerk of the Wisconsin State Assembly](#).

<sup>22</sup> St. Amour, M. (2019, October 7). [New law creates pot of emergency funds in California](#). Inside Higher Ed.

<sup>23</sup> North Carolina Office of the Governor (July 12, 2018). Press Release. [Governor Cooper announces finish line grants program to help community college students complete training](#).

<sup>24</sup> S. 3794, [Emergency Grant Aid for College Students Act](#)



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