June 21, 2017

The Honorable Roy Blunt  
Chairman  
Labor-HHS-ED Subcommittee  
Committee on Appropriations  
United States Senate  
260 Russell Senate Office Building  
Washington, DC 20510

The Honorable Patty Murray  
Ranking Member  
Labor-HHS-ED Subcommittee  
Committee on Appropriations  
United States Senate  
154 Russell Senate Office Building  
Washington, DC 20510

The Honorable Tom Cole  
Chairman  
Labor-HHS-ED Subcommittee  
Committee on Appropriations  
United States House of Representatives  
2358B Rayburn House Office Building  
Washington, DC 20515

The Honorable Rosa DeLauro  
Ranking Member  
Labor-HHS-ED Subcommittee  
Committee on Appropriations  
United States House of Representatives  
1016 Longworth House Office Building  
Washington, DC 20515

Dear Chairmen Blunt and Cole and Ranking Members Murray and DeLauro:

On behalf of UNCF (the United Negro College Fund), our 37-member private historically black colleges and universities (HBCUs) and the students they serve, I ask for your continued support for HBCUs throughout the FY 2018 federal funding process. HBCUs play an important role in educating tomorrow’s leaders, yet federal investments in these venerable institutions have stagnated since FY 2016 and have undermined their important work, giving first-generation, low-income students of color the education they need. This year, I again urge you to fully fund the following key priorities for HBCUs and charter schools and the students they serve, as you work to draft the FY 2018 Labor-Health and Human Services-Education Appropriations bill:

$375 Million for the Strengthening HBCUs Program (Discretionary) – Title III, Part B, Section 323 of the Higher Education Act authorizes discretionary funding that supports critical investments such as academic programs, student services, infrastructure and technology to enhance educational opportunities for undergraduate students attending HBCUs. UNCF requests $375 million, which is the authorized level for this program. In addition, we appreciate your continued support of a provision adopted in FY 2015 that permits the use of interest earnings from Title III- or Title V-supported endowments for scholarships.
$85 Million for the Strengthening HBCUs Program (Mandatory) – Title III, Part F, Section 371 of the Higher Education Act provides mandatory appropriations that supplement institutional aid to HBCUs, with a priority on instructional programs in high-demand fields, including science, technology, engineering and mathematics (STEM), computer sciences, nursing and allied health. Section 371 appropriations have been subject to cuts in each of the last five budget cycles due to sequestration. UNCF requests that Congress sustain the $85 million appropriation for FY 2018.

$220 Million for Endowment Challenge Grants – UNCF requests $220 million for the Endowment Challenge Grant program under Title III, Part C, Section 331 of the Higher Education Act, which provides matching grants to assist HBCUs and Minority Serving Institutions (MSIs) in establishing or increasing their endowments and, thus, enhance their self-sufficiency. Because the program has not been funded since FY 1995, the funding recommended would satisfy the 21-year unfunded authorization and establish a federally initiated campaign to encourage a broad group of individuals and businesses to invest in sustaining and growing endowments at HBCUs and MSIs.

$125 Million for the Strengthening Historically Black Graduate Institutions – Title III, Part B, Section 326 of the Higher Education Act provides financial assistance to Historically Black Graduate Institutions (HBGIs) to strengthen advanced training programs and provide financially needy graduate students with scholarships and fellowships. This investment addresses the under-representation of African Americans in the physical and natural sciences, engineering, medical and other scientific fields. UNCF requests $125 million for HBGIs, which is the authorized level.

$25 Million for the HBCU Capital Financing Program – Title III, Part D, Section 343 of the Higher Education Act provides low-cost capital to finance physical improvements on HBCU campuses by guaranteeing and administering loans. Because of small endowments and limited access to capital, HBCUs rely on this program to develop and maintain 21st century academic facilities. We urge Congress to increase the annual loan subsidy by $4.5 million to $25 million. This loan subsidy level would increase total annual loan volume from approximately $280 million to $400 million, leveraging nearly 100 continuing and new loans for critical infrastructure improvement projects. UNCF also supports appropriations language enacted by Congress in previous years to allow the Department of Education to continue to issue new loans.

Invest in and Modernize Pell Grants – Pell Grants provide essential financial support to more than 7.6 million low-to-moderate income students attend and complete college; including 70 percent of HBCU students. UNCF requests funding to increase the $5,920 maximum Pell Grant award to account for inflation. UNCF opposes proposals to redirect $3.9 billion in Pell grant funds to unrelated programs. Taking money away from the Pell Grant Program would place these and other key improvements out of reach when a college degree has never been more important or less affordable.

Protect Campus-Based Aid Programs – The proposed elimination of Supplemental Educational Opportunity Grants (SEOGs) would negatively impact more than 55,000 HBCU students who rely on this vital aid to pay for college. UNCF requests $757 million for SEOGs, which more than restores funding for this grant program. In addition, UNCF requests $1.1 billion to adequately fund the Federal Work-Study (FWS) program. Proposed FWS cuts could impact more than 26,000 HBCU students who receive work-study jobs that not only help pay for college expenses, but also enhance their employment prospects.
**HBCU Centers of Innovation** – UNCF requests $50 million under the Fund for the Improvement of Postsecondary Education for HBCU college success initiatives. New HBCU centers of innovation on college completion could provide institutions with the financial means and flexibility to test new approaches to enhance student completion and workforce outcomes, such as pathway initiatives, co-requisite remediation, accelerated degree programs, technology-enhanced delivery models and competency-based education. In addition, UNCF requests $50 million under the Fund for the Improvement of Education for HBCU teacher diversity centers of innovation. Teacher diversity centers of innovation would accelerate the education and training of effective minority teachers through both traditional and nontraditional teacher training programs.

**Expand Charter School Access** – Over the past 26 years, charter schools have helped millions of students escape underperforming schools and pursue academic excellence. In just the past five years, African-American student enrollment in charter schools has grown and currently comprises 27 percent of all students. Yet, at least one million students are on enrollment waitlists in communities with charter schools. The Charter Schools Grants program is essential to helping more students access a high-quality public education. UNCF supports the President’s FY 2018 request of $500 million, which would expand the Charter Schools Grants program so that more students can access all the opportunities a college education affords.

It is vital that there is a sustained and strong public investment in HBCUs and charter schools to grow their capacity to prepare young people of color for careers of success and service. I urge you to provide the necessary additional federal resources that UNCF, our member institutions and the entire HBCU network seek in FY 2018. We are grateful for your past support and counting on your continued leadership this year.

Sincerely,

Michael L. Lomax, Ph.D.
President and CEO