April 4, 2020

The Honorable Nita Lowey  
Chairwoman 
House Committee on Appropriations  
H-307 The Capitol 
Washington, DC 20515

The Honorable Kay Granger  
Ranking Member  
House Committee on Appropriations 
1016 Longworth House Office Building  
Washington, DC 20515

Dear Chairwoman Lowey and Ranking Member Granger:

We, the undersigned organizations, collectively represent a group of institutions of higher education (IHEs) that are eligible to receive financial assistance under Titles III and V of the Higher Education Act of 1965 (HEA). More specifically, we advocate on the behalf of Historically Black Colleges and Universities (HBCUs); Tribal Colleges and Universities (TCUs); Hispanic-Serving Institutions (HSIs); Predominantly Black Institutions (PBIs); Alaska Native-Serving Institutions and Native Hawaiian-Serving Institutions (ANNH); Native American-Serving, Nontribal Institutions (NASNTIs); and Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs).

We are sincerely grateful for the allocation of $1.046 billion in H.R. 748, the Coronavirus Aid, Relief, and Economic Security (CARES) Act for our institutions and greatly appreciate the waiver language and other opportunities for our institutions to gain access to resources to offset unanticipated costs and better meet the needs of their students in the wake of the ongoing health emergency. It is our understanding that Congress is in the process of putting together a fourth stimulus package that would continue to provide relief to industries impacted by the virus named “SARS-CoV-2” causing a disease named “coronavirus disease 2019” (COVID-19).1 As you may know, the higher education sector, though recently given funding and flexibility in the CARES Act, is at the forefront of industries negatively impacted by COVID-19, and any ill effects suffered by IHEs will directly impact their students. Indeed, because our institutions enroll a high number of

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low-income, first-generation college students and are under-resourced relative to IHEs ineligible for funding under Titles III and V, the negative impacts our institutions experience are exponentially multiplied. With this being said, we would like for you to consider the requests below when developing a fourth stimulus package.

1. **Include a waiver of the allowable uses in the Minority Science Engineering and Improvement Program.**

   The Minority Science Engineering and Improvement Program (MSEIP) is a program that allows our institutions to receive grants to do things such as develop faculty programs and curriculum materials to improve the science and engineering education on our campuses and to increase the participation of underrepresented minorities in science and technological careers. The CARES Act allows the Secretary of Education to waive allowable uses for grants awarded under Part A or B of Title III, Chapter I or II of Subpart 2 of Part A of Title IV, Title V, or Subpart 4 of Part A of Title VII of the HEA. While we thank Congress for responding to our request to allow for the flexibility of allowable uses of current grant funds in the aforementioned areas of the HEA, we also request for this flexibility in MSEIP. It is our belief that Congress intended to grant institutions maximum flexibility to respond to the changed circumstances and altered needs of students as a consequence of COVID-19, and we want to ensure that our institutions can utilize any and all available resources.

2. **Include a technology fund to allow students to access broadband.**

   Over 6 million students attend our institutions with a majority of these students being from low-income households. While the E-rate program exists in the Universal Service Fund, this program is primarily for students in k-12 education and does not include low-income students attending postsecondary education. In the CARES Act, our institutions were given the ability to utilize resources to purchase technological equipment for our students to help them complete their assignments online; participate in virtual counseling; receive mentoring and tutoring services online; and complete other required tasks in relation to their academic program through distance education. While access to equipment is important, so is access to broadband. According to an article released by the Pew Research Center, “roughly three-in-ten adults with household incomes below $30,000 a year (29%) don’t own a smartphone… and [m]ore than four-in-ten [adults] don’t have home broadband services (44%) or a traditional computer (46%).” It is imperative that our students have the ability to access broadband to allow them to continue their academic program and complete their education.

3. **Provided $6.5 billion in research and development funding for HBCUs, TCUs, HSIs, PBIs, and other Minority-Serving Institutions.**

   Academic research is the cornerstone for the advancement of our nation’s economy and stability. Considering the current crisis, it is imperative that we have leading academics at

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2 The MSEIP program can be found in Title III, Part E of the HEA.
4 Other Minority-Serving Institutions include ANNH, NASNTIs; and AANAPISIs.
front lines conducting the needed research to combat future pandemics and solve for other potential health crisis. According to the most recent data, all IHEs received a funding total of $79.436 billion dollars of research and development (R&D) funding in 2018 with $42.018 billion coming from the federal government.⁵ Of these institutions, our institutions received significantly less funding. For instance, HBCUs received a total of $534.045 million dollars in overall R&D funding with $400.349 million coming from the federal government, equating to only 0.67 percent of total funding.⁶ Also, TCUs received $13.8 million of overall funding from the National Science Foundation (NSF), or less than one-fourth of one percent, compared to $5.558 billion awarded by NSF in research and education funding to the nation’s higher education institutions.⁷ Even institutions that meet the 25 percent Hispanic enrollment requirement but do not necessarily qualify for eligibility of Title V funds received a total of $5.902 billion dollars in funding with $2.563 billion coming from the federal government, equating to 7.2 percent of total funding.⁸ The discrepancies in funding are obviously stark, and it is apparent that there needs to be more investment in research and development dollars for our institutions. In light of the foregoing, we ask for an investment of $6.5 billion in R&D funding, which would equate to 15% of overall funding from the federal government, to be set aside for our institutions to boost our R&D resources and opportunities on our campuses. Considering our institutions represent no less than 15% of the total number of IHEs participating in Title IV, this ask seems more than reasonable.⁹

4. Do not allow for students to be counted as employees for small business loans in the CARES Act.

The CARES Act allows for IHEs with no more than 500 employees to apply for a loan in the Paycheck Protection Program or apply for an Economic Injury Disaster Loan (EIDL). One of the primary benefits to smaller IHEs is that they will be able to receive additional assistance if needed and even have the opportunity to receive an advance of up to $10,000 in the EIDL program that they would then be able to utilize as a grant. These additional opportunities are great options for our smaller institutions, but we are concerned that student workers will be counted as an employee when determining eligibility for these loans. While these programs are already underway, we ask that it be made clear that students will not be counted as employees as this would remove a number of our smaller institutions that could benefit from these additional funding streams.

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⁹ According to the most recent eligibility matrix produced by the Department of Education, a total of 1,099 institutions are eligible to receive funding in Titles III and V out of a total of 7,021 Title IV institutions.
5. **Invest $10 billion in infrastructure funding for HBCUs, TCUs, HSIs, PBIs and other Minority-Serving Institutions.**

Due to our institutions being woefully under-resourced, enrolling a large number of low-income, first-generation college students, and being mostly tuition dependent, it is critical that they are included in any funding proposal to boost the infrastructure in our nation. Prior proposals that have been introduced focused a great deal on boosting infrastructure funding for k-12 education and remained silent for the higher education sector. Our institutions have dire infrastructure needs that often go unmet due to limited resources and the prioritization of ensuring there are quality academic programs at the risk of quality infrastructure. For example, HBCUs, TCUs, HSIs, and AANAPISIs collectively comprise 800 of the nation’s higher education institutions and enroll, and graduate, more than 4.8 million undergraduate students in the country. They are an essential part of America’s higher education system and their unique strategic locations are mostly in the areas in which their roads, bridges, waterways, airports and other infrastructure serve as the gateways to American commerce. These institutions graduate a disproportionate percentage of the growing populations in America who are receiving degrees in the sciences, technology, engineering, mathematics, and other critical education and training required to improve our infrastructure. In some cases, our students are unable to benefit from the latest technology, lab equipment, upscale classrooms, libraries, and academic facilities simply due to funding. Overall, all of our institutions can lead in realizing the shoring up of the Nation’s infrastructures; energizing communities; and seeding intellectual, scientific, technological, and economic capital with the right institutional infrastructures and financial resources. While our institutions are appreciative of the ability to use their Titles III and V dollars to address some of these inequities, more is needed to position our institutions to realize their infrastructure needs and to lead America’s infrastructure, technological and economic needs.

6. **Invest an additional $1 billion in emergency funding for HBCUs, TCUs, HSIs, PBIs and other Minority-Serving Institutions.**

Given the ongoing uncertainty around the duration of the COVID-19 health emergency and the true impacts this situation will have on IHEs and their students, we are asking that you invest an additional $1 billion in our institutions. These additional funds will allow them to access the resources necessary to continue to provide quality academic instruction and learning experiences to their students notwithstanding this challenging environment. After reviewing the formula in the CARES Act and doing our own calculations of what each of our institutions would likely receive in emergency aid, there was an immediate realization that the allocated amount was quickly reduced in the reality of dollars going to each of our institutions. Again, we cannot be more grateful for the $1.046 billion dollar investment in our institutions through the CARES Act, but we can readily anticipate that, in short order, our institutions will begin to see negative side effects such as declines in enrollment and declines in auxiliary revenues, which then will decrease their ability to provide their students with the level of service they need to complete their program of study in a fulsome and timely way and, as such, be competitive in the marketplace.

We thank you for your favorable consideration of this request.
Sincerely,

Michael L. Lomax
President and CEO
UNCF

Harry L. Williams
President and CEO
TMCF

Lezli Baskerville
President and CEO
NAFEO

Antonio R. Flores
President and CEO
HACU

Carrie L. Billy
President and CEO
AIHEC

Rita Pin Ahrens
Executive Director
OCA-Asian Pacific American Advocates

Cc:
The Honorable Bobby Scott
Chairman
House Committee on Education and Labor

The Honorable Virginia Foxx
Ranking Member
House Committee on Education and Labor

The Honorable Frank Pallone
Chairman
House Committee on Energy and Commerce

The Honorable Greg Walden
Ranking Member
House Committee on Energy and Commerce

The Honorable Nydia M. Velázquez
Chairwoman
House Committee on Small Business

The Honorable Steve Chabot
Ranking Member
House Committee on Small Business