

Congress of the United States
Washington, DC 20515

June 30, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Charles E. Schumer
Minority Leader
U.S. Senate
Washington, DC 20515

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer,

Our country's historically black colleges and universities (HBCUs) are beacons of the African-American community, launching their graduates into higher socio-economic levels. Additionally, the institutions are also economic anchors of the communities where they are located. The recent United Negro College Fund (UNCF) study shows that HBCUs have an annual economic impact of \$14.8 billion on our country, collectively provide 134,090 jobs and this year, their 50,000-plus graduates will earn over \$130 billion over their lifetimes. A recent NAFEO report indicates that HBCU's perform above average in moving students from low income families to the top 20%; and in granting access to Pell recipients and graduating them in six years. Yet these institutions, and the communities and people they serve, are suffering some of the most adverse impacts stemming from the coronavirus 2019 (COVID-19) pandemic ravaging the nation.

Because HBCUs graduate disproportionate percentages of first generation and low-income students, in the wake of COVID-19, their budgets have taken an enormous hit from necessary, concrete steps taken to bend the curve. HBCU student populations are 45% first generation college students and 75% from lower socio-economic backgrounds. This makes generating and borrowing capital difficult even in times of economic prosperity; during the current pandemic, it is close to impossible.

The HBCU Capital Financing program at the U.S. Department of Education has been a lifeline for accessing capital at a below market interest rate to improve deteriorating infrastructures at many of the nation's HBCUs. A 2018 GAO report states that 46 percent of HBCU campus facilities and spaces needed repair or replacement, illustrating the program's importance. HBCUs have used the program to finance or refinance renovation and construction of classrooms, libraries, laboratories, dormitories, instructional equipment, and research instrumentation.

With tuition dollars serving as the main operating and capex for the operation, upkeep, and renovation of HBCU campuses, and COVID-19 creating a great deal of uncertainty regarding 2020-21 school year enrollment, repayment of these capital loans will prove more difficult. As such, we respectfully request that you consider and pass the HBCU Capital Finance Debt Relief Act, which would convert HBCU Capital Financing program loans into infrastructure grants, so that their missions may continue unabated in service to our students, communities and to the Nation. This will allow for the survival of these institutions and benefit the most unique student mix in all of higher education because the nation's HBCUs would then invest the funding normally used to pay HBCU Capital Finance interest, principle, and fees back into their students at a critical time when student assistance is needed the most.

Congress and the Administration has proven time and time again that they recognize the unique role HBCUs play in the nation's education network. These colleges and universities graduate a disproportionate percentage of successful African American professionals, who contribute to the economic progress of our country and the communities in which they live. Loan forgiveness through the Department of Education for the institutions in the HBCU Capital Financing Program would be an incredible contribution to the success of HBCUs, to African Americans and other diverse students hard struck by coronavirus, and to the students who will one day lead this Nation.

Sincerely,



ALMA S. ADAMS, PH.D.
Member of Congress

/s/ Eddie Bernice Johnson
EDDIE BERNICE JOHNSON
Member of Congress

/s/ Terri A. Sewell
TERRI A. SEWELL
Member of Congress

/s/ Jim Cooper
JIM COOPER
Member of Congress

/s/ Bennie G. Thompson
BENNIE G. THOMPSON
Member of Congress

/s/ André Carson
ANDRÉ CARSON
Member of Congress



STEVE COHEN
Member of Congress

/s/ Barbara Lee
BARBARA LEE
Member of Congress

/s/ Sanford D. Bishop, Jr.
SANFORD D. BISHOP, JR.
Member of Congress

/s/ Wm. Lacy Clay
WM. LACY CLAY
Member of Congress

/s/ Sheila Jackson Lee
SHEILA JACKSON LEE
Member of Congress

/s/ Bonnie Watson Coleman
BONNIE WATSON COLEMAN
Member of Congress

/s/ Jahana Hayes
JAHANA HAYES
Member of Congress

/s/ Anthony Brown
ANTHONY BROWN
Member of Congress

/s/ Al Lawson
AL LAWSON
Member of Congress

/s/ Alcee Hastings
ALCEE HASTINGS
Member of Congress

/s/ Eleanor Holmes Norton
ELEANOR HOLMES NORTON
Member of Congress

/s/ Frederica S. Wilson
FREDERICA S. WILSON
Member of Congress

/s/ Val B. Demings
VAL B. DEMINGS
Member of Congress

/s/ Henry "Hank" C. Johnson
HENRY "HANK" C. JOHNSON
Member of Congress

/s/ Tony Cárdenas
TONY CÁRDENAS
Member of Congress