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Good morning, Madam Chairwoman DeLauro; Ranking Member Cole; Full Committee Chairwoman Lowey; and a special greeting to Congresswoman Lee. My name is Mr. Lodriguez V. Murray, the Senior Vice President for Public Policy and Government Affairs for UNCF (United Negro College Fund). You may be familiar with our motto: “A mind is terrible thing to waste.”® That motto has been, and still is, a guiding light for us.

UNCF has two functions. First, we were formed in 1944 to represent and raise funds on behalf of private historically Black colleges and universities (HBCUs). UNCF is a unique membership organization. Unlike most organizations where members pay to join, at UNCF, we award the HBCUs, who constitute our membership, grants to further their mission and advance the education of the young people they serve.

Second, we are also a significant scholarship granting organization. Annually, UNCF awards over \$100 million in scholarships to approximately 10,000 students at 1,100 different colleges and universities. UNCF is the second largest private provider of scholarships in the country, overall. Additionally, UNCF is the largest private provider of scholarships to minorities. That means UNCF does not just represent the 37 membership-institutions or 100-plus HBCUs, but we really represent the concerns of low-to-moderate income students wherever they are enrolled.

Personally, I am an HBCU product. I was a TRiO student at Paine College in Augusta, Georgia. Without that experience there, I probably would not have been able to matriculate at Morehouse College in Atlanta, Georgia. I came to Morehouse a first-generation college student—and a first-generation high school graduate. Largely because of UNCF’s support I was able to graduate from Morehouse with little college debt. I was debt free from college prior to

age 30 because of my UNCF scholarship support. So, now, I have returned as a senior executive with UNCF and come full circle in this moment to ask Congress to stand for our requests today.

HBCUs have received a great deal of attention recently. The coronavirus pandemic has brought much needed attention to the long persistent issues of disparities, or the great societal differences, that have negatively impacted African Americans since the abolishment of slavery.

HBCUs have been at the forefront of improving education and health disparities long before the issues have recently become vogue. For 150 years or more, HBCUs have been educating the progeny of slaves and now do more to educate and graduate underserved students than any other group of higher education institutions in our country.

The more recent movement to respond to the death of George Floyd and others because of systemic issues has given new life to HBCUs, as our students are attracted to our institutions specifically because of the caring, nurturing environment we provide. We are unique. We originated wrap-around services. Our students know that their time on an HBCU campus will yield them a safe space to grow and learn.

Additionally, there has been an influx of funding to HBCUs. This subcommittee and the full House Appropriations Committee has been responsible for funding that has stabilized many HBCUs with the lifeblood that is allowing them the ability to successfully navigate the COVID-19 pandemic. As much funding as has come our way, I want to be clear: a 2-year influx cannot reverse 150 years of systemic, persistent underfunding. In other words, the funding that Congress has appropriated and the funding that has come from our philanthropic partners has not alleviated the lack of funding since our inception.

The lawsuits in the state of Maryland and Tennessee are just an example of how states have chosen to underfund HBCUs. Through the years, the federal government has underfunded these institutions. Philanthropic leaders have done the same. What Congress should do this coming fiscal year to solve that issue from the federal perspective is my focus today.

There has also been negative attention, and not because of anything that HBCUs have done. The hate of others has precipitated a large number of bomb threats levied at HBCUs. While that is not my focus today, UNCF does hope that the Commerce, Justice, Science Subcommittee of the House Appropriations Committee will take our recommendations.

With that said, please let me thank President Biden for his budget's support for HBCUs. While we are thankful for his proposed investments, I do want to draw your attention to a few budget lines. I will focus on the crucial funding needs and the national benefits of HBCUs, and I will implore the 117th Congress to fully fund the Department of Education's "Strengthening HBCUs" discretionary program at no less than \$500 million; fund the "Strengthening Historically Black Graduate Institutions" discretionary program at no less than \$100 million; forgive the remaining balances of institutions currently participating in the HBCU Capital Finance Program; double the Pell Grant; and strengthen pipeline training programming at the Department of Health and Human Services.

The top funding request for HBCUs is \$500 million for the "Strengthening HBCUs" program at the Department of Education. This program holds particular importance in our community because an institution can use the funds up to 17 different ways, depending on that institution's needs. How much each institution receives is based on a formula devised by the department. Currently funded at \$337 million, all 100 accredited HBCUs compete for this pool

of limited resources. Next month, our institutions will collectively graduate nearly 50,000 students.

Based on the fact that our institutions provide so much of the diverse workforce that our country values, it is our collective view that Congress increase this important program to reflect the value of our graduates. We recommend appropriating \$500 million for the discretionary portion of the “Strengthening HBCUs” program. This program, again, is the top funding priority for HBCUs.

While the President’s budget would seek to fund the program at its authorized level, I must call this subcommittee’s attention to one fact. There is one single HBCU that received a funding increase in fiscal year 2022 of \$100 million, all by themselves. All 100-plus HBCUs were forced to share in a collective much smaller \$25 million increase. This disparity and cap on overall Strengthening HBCUs funding must be improved. The HBCU community is depending on this subcommittee and the House overall to pass \$500 million for the Strengthening HBCUs program and an additional \$100 million total for the Strengthening Historically Black Graduate Institutions program.

The second most important priority of the HBCU community is for this subcommittee’s bill to contain language which will forgive the remaining balances of institutions under the HBCU Capital Finance Program. It was in December 2020, the grips of the pandemic, that Congress took steps to alleviate \$1.6 billion in debt which HBCUs owed the Department of Education. However, that was only for institutions which had executed the funding. For instance, Xavier University of Louisiana, the top HBCU feeder-institution to medical school, took out a loan for \$100 million but had not yet executed the funding. The result is that they

were not included in the debt forgiveness Congress passed. We need to make this correction, and this FY 2023 L-HHS bill is the right place to make that impact.

This need coincides with the need for new construction on our campuses. This funding was included in both the President's plans for infrastructure and Build Back Better; however, when the bipartisan infrastructure bill was passed, the funding was not included. HBCUs have aging facilities and few, if any, resources to rebuild. That is why the HBCUs IGNITE Excellence bill must become law before we turn our calendars to 2023.

To explain why the HBCU Capital Finance program exists and why these institutions take out these loans from the Department of Education, the program is a recognition that HBCUs—like African Americans in general—have a harder time accessing capital at reasonable terms than other institutions. HBCUS have taken advantage of the program to build new buildings and refinance existing debt. However, the economic downturn in 2008 and the crushing blow dealt by the administrative changes to Parent Plus Loans in 2010 left the HBCU community reeling. Prior to Parent Plus Loan changes, our institutions collectively enrolled 330,000 students. Following those administrative changes, changes implemented without the prior knowledge of our community, we collectively enrolled 290,000 students. A decline in student population by 40,000 significantly impacted tuition and revenue at HBCUs. The result is that our institutions faced difficulties meeting the terms and conditions of our HBCU Capital Finance loans.

In the March 2018 and September 2018 spending bills, Congress inserted language which allowed 13 private HBCUs to defer those HBCU Capital Finance loans for a minimum of 3 years—but up to 6 years—while the principal and interest amounts were both frozen. That

deferment authority was a life preserver for private HBCUs. Now, as we still experience this pandemic, the remaining relief for HBCUs is necessary.

Pell Grants used to be able to cover most college expenses for the neediest students. That purchasing power has dwindled considerably. I encourage this panel to do all it can to double the Pell Grant for the most underserved students, which will reduce student reliance on costly loans.

Lastly, the programs at the Department of Health and Human Services which help HBCUs produce minority health professionals—housed at the Health Resources and Services Administration (HRSA)—should not just receive level funding, but rather an increase in FY 2023. It is time to invest in programs that help us increase the number of doctors and researchers, especially doctors and researchers of color. To that end, the National Institutes of Health (NIH) should grant more funds to HBCUs.

In 2011, the NIH's internally-funded Ginther study stated that NIH's peer review system has implicit biases which allow fewer minorities—and even fewer African Americans—to receive the basic building blocks of support to begin a career in research. If NIH is to seriously increase the number of African American researchers, and if the agency acknowledges its own bias, then more of their budget should be invested in African American students through the institutions that serve them in large numbers: HBCUs. I also encourage this Subcommittee to take its oversight role seriously. Agencies, like NIH, will only prioritize HBCUs, researchers of color, African American researchers, and the needs of those communities if Congress shows they are, indeed, a priority.

To close my testimony, I will re-emphasize that HBCUs meet a national need: bright, capable graduates who tend to come from underserved backgrounds. However, the education

they receive enables them to become productive citizens who contribute to our country in numerous ways. UNCF produced a report on the economic impact of HBCUs in November of 2017. UNCF found that one single graduating class of HBCU students will earn a minimum of \$130 billion, collectively, over their lifetime. HBCUs, collectively, hire and fire like a Fortune 50 company. Moreover, our institutions together have an annual economic impact of \$15 billion. HBCUs do what no other type of institution does or attempts, and for that, we hope this panel will support us by implementing the funding requests made today.

Thank you, and I am happy to answer any questions.