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FOR IMMEDIATE RELEASE

UNCF STATEMENT ON HBCU CAPITAL FINANCING PROGRAM REFERENCE IN PRESIDENT TRUMP'S FY17 BUDGET SIGNING STATEMENT

WASHINGTON (May 6, 2017)— UNCF today issued the following statement on President Trump's signing statement of the FY 2017 Omnibus Appropriations Act, which included a reference that the Historically Black College and University (HBCU) Capital Financing Program may be reviewed for its compliance with the Constitution:

Following the public release of President Trump's signing statement, UNCF sought clarification from the White House and received informal assurance from White House officials that the [paragraph](#) is not intended to indicate any policy change toward HBCUs and that the Administration intends to implement the HBCU Capital Financing Program. Nonetheless, UNCF urges the White House to issue an official clarification of its policy to the HBCU community, as the HBCU Capital Financing program has provided tremendous value to HBCUs and the students they serve over the past 25 years.

The HBCU Capital Financing Program, administered by the U.S. Department of Education, provides low-interest loans to HBCUs to finance infrastructure improvements on their campuses. Specifically, the program has enabled more than 40 public and private HBCUs to repair, renovate, and construct classrooms, libraries, science laboratories, and dormitories, helping to ensure that HBCU students can learn in modern facilities with modern equipment and up-to-date technology that is essential in today's economy. For example, using HBCU Capital Financing loans, Bethune-Cookman University in Florida renovated a student center and provided new student housing; Johnson C. Smith University in North Carolina built a new science and technology facility; and several HBCUs in Louisiana and Mississippi were able to rebuild their campuses after severe damage caused by major hurricanes. This federal loan program has become even more essential to HBCUs, considering [recent research evidence](#) that HBCUs pay more to secure capital financing in the private bond markets than non-HBCUs.

The HBCU Capital Financing Program is authorized under Title III, Part D of the Higher Education Act (HEA), which also authorizes federal grants to HBCUs for operating assistance and endowments under Title III, Parts B and C. The designation of institutions that are eligible for Title III federal assistance has been settled for over 50 years, since the enactment of the HEA in 1965. *Eligible institutions must meet statutory criteria, not based on race, but rather on mission, accreditation status and year the institution was established.* Today, 101 HBCUs qualify for this assistance, many of which have a racially diverse student enrollment, faculty and staff. For instance, Bluefield State College in West Virginia is designated as an HBCU, but [according to NCES data](#), Bluefield enrolls a population that is 85 percent white and only nine percent African American.

The provision in President Trump's signing statement regarding this critical HBCU program may simply be lawyers at the Office of Management and Budget being overly cautious and perhaps not fully understanding the legal basis for federal HBCU programs. However, these programs have been thoroughly vetted by the Congress and prior Administrations, and the new Administration must eliminate any doubt as to their Constitutionality.

UNCF looks forward to working with the White House and the U.S. Department of Education to continue to communicate the importance of this program and others that positively impact HBCUs and the students they have served for more than 150 years.

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About UNCF: UNCF (United Negro College Fund) is the nation's largest and most effective minority education organization. To serve youth, the community and the nation, UNCF supports students' education and development through scholarships and other programs, strengthens its 37 member colleges and universities, and advocates for the importance of minority education and college readiness. UNCF institutions and other historically black colleges and universities are highly effective, awarding 20 percent of African American baccalaureate degrees. UNCF annually awards \$100 million in scholarships and administers more than 400 programs, including scholarship, internship and fellowship, mentoring, summer enrichment, and curriculum and faculty development programs. Today, UNCF supports more than 60,000 students at more than 1,100 colleges and universities across the country. Its logo features the UNCF torch of leadership in education and its widely recognized trademark, "A mind is a terrible thing to waste."[®] Learn more at UNCF.org, or for continuous news and updates, follow UNCF on Twitter, [@UNCF](https://twitter.com/UNCF).