



DR. JIMMY JENKINS, PRESIDENT, LIVINGSTONE COLLEGE

WHITE HOUSE “LISTENING SESSION” WITH HBCU PRESIDENTS

COMMENTS ON HOW THE FEDERAL GOVERNMENT CAN BE A BETTER PARTNER WITH HBCUs

Good afternoon. I am Dr. Jimmy Jenkins, president of Livingstone College, a historically black college in Salisbury, North Carolina.

Thank you very much for the opportunity to meet with you today.

As the Trump Administration begins work on a national infrastructure package and a major tax reform bill, I want to emphasize the need to redress grievous inequities that HBCUs face in financing the restoration of campus infrastructure.

As you know, HBCUs have a distinguished record of graduating 10 percent of the degrees earned by African-Americans while constituting only 3 percent of the nation’s nonprofit postsecondary institutions. Despite our tremendous educational track record, many HBCUs – and particularly private HBCUs – face significant challenges in funding capital projects because we have relatively small enrollments and face other financial constraints.

There is now strong and credible research evidence that HBCUs pay approximately 20 percent more than other colleges and universities to finance facilities in the tax-exempt bond market, and that these higher costs are not explained by differences in college attributes or credit quality. [This research has suggested that this problem is unique to HBCUs.](#)¹ These higher costs result in fewer investment dollars in our institutions.

I want to call your attention to a trio of bills introduced in the Congress that would boost federal investment in HBCU infrastructure. I hope that the Administration will review these bills and incorporate them into your legislative packages.

First, legislation has been introduced by Representative Keith Ellison, the **HBCU Investment Expansion Act**, which would allow bonds issued by HBCUs to have **triple (local, state, and federal) tax-exempt status** in order to provide a stronger incentive for individuals to invest in HBCUs.



Second, legislation introduced by Representatives Alma Adams and Bradley Byrne – the co-chairs of the Bipartisan Congressional HBCU Caucus – would improve the **HBCU Capital Financing Program** in the U.S. Department of Education. This program provides HBCUs with access to low-interest federal loans not available elsewhere to support the repair, renovation, and construction or acquisition of educational facilities, instructional equipment, and physical infrastructure. For 20 years, this financing program has been an important tool to maintain the capital stock of the nation’s HBCUs, with built-in safeguards to limit risk to the federal government and taxpayers.

Finally, another important measure, HR 295, championed by Congressman Jim Clyburn (D-SC), has passed the House, but not the Senate, to authorize \$10 million in annual funding for the **HBCU Historic Preservation Program**. This program supports the restoration and rehabilitation of endangered structures on HBCU campuses that on the National Register of Historic Places – over 700 buildings including 13 buildings on my own campus. The restoration cost of these buildings in today’s dollars is over \$1 billion, so we actually need much more than \$10 million to make a dent in this problem.

Improving the buildings, technology, and infrastructure on our campuses is critical to the work we are doing to help young African Americans reach their full potential. Infrastructure investment is also an essential strategy for revitalizing our communities.

I hope that you will review these ideas and others that we have advanced, incorporate them into the President’s budget and legislative initiatives, and speed them to enactment.

Thank you.

¹ Dougal, Gao, Mayew, and Parsons, “What’s in a (school) name? Racial discrimination in higher education bond markets,” February 2016.