

Topical Heading

Higher and Continuing Education

Program Title

Historically Black Colleges and Universities Capital Financing Program

Also Known as

HBCU Capital Financing

CFDA # (or ED #)

None

Administering Office

Office of Postsecondary Education (OPE)

Who May Apply (by category)

Institutions of Higher Education (IHEs)

Who May Apply (specifically)

Only institutions designated by the secretary of education as Historically Black Colleges and Universities (HBCUs) are eligible.

Current Competitions

HBCU Capital Financing is not a competitive program. Applicants must submit a loan application.

Type of Assistance (by category)

Loans

Type of Assistance (specifically)

These are loan guarantees.

Appropriations

Note: The only direct appropriation the U.S. Department of Education receives for this program is for administrative costs to run the program. Loan principal is provided by the issuance of bonds and does not require an appropriation.

Fiscal Year 2008 Awards Information

Note: The Department is not bound by any estimates in this notice.

Number of New Awards Anticipated: 5

Average New Award: \$20,000,000 average loan

Range of New Awards: \$10,000,000–\$80,000,000

Legislative Citation

Higher Education Act of 1965 (HEA), as amended, Title III, Part D

Program Regulations

EDGAR

Program Description

The goal of the program is to provide low-cost capital to finance improvements to the infrastructure of the nation's HBCUs. Specifically, the program provides HBCUs with access to capital financing or refinancing for the repair, renovation, and construction of classrooms, libraries, laboratories, dormitories, instructional equipment, and research instrumentation. The program's authorizing statute caps the total amount of loans and accrued interest available through the program at \$375 million. The program exceeded this statutory cap in 2007, and the U.S. Department of Education no longer has authority to make additional loans through the program.

In fiscal year 2006, Congress passed the *Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery* (P.L. 109-234). Sec. 2601 of this act created a new subprogram within the HBCU Capital Financing program that would provide loans on advantageous terms to HBCUs affected by Hurricane Rita and Hurricane Katrina.

Types of Projects

This assistance comes through the issuance of federal guarantees on the full payment of principal and interest on

qualified bonds, the proceeds of which are used for loans.

Education Level (by category)

Postsecondary

Subject Index

Historically Black Colleges, School Construction

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Links to Related Web Sites

<http://www.ed.gov/programs/idueshbcukap/index.html>