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OFFICE OF THE PRESIDENT

February 1, 2008

The Honorable James Clyburn
Majority Whip
U.S. House of Representatives
H 329
Washington, DC 20515

Dear Congressman Clyburn:

Thank you for your continued commitment to the nation's Historically Black Colleges and Universities (HBCUs). As a member of the HBCU Capital Financing Advisory Board, I am writing to express my support for the proposed changes to the HBCU Capital Financing Loan Program recommended by the HBCU community and supported by Dr. Norman C. Francis, Chairman of the Advisory Board. Please give full consideration to working to make the proposed changes a part of the Manager's Amendment to the Higher Education Re-Authorization bill (HEA).

The HBCU community appreciates your leadership and successful work in raising the Secretary's lending authority on the HBCU Capital Financing Program. As you know, numerous schools within our community can benefit from additional resources. As the nation embraces strategies to make credit more affordable and accessible, our nation's HBCUs have a unique and rare opportunity to correct some of the challenges associated with the HBCU Capital Financing Loan Program. Some examples of proposed changes include a lower interest rate on the full amount of the loan and replacement of the Escrow Account with a Reserve Account which would eliminate the pooling of funds by participating institutions and lessen concerns regarding the impact across the community in the event of a potential default during repayment. According to a 2006 GAO report only 14 institutions have become borrowers. The recommended changes, if adapted, will allow more HBCUs to take advantage of the loan program.

Thank you again for your assistance and support.

Sincerely,

Haywood L. Strickland

cc: Chairman George Miller