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February 6, 2008

The Honorable George Miller
Chairman
House Committee on Education and Labor
2181 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

Thank you for your continued commitment to the nation's Historically Black Colleges and Universities (HBCUs). As Interim President of LeMoyné-Owen College, a historically black college in Memphis, Tennessee, I am writing to express my strong support for the proposed changes to the HBCU Capital Financing Loan Program recommended by the HBCU community and supported by the HBCU Capital Financing Program Advisory Board. LeMoyné-Owen College applauds your efforts in making the proposed changes a part of the Manager's Amendment to the Higher Education Act Reauthorization Bill.

The HBCU community appreciates your leadership and successful work in raising the Secretary's lending authority on the HBCU Capital Financing Program. LeMoyné-Owen College and numerous other schools within the HBCU community can greatly benefit from additional resources made available through this program. As the nation embraces strategies to make credit more affordable and accessible, this is a unique and rare opportunity to correct some of the challenges associated with the HBCU Capital Financing Loan Program.

LeMoyné-Owen College fully supports the proposed changes related to a lower interest rate, reduction of fees charged to the institution, 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. These changes will enhance institutions' ability to borrow capital, will provide an improved mechanism to help institutions, and will better enable HBCUs to continue and expand their educational mission and enhance their significant role in American higher education.

Thank you again for your assistance and support.

Sincerely,

Johnnie B. Watson
Interim President