

Good afternoon, Chairwoman Waters and distinguished members of the Committee.

My name is William Fisher. I have over 30 years of experience in the municipal finance sector, as a financial advisor, as an underwriter, and as an issuer of tax-exempt and taxable securities for state and local governments. As a graduate of Howard University in Washington, DC, I am proud to be the parent of both a Tuskegee University graduate in Tuskegee, Alabama, and a third-year Morehouse School of Medicine student in Atlanta, Georgia. I also have the privilege of serving as a member of the Board of Trustees at Jarvis Christian College in Hawkins, Texas.

I currently serve as the Chief Executive Officer of Rice Capital Access Program, the Designated Bonding Authority for the Historically Black College and University Capital Financing Program for the United States Department of Education.

HBCUs play a vital role in higher education that is not easily recognized or appreciated by the capital markets. The mission these institutions serve cannot be fully understood by a mere examination of standardized test scores, selectivity metrics, and financial ratios. This lack of understanding subjects these institutions to higher interest rates when borrowing, as well as restrictive covenants that impair financial flexibility. As a result, investment in physical facilities, student support initiatives, and academic programs suffers.

These increased borrowing costs also increase the cost of attendance at these institutions on several levels. For example, the increased costs associated with the financing of a dormitory are borne by the student through higher housing fees. These increased student housing fees increase the need for students and their families to borrow additional funds to finance their education. This increased debt burden impacts not only the student and their family, but also the institution. As the Committee is aware, institutions with a high cohort default rate are in jeopardy of losing access to Title IV funds and its accreditation.

And the impact of expensive debt is not limited to the institution and its students. The local communities are also negatively impacted. Several advocacy groups have completed economic impact studies on the value HBCUs bring to the local economy. In short, the presence of an HBCU fosters a vibrant economy by providing employment opportunities and the purchase of goods and services. Expensive debt limits the institution's ability to fully engage with the local community.

When Congress created the HBCU Capital Financing Program, not only did it provide access to low cost borrowing, but it created a path to financial stability. To further secure the HBCU's place in America and higher education, the feasibility of the recommendations offered by the HBCU Capital Financing Advisory Board, which include a) increasing the borrowing capacity of the Program and b) expanding the use of the program to include operating lines of credit, merit consideration.

Thank you.