



November 26, 2021

The Build Back Better Act (H.R. 5376): Title II Aid to Minority-Serving Institutions

On November 19, 2021, the House passed H.R. 5376, the Build Back Better Act (BBBA), to provide for budget reconciliation. Title II of the BBBA contains provisions from the House Committee on Education and Labor to comply with the budget reconciliation directive included in Section 2002 of Senate Concurrent Resolution 14 (117th Congress). Within Title II, the BBBA would appropriate approximately \$9 billion for FY2022-FY2026 to support minority-serving institutions (MSIs) through an existing Higher Education Act (HEA) institutional aid program and a newly authorized research and development (R&D) infrastructure competitive grant program. Other BBBA provisions outside of Title II would also support MSIs, but to a much lesser extent in terms of total dollars appropriated. This In Focus discusses the provisions in BBBA Title II that would support MSIs.

Background on Federal Support for MSIs under the Higher Education Act

MSIs are institutions of higher education (IHEs) that serve high concentrations of minority students, and they tend to have relatively low educational and general expenditures and enroll high proportions of financially needy students. Many MSIs have faced challenges in obtaining financial support, affecting their ability to enhance their academic offerings and institutional capabilities, which may ultimately affect how they serve their students.

Title III of the HEA is one of the primary sources of federal support to MSIs. It authorizes several grant programs administered by the U.S. Department of Education (ED) to assist them in strengthening their academic, administrative, and fiscal capabilities. Under current law, these programs are available for IHEs that serve high concentrations of specified minority student populations, along with Historically Black Colleges and Universities (HBCUs). Title III-A and Title V authorize annual discretionary appropriations for these programs. Title III-F provides additional mandatory indefinite appropriations for many of these grant programs. The programs supported by Title III-F are

- Strengthening HBCUs;
- Hispanic-Serving Institutions Science Technology, Engineering, and Mathematics and Articulation Programs (HSI STEM);
- Strengthening Tribal Colleges and Universities (TCUs);
- Strengthening Alaska Native and Native Hawaiian-Serving Institutions (ANNHs);

- Strengthening Predominantly Black Institutions (PBIs);
- Strengthening Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs); and
- Strengthening Native American-Serving, Nontribal Institutions (NASNTIs).

Some examples of authorized uses of HEA Title III-F funds, which can vary across programs, are to support construction, maintenance, and improvement of instructional facilities, and the development and improvement of academic programs.

For additional information on the MSI programs authorized under the HEA, see CRS Report R43237, *Programs for Minority-Serving Institutions Under the Higher Education Act*, by Alexandra Hegji.

BBBA Institutional Aid

Section 20025 of the BBBA would appropriate \$1.2 billion annually for FY2022 through FY2026—in addition to the current annual mandatory indefinite appropriations already authorized under HEA Title III-F—for the various HEA Title III-F MSI programs. Each Title III-F grant program would receive a BBBA-specified allocation. Annual mandatory appropriations provided under BBBA Section 20025 would equal about five times the FY2021 mandatory appropriations for each of the HEA Title III-F programs.

MSIs receiving funding under BBBA Section 20025 would be required to use funds for allowable uses currently authorized for the HEA Title III-F programs, as well as to award need-based financial aid (including emergency grants to low-income students enrolled in eligible educational programs). The BBBA specifies that no individual shall be determined by the Secretary of Education (the Secretary) to be ineligible for program benefits (including need-based aid) “except on the basis of not being a low-income student” enrolled in an eligible program.

Table 1 details current (FY2021) mandatory appropriations and BBBA Section 20025 mandatory appropriations for each of the MSI programs under HEA Title III-F.

Table I. HEA Title III-F Funding and BBBA Section 20025 Institutional Aid for MSIs

(Dollars in thousands)

Program	HEA Title III-F (FY2021) ^a	BBBA Section 20025 (FY2022-FY2026) ^b
Strengthening HBCUs	\$80,155	\$400,044
HSI STEM	\$94,300	\$470,640
Strengthening TCUs	\$28,290	\$141,120
Strengthening ANNHs	\$14,145	\$70,560
Strengthening PBIs	\$14,145	\$70,596
Strengthening AANAPISIs	\$4,715	\$23,520
Strengthening NASNTIs	\$4,715	\$23,520

Source: CRS analysis of HEA Section 371 and H.R. 5376 Section 20025.

- a. Reflects final amount available, including spending reductions pursuant to the Budget Control Act of 2011 (P.L. 112-25).
- b. Represents annual mandatory appropriations for each of FY2022-FY2028.

BBBA R&D Infrastructure Competitive Grant Program

Section 20026 of the BBBA would make a one-time appropriation of \$3 billion to support a newly authorized competitive grant program to support R&D infrastructure at eligible MSIs. Schools eligible to participate in the program would be those MSIs eligible for HEA Title III-F funds (described above) that are four-year institutions and are not classified as “very high research activity” by the Carnegie Classification of Institutions of Higher Education. Eligible schools could also receive grant funds on behalf of a consortium of eligible and ineligible entities (e.g., schools classified as “very high research activity” under the Carnegie Classification of Institutions of Higher Education,

two-year institutions, postsecondary vocational institutions, or philanthropic organizations), so long as the eligible school was the lead member and fiscal agent of the consortium.

The Secretary would be required to award competitive planning grants (not to exceed two years in length) and implementation grants (not to exceed five years in length) to eligible schools. In awarding such grants, the Secretary would be required to administer separate competitions for each of the seven above-described types of MSIs.

A school awarded a planning grant would be required to develop a strategic plan for improving institutional R&D infrastructure that would include an assessment of its existing research capacity and R&D infrastructure and a description of how it would use a program implementation grant to increase its research capacity and support R&D development infrastructure.

A school awarded an implementation grant would be required to use program funds to carry out at least one of the following activities:

- providing for the improvement of existing infrastructure (including deferred maintenance) or the establishment of new physical infrastructure;
- hiring and retaining faculty, students, research-related staff, or other personnel; and
- creating and supporting inter- and intra-institutional research centers in fields of study for which program R&D infrastructure funds have been awarded.

BBBA Section 20026 would specify that funds provided under it shall be used to supplement, and not supplant, other federal state, tribal, or local funds that would otherwise be used to carry out activities described by it.

The Secretary’s authority to award planning grants under the program would expire at the end of FY2025, and his or her authority to award implementation grants would expire at the end of FY2027.

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