

## **The Problem and Solution**

The lack of state funding for public college and university modernization has left a backlog of campus infrastructure needs, including building repairs, renovations, and replacement, as well as technology upgrades. A significant share of college and university facilities were built to accommodate baby boomer generations in the 1960s and 1970s—the average college building today is more than 50 years old<sup>1</sup>—and these facilities need to be repaired, updated or replaced to best serve students.<sup>2</sup> Many buildings from the 1990s are also in need of repair and upgrades. Some public college and university campuses—particularly those in the South and West—are growing and need new facilities to address student demand.

According to APPA-Educational Facilities, the total infrastructure backlog needs of the public higher education sector is \$76.1 billion, with \$27.7 billion attributable to needs at two-year institutions or community colleges. Failure to timely address facility needs can result in larger, equity concerns, as low-income students and students of color have historically been concentrated at institutions with the least resources to devote to educational facilities.

There are multiple dynamics contributing to the facilities issues at public college and university campuses. Beyond limited state funding, public colleges and university boards and legislatures seek to keep tuition low, which constricts the amount of revenue for facilities repair and upgrades. Philanthropic efforts and public-private partnerships can help with the financing of new construction, but public institutions serving larger shares of low-income students and students of color historically have a much more limited pool of wealthy donors. Further, donors are usually less interested in donating to address the maintenance of existing facilities.

Based on the projection of infrastructure backlog of public four-year institutions by APPA-Educational Facilities, the American Association of State Colleges and Universities (AASCU), Association of Public and Land-grant Universities (APLU), and State Higher Education Executive Officers Association (SHEEO) request \$48 billion in the infrastructure package/s presently under consideration by Congress.

## **Federal Investment in Campus Facilities**

The federal government has a long history of making investments in college and university facilities dating back to the creation of Gallaudet University in 1857.<sup>3</sup> Many college and university facilities were financed and created through the Works Progress Administration in the New Deal.<sup>4</sup> In the post-war years, the College Housing Loan Program and the Higher Education Facilities Act of 1963 provided grants and loans to serve growing numbers of students in the

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<sup>1</sup> <https://docs.google.com/document/d/1qx3ha4qNQLQnH4W9MIg3ReBYpHIEsdGN/edit?rtfpof=true>

<sup>2</sup> <https://attachment.eab.com/wp-content/uploads/2017/05/34671-01-FF-Tackling-the-Deferred-Maintenance-Crisis.pdf#page=4>

<sup>3</sup> <https://crsreports.congress.gov/product/pdf/R/R41142/9>

<sup>4</sup> <https://livingnewdeal.org/new-deal-categories/education-health/colleges/>

post-war years. The Higher Education Act series of reauthorization measures included grants and loans for academic facilities until the early 1990s. According to the Congressional Research Office, the Academic Facilities Construction Grants were last funded in 1991, and the HBCU Capital Financing Program was crafted in the 1992 reauthorization. However, with few exceptions, there is no longer federal grant funding to help most public colleges and universities address capital needs.

### **Policy Intervention**

Through a legislative recovery and infrastructure package, the federal government can help address this issue. The American Jobs Plan proposes \$12 billion to address community college infrastructure but fails to address the needs of public four-year colleges and universities.

Equity-focused facilities investments at public four-year colleges and universities can expand institutional capacity, modernize existing facilities, create cost savings in the form of energy efficiency, and upgrade technology to ensure that all students attending public colleges and universities have access to 21<sup>st</sup> century technology and learning experiences.

The higher education infrastructure funding package should be inclusive of four-year institutions with the following structure:

- (a) Allows the Secretary of Education to determine the criteria for prioritizing funding distributions for institutions that serve low-income students
- (b) States and territories would create plans to demonstrate how they would meet program criteria and administer the funding to institutions
- (c) Includes a state matching component to ensure federal funding supplement, but not supplant, existing state investment in higher education facilities

The proposal places an emphasis on infrastructure support for educational facilities, related technologies, and energy efficiency. Institutions that serve a high number of low-income students, as defined by Pell eligibility, are given priority to help meet equity goals.

A framework that gives the Secretary discretion in establishing criteria and approving state plans will be the most beneficial for both guaranteeing equity and for allowing the flexibility that works with each state's specific needs in their public higher education sector and targets funding to institutions in most need. This approach is preferable to legislation that overly prescribes distribution of funds based on enrollment indicators or thresholds.

Additionally, \$48 billion in funding would address the projections of backlog by APPA-Educational Facilities.

### **Proposed Bill Text**

Adapted and modified text from the Construction, Reconstruction, and Renovation of Academic Facilities title of the [1986 Higher Education Act Reauthorization](#).

## Purposes

- The Secretary shall carry out programs of financial assistance to four-year public institutions of higher education and to higher education building agencies for the modernization, renovation, or repair of academic facilities that are primarily used for instruction and research, including modernization, renovation, and repairs that enhance energy efficiency.
- The primary purpose of such assistance is to enable institutions to:
  - Be accessible to people with disabilities through compliance with the Americans with Disabilities Act of 1990 ([42 U.S.C. 12101](#) et seq.) and section 504 of the Rehabilitation Act of 1973 ([29 U.S.C. 794](#))
  - Ensure environmental protection or health and safety programs mandated by Federal, State, or local law, if such requirements were not in effect at the time such facilities were constructed; or
  - More efficiently use available energy and water resources
  - Construct, reconstruct, expand, or renovate academic research and instructional instrumentation and facilities, including libraries, and to acquire and maintain special research and instructional instrumentation and equipment
  - Provide facilities for advanced skill training programs that relate to emerging technologies and skill needs
  - Preserve significant architecture
  - Address deferred maintenance
  - Expand enrollment capacity to serve in-state students
  - Modernize technological infrastructure, including in classrooms and campuses with high-speed broadband sufficient for digital and hybrid learning
  - Extend the life or replace basic systems and components
- Prohibitions. No funds may be used for:
  - The operations costs of systems, equipment, or facilities
  - Modernization, renovation, or repair of stadiums or other facilities primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public
  - Modernization, renovation, or repair of facilities primarily used for administrative offices, dormitories, or other facilities that are not primarily used to educate students

## State Plan

- Any state desiring to participate in the grant program shall have an agreement submitted to the Secretary through the State agency designated in such agreement. The State plan should—
  - Provide that the plan be administered by the State entity with standards and methods which are consistent with basic criteria established under the purposes of the law
  - Determine the relative priorities of eligible projects submitted by institutions of higher education within the State
  - Provide for accounting procedures necessary to assure proper disbursement of Federal funds

- Provide a plan to the Secretary on how funds will be distributed to benefit institutions that serve high populations of low-income students in the State, as defined by Pell eligibility.

**Criteria**

- The Secretary shall establish basic criteria for consideration of State plans which ensure:
  - Flexibility for States to accommodate the varied needs of institutions in the States
  - Consideration of the degree to which applicant institutions are effectively using existing facilities and extent of infrastructure need
  - Federal share shall not exceed a designated percentage of development cost of the total plan
  - States shall prioritize institutions that serve a high population of low-income students.

**Funding**

- \$48 billion to carry out (insert appropriate reference to title and section)