



January 7, 2025

Honorable Bill Lee Governor of Tennessee State Capitol, 1st Floor 600 Charlotte Avenue Nashville, TN 37243

Dear Governor Lee:

As Governor, you clearly understand that states must do all they can to build a strong workforce. Strong institutions of higher education support this goal through supporting research that fosters innovation that can lead to new discoveries and technologies that save lives, develop business, and sustain regions.

In our September 18, 2023 joint letter to your state, we brought attention to the unbalanced state appropriations, on a per student basis, between the 1862 land-grant university (1862) and the 1890 land-grant university (1890) in your state and shared our concern that the decades long underinvestment in the 1890 could disadvantage the students, faculty, and the community that the 1890 serves. This unbalanced funding also puts the institution in jeopardy during times of economic uncertainty since it does not retain the same level of endowment reserves that the 1862 has been able to develop. The public data from the Department of Education (ED) that informed the previous letter goes back approximately 30 years, long before any of us were in our current positions to make a positive difference by addressing unbalanced funding. Unfortunately, that's the furthest our records go back (please see the attached spreadsheet for detailed data and methodology).

We hope that we can be a thought partner with you as you consider ways to address the unbalanced funding. We thank the university leadership and faculty from your state's 1890 that, through the years, have been able to produce extraordinary graduates despite receiving less than its 1862 peers in matching state funds. The remarkable strides that have been made are a testament to their dedication to education and to the success of future generations.

Recognizing these efforts, our administration has <u>supported</u> Historically Black Colleges and Universities (HBCUs) with Federal funding and investments totaling more than \$17 billion from fiscal years (FY) 2021 through FY 2024. Through financial aid, grants, and contracts we've been able to provide resources to these institutions that help contribute to the economic vitality of our nation.

In an effort to provide more information and answer questions, ED and the United States Department of Agriculture's (USDA) National Institute of Food and Agriculture (NIFA) recently hosted a webinar for Governors, representatives from respective offices, and members and staff of your legislature to discuss how the data that informed our initial letter was gathered, the methodology for calculating the unbalanced funding, and the share of USDA/NIFA funding provided to the 1890 in FY 2023. We also introduced attendees to USDA tools available including the USDA/<u>NIFA Grant Funding dashboard</u> which provides data on USDA/NIFA funding for competitive and capacity grants from FY 2018 forward. The creation of this tool was a high priority for USDA/NIFA in an effort to reduce barriers, and increase access to data on federally funded programs, including information on matching and waivers.

As you explore ways to address the funding imbalance, we strongly recommend establishing a state-level bipartisan joint legislative committee to gather data and conduct historical budget analysis of how the state has allocated funds to ensure it has provided its share of required matching funds for 1862 and 1890 universities related to federal grant programs. For example, in 2021, Tennessee's Office of Legislative Budget Analysis produced a report on underfunding related to the NIFA one-to-one match.

In developing the goals of that committee, we recommend that the committee address two contributing factors to funding inequities:

- (1) the state appropriations per student as calculated by ED; and (2) the NIEA one to one metch
- (2) the NIFA one-to-one match.

We are committed to working with you to make sure all institutions receive the support and resources that will allow them to develop students who are prepared to contribute to the economic and social fabric of our nation. The investments we make today, will be the foundation for institutions to increase their ability to conduct groundbreaking research that is a hallmark of American ingenuity, attract high-quality faculty members, and provide students with the tools to help lead our country into a future that is increasingly being shaped by advances in artificial intelligence/machine learning, semiconductor manufacturing, and small business growth and workforce development.

Sincerely,

Muguet A Cardona

Miguel A. Cardona, Ed.D. U.S. Secretary of Education

Clean J. Vilsen

Thomas J. Vilsack U.S. Secretary of Agriculture