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Trump Wants to End Grants for Minority-Serving Institutions. Here's Where That Funding Has Been Going.

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Pete Kiehart for The Washington Post, Getty Images

The Education Department announced its intention Wednesday to end grant funding for minority-serving institutions, a move affecting hundreds of colleges that serve a disproportionate number of students from underrepresented racial and ethnic groups.

The department said it would eliminate programs aimed at colleges serving large numbers of Alaska Native and Native Hawaiian students, Asian American students, and Hispanic students. Also affected are grants for predominantly Black institutions and Native American-serving institutions — designations for colleges that educate a large share of Black and Native students but were not founded as historically Black colleges or tribal colleges.

In a [statement Wednesday](#), the Education Department described its interpretation that grants for minority-serving institutions, or MSIs, are effectively discriminatory “by conferring government benefits exclusively to institutions that meet racial or ethnic quotas.”

The department said that its move would affect \$350 million in discretionary funding that was already allocated by Congress to minority-serving grant programs in the 2025 fiscal year. That money will be “reprogrammed into programs that do not include discriminatory racial and ethnic quotas,” according to the department’s statement. Some MSI grants are administered by other agencies.

Education Secretary Linda McMahon said in a statement Wednesday that she “looks forward to working with Congress to reenvision these programs to support institutions that serve underprepared or under-resourced students without relying on race quotas.”

The federal government doled out \$1.3 billion to minority-serving institutions in the 2023 fiscal year, according to the most recent data available. [About one-fifth of all colleges](#) are eligible for MSI grants, though a far smaller number actually receive funding. (Those figures includes historically Black colleges and tribal colleges, which are not affected by Wednesday's announcement.)

Colleges become eligible for minority-serving funding by meeting a series of criteria, including an enrollment threshold and demonstrated financial need.

A majority of MSIs are Hispanic-serving, meaning that at least 25 percent of full-time student enrollment identifies as Hispanic or Latino. The HSI designation, created by Congress in 1992 with bipartisan support, was intended to increase educational attainment for Hispanic students, who were enrolling in and graduating from college at low rates. Today, Hispanic students are the fastest-growing demographic group in higher education, and many colleges [have signaled plans](#) to boost Hispanic enrollment to try to become eligible for federal grants. Congress created several other minority-serving designations in 2007.

The Education Department said its decision to end MSI funding stems from [a lawsuit filed](#) in June by the State of Tennessee and Students for Fair Admissions, the advocacy group that successfully lobbied the Supreme Court to [ban the practice of race-conscious admissions](#) in 2023. The complaint asserted that grants for Hispanic-serving institutions, or HSIs, were

discriminatory because nearly all Tennessee colleges weren't eligible based primarily on their student demographics.

The Justice Department then [refused to defend](#) the program in court, citing a letter from the U.S. solicitor general dated in July and made public last month. The letter said that HSI funding violates the Supreme Court's 2023 decision barring the consideration of race in admissions; there is no mention of HSI grants in the ruling. The Hispanic Association of Colleges and Universities has sought to intervene in the lawsuit and defend HSIs.