Hispanic-Serving Institutions (HSIs) comprise a segment of two-year and four-year nonprofit institutions designated under Title V of the Higher Education Act (HEA) of 1965, as amended. The statutory authority specific to HSIs was first enacted 30 years ago as a part of the Higher Education Amendments of 1992 (Public Law 102-305).

The HSI designation is a federal policy construct. While state policy leaders recognize this federal designation and HSI references abound, states’ policy constructs generally do not codify HSI designations.

The original statute (Section 316, P.L. 102-305) established a higher threshold for institutional eligibility for HSI grants than in current law. At the time, eligible institutions had to demonstrate that:

- at least 25% of their undergraduate student (FTE) enrollment was Hispanic; and
  - Of those Hispanic students, no less than 50% had to be low-income and first-generation in college; and
  - An additional 25% (or more) of the Hispanic students had to be either low-income or first-generation.
- the average educational and general expenditures per FTE undergraduate student was low compared to the average of institutions that offered similar instruction.

Current law and regulations promulgate a less stringent eligibility threshold, the principal requirement being that institutions meet the 25% Hispanic FTE enrollment threshold.

Funding under Title V grants still require that eligible institutions demonstrate average educational and general expenditures per FTE undergraduate student that are low compared to the average of institutions that offer similar instruction. Eligible HSIs also must enroll larger percentages of students receiving non-loan student financial aid. Because of these two financial criteria, it is possible for an institution to both be designated an HSI (25% Hispanic FTE enrollment) and not be eligible for Title V grants from the U.S. Department of Education (ED).

Since the 1992 legislation, the nation has realized a substantial growth in the number of institutions which have achieved the ‘Hispanic-serving Institution’ designation. Two drivers have largely fueled the growth: a substantial increase in the number of Hispanic college students; and the broadened eligibility criteria.

According to Excelencia in Education, a national policy research organization focused on Hispanic college students, in Fall 2020 approximately 559 institutions across the U.S. were designated as HSIs, compared to 189 in Fall 1994. This is an impressive 196% growth in 27 years. In Texas the growth was 212%, with 31 HSIs designated in 1994 and 97 in 2020. HSIs are located across 29 states, the District of Columbia, and Puerto Rico.

HSIs represent 18% of all institutions of higher education and enroll 66% of all Hispanic undergraduates. On average, 47% of total enrollments at HSIs are Hispanic and 73% of students are nonwhite.
While HSIs were established by Congress in 1992, federal funding for HSI grants was not realized until 1995. In FY2022, a total of $492 million was appropriated for the multiple elements of HSI funding (see below), compared to $12 million appropriated in FY1995. Excelencia in Education provides a detailed timeline for the development and evolution of federal policy authorizing Hispanic-Serving Institutions.

**HSIs and other MSIs**

Minority Serving Institutions (MSIs) are nonprofit institutions of higher education serving high concentrations of minoritized students.iii Hispanic-Serving Institutions comprise the largest subset of MSIs. The constellation of MSIs includes:

**Title III, Part A**
- American Indian Tribally Controlled Colleges and Universities
- Alaska Native and Native Hawaiian-Serving Institutions
- Predominately Black Institutions
- Native American-Serving, Nontribal Institutions
- Asian American and Native American Pacific Island-serving Institutions

Historically Black Colleges and Universities (HBCUs) were established in the late 19th century with the historical purpose of serving African American students and received federal support to expand during the second Morrill Act of 1890. As a part of the Higher Education Act, HBCUs have multiple programs, including Strengthening HBCUs, Historically Black Graduate Institutions, and HBCU Master’s Program. HBCUs are separate from Predominately Black Institutions.

**Hispanic-Serving Institutions (HSIs) are authorized under both Titles III and V of the HEA:**
- Developing Hispanic-Serving Institutions STEM and Articulation Programs, Title III, Part F
- Developing Hispanic-Serving Institutions, Title V, Part A
- Promoting postbaccalaureate opportunities for Hispanic Americans, Title V, Section 512

The U.S. Congress authorized funding for specific a subset of MSIs nearly four decades ago as a part of the Higher Education Amendments of 1986 (P.L. 99-498). Today, Congress annually appropriates funding for seven distinct segments of MSIs. While the MSIs listed above are eligible for grant funding, as determined under Title III and Title V of the HEA, there are certain institutions that are not MSIs and eligible for Title III (Strengthening Institutions). These institutions tend to be community colleges with low education expenditures and general expenditures per FTE.

While all HSIs are MSIs, not all MSIs are HSIs. It is possible for institutions to yield multiple designations. For example, the Center for American Progress reports that 75 HSIs also are eligible for designation as Asian American and Native American Pacific Islander-serving Institutions.iii In general, institutions with multiple MSI designations are not eligible to receive funding under more than one designation during a particular funding cycle. However, the lines of separation were crossed in 2020 when Congress appropriated specific funding for MSIs as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. An analysis by Excelencia in Education found that 94 HSIs received funding through multiple minority-serving designations.

HSIs were originally established as a section under Part A of Title III of the HEA. The Higher Education Amendments of 1998 (P.L. 105-244) elevated the political visibility of HSIs by moving the Developing Hispanic-Serving Institutions program authority to Title V of the HEA. From the Senate committee report accompanying the 1998 Amendments, we learn of the congressional intent for HSIs: “[I]n recognition of the importance of finding new ways of serving our Nation’s rapidly growing Hispanic community,
[Congress] has created a new part within Title V dedicated solely to supporting the needs of Hispanic-Serving Institutions.\textsuperscript{vi}

**HSI Designation Now Spans Across Multiple Federal Departments and Agencies**
The elevating of HSIs in the 1998 HEA Amendments, combined with increased political support for HSIs as a focal point for addressing Hispanic student outcomes in higher education, has fostered support for HSIs across multiple federal departments and agencies. Four examples are listed below.

**U.S. Department of Education**
In FY22, Congress appropriated a total of $492 million for Developing Hispanic-Serving Institutions grants ($182.8M), HSI Science Technology, Engineering, or Mathematics (STEM) and Articulation grants ($290M) and Postbaccalaureate Opportunities for Hispanic Americans grants ($19.6M).

**U.S. Department of Agriculture** – National Institute for Food and Agriculture (NIFA)
NIFA HSI education grants ($12M in FY22)

**National Endowment for the Humanities**
[Humanities Initiatives at Hispanic-Serving Institutions] strengthen the teaching and study of the humanities at Hispanic-Serving Institutions by developing new humanities programs, resources, or courses, or by enhancing existing ones.

**National Science Foundation**
[Improving Undergraduate STEM Education: Hispanic-Serving Institutions Program]
The National Science Foundation (NSF) established the Improving Undergraduate STEM Education: Hispanic-Serving Institutions in 2017, as directed by Congress.\textsuperscript{vii} The NSF’s HSI program intends to broaden participation of students who are historically underrepresented in STEM and expand students’ pathways to continued STEM education and integration into the STEM workforce.

**White House Initiative on Advancing Educational Equity, Excellence, and Economic Opportunity for Hispanics**
A political office hosted at the U.S. Department of Education, this initiative supports the President’s goals and directive to raise awareness of and support for Hispanic Americans in the context of education across all federal agencies. The office was first established by President George H. W. Bush in 1990, with Executive Order 12729. President Bush also established an Advisory Committee on Educational Excellence for Hispanic Americans in September 1990. Dr. Diana Natalicio, then president of The University of Texas at El Paso (UTEP), was among the committee’s inaugural members.

Every U.S. President since then has continued the initiative, each with new executive orders and goals for the initiative. President Biden signed Executive Order 14045 on September 13, 2021, renewing the initiative through his administration and creating a Presidential Advisory Commission for a two-year term. The initiative has a broad charge, which includes strengthening the capacity of HSIs to participate in federal programs.

**The Diana Natalicio Institute for Hispanic Student Success**
On the 30th anniversary of federal law designating HSIs, The University of Texas at El Paso established The Diana Natalicio Institute for Hispanic Student Success. The Natalicio Institute will anchor its research agenda on HSIs, collaborate with scholars across the globe to create depth of knowledge and data on HSIs, and advance institutional practice through the lens of HSIs. The Natalicio Institute further intends to inform policy development at the state and federal levels to shape a policy ecosystem for accelerating Hispanic student success and the critical roles of HSIs.