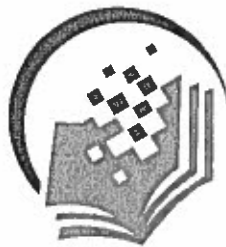


Submitted Testimony



**NYSHEI**

New York State Higher  
Education Initiative

Testimony Submitted By:

**New York State  
Higher Education Initiative**

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Testimony Submitted To:

**New York State Legislature  
Joint Budget Committee on Higher Education**

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Hearing Room B  
Legislative Office Building  
Albany, New York

NYSHEI represents the public and private academic and research libraries of New York

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The proposed Executive Budget presents the great challenge of doing more with less. Clearly, the problems of today, and the challenges of tomorrow, must be overcome not through new spending, but through efficiency and collaboration.

The public and private academic and research libraries of New York accept this challenge. We believe that if granted much needed flexibility, we can not only survive but thrive. To that end **we urge three specific reforms; allow public-private collaborations, acknowledge information as a commodity, and increase the minimum threshold.**

The New York State Higher Education Initiative (NYSHEI) represents nearly 150 of the libraries of New York's public and private colleges and universities, as well as some of our finest research institutions. These libraries contain the raw materials of the scholarship, research, and learning occurring in higher education. These libraries are at the root of student achievement, faculty discovery, and the economic innovation New York is counting on.

NYSHEI applauds the Governor's intention to enhance flexibility for SUNY and CUNY in procurement and public-private partnerships, and asks that our libraries be able to participate in this new flexibility.

The Governor cites the 2008 final report of the Commission on Higher Education as the basis for his push for these reforms. Yet that same report also recommends strongly reforms that will directly benefit the academic libraries.

The report recommends the academic library pooling of electronic information.

"Not only are scientific discoveries shared through electronic journals, but faculty and students in both the sciences and humanities increasingly rely on electronic resources such as collections of primary literary texts and historical archives. Academic libraries are now contending with rapidly expanding information sources, and facing increasing costs for licensing fees. Some small campuses simply cannot afford what they need.

Other states have taken steps to achieve powerful economies of scale through state-wide licensing (New Jersey, Ohio, and Virginia are examples). New York can reap major benefits from the efficiencies gained through this pooling of resources. The Commission

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... recommends that the State facilitate college and university libraries moving from individual library licenses to state-wide shared licenses."

The Executive Budget proposal can be improved to allow public and private colleges and universities to collaborate on the acquisition of electronic information resources, such as peer-reviewed journals, serials, and databases. The opportunity to voluntarily pool the purchasing power of SUNY, CUNY, and independent institutions – including large research universities like Columbia, Cornell, and NYU – will result in lower costs and greater access to needed resources.

The cost of electronic information resources is growing at a rate much higher than inflation. Monopolistic concerns, many of them based in Europe, enjoy returns of 20 to 30 percent annually while our libraries struggle to pay for continuing access. Indeed, in our current fiscal environment, rising costs is forcing increasing numbers of libraries to drop access to electronic information resources. When this occurs, our faculty and students are denied access to the most current, highest quality research, putting our state at a competitive disadvantage and erecting a yawning digital divide between most institutions and the most elite.

New York State can help, and must do so this year if New York is to remain at the fore among all states in higher education quality and opportunity.

First, as the Governor proposes to do for real property purchases, the state must **streamline the process for the acquisition of electronic information resources**. Foremost among reforms are those that would allow SUNY and CUNY to make collaborative purchases with independent colleges and universities. Both public and private institutions would benefit from this arrangement.

Second, the state must come to **view electronic information resources not as a service, but as a commodity**, thus making their procurement subject to the appropriate set of regulatory oversight.

Third, the state should immediately **increase the minimum dollar threshold for purchases** that are made by the CUNY or SUNY systems on behalf of their campuses. Current regulations are the same for an individual campus purchase as they are for a multi-campus purchase. This increases the burden of procurement when the System Offices attempt to coordinate campus purchases to drive down costs. Regulations should be modified to encourage increased collaborative procurement.

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These reforms will help almost immediately. Yet an even greater advantage can be achieved if the state itself acts the contract holder of the information resources. New York can do this without any additional expenditure by creating a mechanism, within an agent like Empire State Development, to aggregate contributions from libraries seeking participation in the purchase of a specific product, then acting as the single-point payer on the contract.

Legislation to do this has enjoyed success in the legislature. Both the Senate and Assembly voted unanimously in 2009 for a bill (a.7229/s.5419 ) that would have created this opportunity.

A preliminary survey of academic and research libraries demonstrates that these reforms would not only streamline the process but stretch dollars. Academic library pooling of resources, as recommended by the Commission on Higher Education would yield a **seven percent reduction in cost** and a **ten percent increase in collections** at the average academic library.

The reforms we are recommending are a benefit beyond the campus. In our push to leverage higher education for the creation of an innovation economy, securing access to valued peer-reviewed knowledge resources helps researchers, entrepreneurs, and all manner of innovator.

In short, NYSHEI is asking you to expand on the Governor's recommendations for procurement flexibility. Do this and you will unleash the potential of higher education, cut costs, and expand access. All without any increase in state spending.

Thank you for your time and consideration.

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