

1 CHANCELLOR GOLDSTEIN: Well, all of
2 you know what the Governor has proposed on
3 TAP, and certainly that will have an effect
4 on students. And it will have an effect
5 more on one class of students more than
6 another.

7 The moderating effect that we have not
8 mentioned yet in these hearings is that
9 there has been a big uptick in the amount of
10 money provided through the federal financial
11 aid program, called Pell. Pell is going to
12 be increased incrementally over three years
13 by \$400 to \$500, and that's going to have a
14 very stunning effect in helping students
15 along as they meet the challenges of paying
16 for higher education.

17 And it will have a particular effect on
18 places like CUNY and SUNY. Because if
19 you're in an institution that's charging
20 \$25,000 tuitions -- and we have many of
21 those -- the side effect not nearly as much
22 as it would be at a place like CUNY, where
23 our tuition is considerably lower.

24 So while TAP is going down, Pell is

1 going up, and that's a good thing. We'd
2 like to see TAP go up and Pell go up. And,
3 you know, that is something that I will put
4 in your good hands, because you have much
5 more gravitas in that area than I do, but it
6 is a concern that we have.

7 ASSEMBLYMAN LAVINE: When you were
8 discussing community colleges and the
9 three-year graduation rate, and some people
10 would regard those statistics as being very
11 alarming, you mentioned there were some good
12 reasons for that and some bad reasons for
13 people not graduating within the three-year
14 range.

15 So what would you consider some of the
16 good reasons, if that's -- and it's really
17 not an appropriate phrase, good reasons.
18 But I think you know what I mean.

19 CHANCELLOR GOLDSTEIN: Yes. And let
20 me take a shot at that.

21 Many of the students that start at a
22 community college are living very complex
23 lives. You know, I went to CCNY as an
24 undergraduate, and I finished in four years.

1 And I worked the entire time I was at CCNY.
2 Certainly over the summer I worked, but
3 during the regular semester I worked maybe
4 15, 20 hours, between weekends and sometimes
5 after school. But when I came home, I had
6 food on the table, I had a nuclear family, I
7 had parents that cared about me -- at least
8 I thought they cared about me. I never felt
9 vulnerable. I never felt insecure.

10 But so many of our students today --
11 and it's not just at the community colleges,
12 but more at the community colleges than at
13 the four-year campuses -- are responsible
14 for a child, it is their child, they are the
15 single parent, they are struggling to pay
16 the rent, they are struggling to pay for
17 food, they are struggling to watch after
18 their children so their children are paying
19 attention in school and not getting into
20 trouble.

21 Those are the good reasons, if you want
22 to use good and bad reasons, why so many of
23 these students are not graduating. They're
24 exhausted. They don't have the time to

1 devote as much to their studies as we would
2 like to see them. Oftentimes they are shut
3 out of class because it conflicts with their
4 work schedule or they have to run and take
5 care of a child and have to be home with
6 that child.

7 So just the social consequences of
8 living in a big city where challenges are
9 very, very real and severe are reasons that
10 many of these students don't succeed.

11 The other reason, which was touched on
12 by a few of you, is that many of these
13 students come to a community college very
14 poorly prepared. They are very poorly
15 educated. And one of the wonderful things
16 about this country is that we give students
17 a second chance and a third chance and a
18 fourth chance. If they fall down, we pick
19 them up, brush them off, and say "keep
20 going." If they fall down, we pick them up
21 again.

22 That's not true around the rest of the
23 world. So we spend a lot of money giving
24 people second and third and fourth chances.

1 And I think that's a good thing. I mean, we
2 are a rich enough country that we can look
3 after the people that have been left behind.

4 And I think CUNY has always had a value
5 set that drives so much of what we do by
6 those kinds of real experiences that the
7 students have. And I would say that those
8 are the major determinants in what would
9 cause low graduation rates.

10 ASSEMBLYMAN LAVINE: Thank you for
11 that. And finally, my observation.

12 You have mentioned that it's a matter
13 of national security that we train our
14 students and educate our students so that
15 they can be part of a vibrant workforce
16 that's going to maintain our financial
17 stability. And that is true.

18 But may I suggest to you as well that
19 we may want to have another reason that has
20 to do with national security, and that's
21 that if we can train our students and
22 educate our students to have a wider world
23 view than we have in the past, those
24 students had certainly be better able to

1 contain and defeat the forces of
2 fundamentalism and -- here's a college
3 word -- atavism that threaten us on a
4 worldwide basis. And I thank you for that.
5 And thanks for listening to my little
6 speech.

7 CHAIRMAN FARRELL: Thank you.

8 CHAIRMAN KRUGER: Thank you,
9 Chancellor Goldstein, and the Goldstein
10 team.

11 CHANCELLOR GOLDSTEIN: Thank you.

12 CHAIRMAN KRUGER: I'm supposed to say
13 good morning, but it's actually good late in
14 the afternoon.

15 Hello, Ms. Magee, and thank you for
16 joining us today. We're ready. If you
17 could digress from your written statement,
18 summarize, and we'll make sure that this is
19 part of the record. Thank you.

20 ACTING PRESIDENT MAGEE: Absolutely.

21 Chairman Kruger, Chairman Farrell,
22 Senator Stavisky, Assemblywoman Glick, and
23 members of the Senate Finance and Assembly
24 Ways and Means Committees, thank you for the

1 opportunity to speak with you today about
2 the higher education financial aid programs
3 administered by the New York State Higher
4 Education Services Corporation and the
5 Governor's 2010-2011 Executive Budget
6 recommendations that address student
7 financial aid in New York State.

8 I am Elsa Magee, executive vice
9 president and acting president of HESC. And
10 I'm joined by senior members of our NYHELPS
11 team, Charles Treadwell and Aaron Pisacane.
12 You have before you our testimony, so I will
13 just very briefly speak to a few of our
14 financial aid programs and then turn to the
15 2010-2011 Executive Budget recommendations.

16 New York State has long been renowned
17 for its support for higher education. In
18 state fiscal year 2008-2009, HESC provided
19 \$4.6 billion in grants, loans, scholarships
20 and other awards to more than 650,000
21 students attending college in the state.
22 The centerpiece of New York's higher
23 education student financial aid programs
24 continues to be the Tuition Assistance

1 Program. The now 35-year-old TAP program
2 continues to be among the largest and most
3 generous need-based college grant programs
4 in the nation and remains the only true
5 need-based entitlement grant program, state
6 or federal, in the country. During
7 2008-2009, TAP awarded \$813 million to
8 375,000 students attending more than 260
9 colleges and universities in the state.

10 Complementing TAP are 18 other
11 HESC-administered scholarship, loan
12 forgiveness and special award programs that
13 awarded nearly \$52 million to an additional
14 46,000 students attending college in the
15 state in 2008-2009.

16 Thanks to your support with the April
17 2009 enactment of the New York Higher
18 Education Loan Program, New York students
19 and families can now avail themselves of the
20 first major new financial aid program in 35
21 years. NYHELPS is the only fixed-rate
22 private loan broadly available to New York
23 State students and families and is the only
24 private loan program that educates borrowers

1 before making the loan available to them.
2 We know of no other loan program with the
3 comprehensive approach to borrower education
4 that is integral to NYHELPS, and we are
5 receiving inquiries from many other states
6 with loan programs regarding our financial
7 literacy component of the program.

8 This year we're particularly pleased to
9 have completed our soft launch of the
10 state-sponsored program. In 2010-2011,
11 students and families will be able to
12 finance up to \$95 million in college costs
13 using these low-cost loans with fixed
14 interest rates of 7.55 percent,
15 8.25 percent, or 8.75 percent, depending on
16 their selected repayment option. This
17 represents a significant savings from
18 current market rates on private student
19 loans.

20 As the nation works through what will
21 likely be considered one of the first
22 financial crises in the country's history,
23 innovative programs like NYHELPS are needed
24 to help keep the doors to higher education

1 open to all New Yorkers and maintain a
2 highly educated workforce, which is key to
3 maintaining the economic strength in our
4 state.

5 Turning to the Governor's 2010-2011
6 budget recommendations, we recognize that
7 the proposals contained in this year's
8 budget reflect the difficult choices facing
9 the state as a result of the unprecedented
10 fiscal crisis. New York is facing a \$7.4
11 billion budget deficit and a long-term
12 structural deficit of \$60.8 billion over the
13 next five years. Education and healthcare
14 collectively make up over 50 percent of our
15 state spending, and it would be difficult to
16 close the deficit without addressing each of
17 these areas.

18 Consistent with other higher education
19 reforms, the student financial aid proposals
20 contained in the Executive Budget allow
21 students and families to prepare for
22 predictable and modest programmatic changes
23 while also containing costs.

24 Unquestionably, financial aid is

1 critically important for students and
2 families attending college. As the state's
3 administrator of New York's financial aid
4 programs, HESC stands ready to implement the
5 financial aid programs as approved by both
6 the Governor and the Legislature.

7 Thank you, and I welcome any questions
8 you have.

9 CHAIRMAN KRUGER: Thank you. Our
10 first question is by Senator Stavisky.

11 SENATOR STAVISKY: Yes, could you
12 come a little closer to the microphone?

13 CHAIRMAN KRUGER: That wasn't the
14 question.

15 (Laughter.)

16 SENATOR STAVISKY: That was a
17 question.

18 What is the current interest rate on
19 the New York loans now? When it was
20 projected, they said that the interest rates
21 for the students would fall to about
22 8.5 percent. What's been your experience?

23 ACTING PRESIDENT MAGEE: Our estimate
24 is the average rate will be 8.25 percent.

1 SENATOR STAVISKY: But what's been
2 your experience? You were helping
3 375,000 -- what was it? You said you've
4 been helping 375,000 students attending more
5 than 260 colleges. What's been the average
6 interest rate that the students have
7 received?

8 ACTING PRESIDENT MAGEE: That's
9 through the Tuition Assistance Program. And
10 the average award for those students is, I
11 believe, just under \$2800, \$2900.

12 SENATOR STAVISKY: No, what's the
13 interest rate that the students are paying
14 for the loans?

15 ACTING PRESIDENT MAGEE: The program
16 just was implemented this past December.
17 Only one loan has been dispersed so far, and
18 that interest rate was 7.55 percent.

19 SENATOR STAVISKY: Okay, thank you.
20 So you anticipate more students
21 participating, obviously.

22 ACTING PRESIDENT MAGEE: Yes. We
23 started a soft launch in December, knowing
24 that it was midyear and that students

1 typically receive their aid for a full
2 academic year. So the 2010-2011 year will
3 be the year that we look to really get the
4 students.

5 SENATOR STAVISKY: One last question.
6 If the state implements the differential
7 tuition policy, will you be able to -- will
8 that pose a problem to the issuance of
9 student loans?

10 ACTING PRESIDENT MAGEE: As far as
11 the loans, no, there will be no difference
12 in how we would administer it there versus a
13 set, standard tuition rate.

14 SENATOR STAVISKY: Thank you.

15 CHAIRMAN KRUGER: Thank you, Senator
16 Stavisky.

17 CHAIRMAN FARRELL: Assemblywoman
18 Glick.

19 ASSEMBLYWOMAN GLICK: I'll try to be
20 brief, but perhaps not quite that brief.
21 Kudos to Senator Stavisky.

22 As I've asked others, I'm wondering
23 whether HESC is currently relying on any
24 contracted temporary workers.

1 ACTING PRESIDENT MAGEE: No, we
2 have -- our FTE ceiling is 640 FTEs. We
3 have 11 temporary employees in our agency
4 and 15 contracted IT employees in our
5 agency.

6 ASSEMBLYWOMAN GLICK: Thank you.

7 The Academic Excellence Program and the
8 Math and Science Teaching Incentive Program
9 are being dropped. How many students wind
10 up being impacted by that, do you have any
11 idea? And some of these questions you may
12 not have an immediate answer, and I
13 understand that. But these are things I
14 want to have a handle on. So if you don't
15 know that, please take notes and get back to
16 us.

17 ACTING PRESIDENT MAGEE: No, that we
18 do have. There are about 7,000 students who
19 receive the Scholarships for Academic
20 Excellence award, and right now we're about
21 a hundred students who receive new awards
22 for the Math and Science Teacher Incentive
23 Program.

24 ASSEMBLYWOMAN GLICK: Do you envision

1 The Executive includes a proposal that
2 creates a third-party debt-collection
3 program. What's the purpose of that, and
4 what kinds of debts are we looking at? I
5 mean, is that just strictly for the existing
6 student loans that they may have, or is it
7 going to be part of NYHELPS?

8 ACTING PRESIDENT MAGEE: No, that
9 actually extends beyond the traditional role
10 that we play with student loans, and it
11 involves all of the uncollected nontaxed
12 debt owed to state agencies, whether they're
13 fees for licenses or other services that New
14 Yorkers have taken advantage of and were not
15 able to -- the agencies are unable to
16 collect the amounts that are owed to them on
17 their own.

18 ASSEMBLYWOMAN GLICK: So you're sort
19 of plugging in -- you're just a part of a
20 larger --

21 ACTING PRESIDENT MAGEE: Right.

22 ASSEMBLYWOMAN GLICK: It's not
23 specifically to the financial aid?

24 ACTING PRESIDENT MAGEE: Right.

1 ASSEMBLYWOMAN GLICK: I was under the
2 impression that there were some Article 7
3 language changes to NYHELPS. And I'm
4 wondering, since we're just starting, if you
5 could be a little bit clear about why there
6 were those changes. I would think that it
7 was as you were trying to organize going
8 forward that you came across some things
9 that you needed to have changed, and I'm
10 just wondering what they were and why.

11 ACTING PRESIDENT MAGEE: These were
12 all an outcome of the public hearings that
13 we held, both the one that we held and that
14 you held also in New York City, things that
15 we changed in our regulations but had to
16 clarify in statute.

17 For example, we reduced the maximum
18 interest rate from 25 percent to
19 16.25 percent in statute. We did that in
20 regulation, but we needed to be consistent
21 and do it in statute as well.

22 We also added specifically the economic
23 hardship forbearance in statute. And we
24 also offered now full forgiveness of loans

1 for members of the military who were
2 disabled or died while on active military
3 duty.

4 ASSEMBLYWOMAN GLICK: Very good.
5 Thank you very much.

6 There is a requirement around the use
7 of electronic signatures, and I guess some
8 question has been raised about why that was
9 needed. And I guess the concern was that
10 sometimes people don't actually get
11 notification of email. But then this would
12 seem to say it was electronically sent, you
13 got it, and maybe you did or you didn't.

14 So I'm wondering whether there was
15 something that was imposed on you because
16 it's a federal loan requirement piece, or is
17 this just something that you think makes it
18 more efficient that you seem to want to --

19 MR. PISACANE: It's common practice
20 now in student lending to use the electronic
21 signature process. And there are
22 third-party vendors where the protections
23 and fraud issues have been resolved. And I
24 think it's actually being used in the

1 federal loan program.

2 So it's just a way -- it's an
3 electronic world now, and paper apps are
4 really a thing of the past for the most
5 part. And signing a promissory note with
6 your signature is really not a large part of
7 student lending anymore, whether it's
8 federal loans or private loans. So it's
9 really -- the whole -- most of the borrower
10 experience is at the online level, and so
11 this just ties into that process.

12 ASSEMBLYWOMAN GLICK: Thank you.

13 And what do you think would be the
14 impact on TAP -- right now it has the \$5,000
15 ceiling -- as tuition were to slide above
16 that on the public side, with the notion of
17 allowing the schools to increase tuition and
18 increase it differentially? Do you envision
19 any problems in administering the program
20 because of that?

21 ACTING PRESIDENT MAGEE: If there's
22 an authorization to increase TAP along with
23 the increases above \$5,000 --

24 ASSEMBLYWOMAN GLICK: Well, if we

1 has recommended a new program for TAP that
2 would make TAP available for students who
3 attend non-for-profit institutions that are
4 not directly supervised by SED. It's not
5 the first time it's been thought of and
6 proposed. But you are losing about, I think
7 in these ancillary programs, about \$18
8 million worth of financial aid made
9 available, and this was costed out about
10 \$12.5 million.

11 Are there any difficulties in gearing
12 up -- you're reducing some over here, you're
13 creating a new program. How are you going
14 to go about that, if it were to deemed not
15 to be unconstitutionally barred?

16 ACTING PRESIDENT MAGEE:

17 Administratively, these are schools that we
18 don't have established relationships with,
19 so administratively we would have to reach
20 out to the financial aid directors at these
21 institutions. We estimate there are 43 of
22 them and that it would be just under 5,000
23 students potentially brought in under the
24 proposal. But it would administratively

1 increase our workload just because we now
2 have to reach out to additional
3 institutions --

4 SENATOR KRUEGER: Could I ask you to
5 speak up? Because I'm very interested in
6 this answer also.

7 ACTING PRESIDENT MAGEE: I'm sorry.

8 SENATOR KRUEGER: Sorry.

9 ASSEMBLYWOMAN GLICK: So these would
10 be -- I think you said that there were --
11 did you say 43?

12 ACTING PRESIDENT MAGEE: That we
13 estimate 43 institutions that would be
14 brought in that are not currently in the
15 program now.

16 ASSEMBLYWOMAN GLICK: Since they
17 would not have had any relationship, would
18 that require training from your staff to
19 staff at the school? I mean, I'm not sure
20 how -- when you would be first starting
21 that, what would be involved.

22 ACTING PRESIDENT MAGEE: Well, I
23 would have to bring someone from our IT
24 office to speak to the integration of the

1 systems.

2 But we do have available online manuals
3 for school financial aid officers to review
4 so that they can see what the process
5 entails. We also have our 1-800 number
6 specifically designed for school financial
7 aid officers that they can contact us with
8 questions. So the number of calls would
9 increase, and there would be the IT
10 involvement as well.

11 ASSEMBLYWOMAN GLICK: And the
12 increased volume of processing
13 applications -- I think you roughly
14 estimated it at 25,000 students, did you
15 say?

16 ACTING PRESIDENT MAGEE: No, I'm
17 sorry, just under 5,000 students.

18 ASSEMBLYWOMAN GLICK: Oh, under 5,000
19 students. What kind of impact would that
20 have on your processing time?

21 ACTING PRESIDENT MAGEE: Right now we
22 have 375,000 students who receive TAP now,
23 so it's a relatively small portion. And
24 again, we've done everything online, as if

1 they're -- these schools are Pell-eligible,
2 so as they're applying for their federal
3 aid, they can go right to complete their New
4 York State Tuition Assistance application
5 right online as well.

6 ASSEMBLYWOMAN GLICK: Thank you.

7 CHAIRMAN FARRELL: Senator?

8 SENATOR KRUEGER: Thank you. I have
9 some questions for you following up on
10 Assemblymember Glick's questions about the
11 new TAP program to go to, I guess, religious
12 institutions that specifically are not
13 overseen by SED or the state or HESC.

14 The Governor has a series of additional
15 changes in TAP -- which I don't necessarily
16 support -- where we're cutting TAP aid for
17 graduate study and we're limiting whether
18 you can get TAP and for how much depending
19 on how many classes you take per semester
20 and what your grade-point average is and a
21 maximum number of years you could get TAP,
22 et cetera.

23 How will we apply these same standards
24 to a group of institutions who don't

1 necessarily provide degrees the way we
2 define degrees in our other institutions?
3 So for example, if you already have a
4 bachelor degree from some other institution,
5 I'm assuming you would not be eligible for
6 this new TAP? If I had a bachelor degree,
7 say from SUNY or CUNY, and now I was going
8 to a nonaccredited religious institution,
9 I'm assuming I couldn't be eligible for TAP
10 through that program; is that correct?

11 ACTING PRESIDENT MAGEE: If you fully
12 utilized your TAP eligibility while pursuing
13 your undergraduate --

14 SENATOR KRUEGER: Whether or not you
15 used it undergrad, it would be technically a
16 post-bachelor program because you already
17 had a bachelor. Right?

18 ACTING PRESIDENT MAGEE: Yes. It's
19 not for graduate programs, it is
20 undergraduate study only.

21 SENATOR KRUEGER: And would there be
22 a limit on the number of years you could
23 attend such a nondegree program?

24 ACTING PRESIDENT MAGEE: They're held

1 to all of the same limitations as other
2 TAP-eligible students are currently. So
3 yes, the number of semesters that you're
4 eligible for the award is consistent with
5 the current law.

6 SENATOR KRUEGER: So, again, you have
7 to sort of look and be set up like the
8 programs that we do recognize currently
9 under TAP under this program?

10 ACTING PRESIDENT MAGEE: Yes. And
11 they are Pell-eligible, so they do have to
12 meet some federal requirements as well for
13 the programs.

14 SENATOR KRUEGER: Shifting back to
15 the student loan discussion, Senator
16 Stavisky asked what the average interest
17 rate on a state loan is, and you pointed out
18 you've only done one, so there's no
19 statistical relevance. Right?

20 Well, when the state created the
21 program last year, the argument that was
22 made was that our students couldn't get
23 competitive loans in the existing higher
24 education loan system, either the federal

1 program and/or the private. What's the
2 interest rates in those programs? Do we
3 still think that this state program is going
4 to be cheaper for students than what else is
5 out there?

6 ACTING PRESIDENT MAGEE: Again, we're
7 not competing with the federal student loan
8 program. Those are -- they offer the best
9 interest rates. And as part of the program
10 we require that students apply for and
11 exhaust all available federal student aid
12 and TAP and other free aid that they have
13 before they can apply for a NYHELPS loan.
14 Then we also require that they take a
15 financial literacy course before they can
16 get this loan. We will not provide them a
17 loan if they haven't taken those steps in
18 advance.

19 What we feel that we offer -- and we do
20 offer a lower interest rate -- is from other
21 alternative loans. So if they want to get a
22 Sallie Mae loan -- and these always tend to
23 be variable-interest-rate loans, so they may
24 start off with a very low interest rate

1 which someone will gravitate to, but over
2 the course of the 20 years that they're
3 paying off the loan, the interest rate is
4 going to spike. And we know we're at
5 historical lows with rates right now, so
6 they're only going to go up.

7 So offering a fixed-rate 7.55 percent
8 loan or a fixed 8.25 percent interest-rate
9 loan is a cheaper alternative for them
10 ultimately. And we know that we've also
11 educated them on what it is that they're
12 doing by incurring this debt.

13 SENATOR KRUEGER: Thank you. And one
14 final question. Last year the budget
15 provided you \$5 million for administering
16 this new program. And you're asking for an
17 additional five this year. Did you spend
18 the \$5 million from last year?

19 ACTING PRESIDENT MAGEE: Well, it was
20 a \$5 million dry appropriation. It's funded
21 completely from a portion of the proceeds
22 from the bond sales. So we have available
23 to us roughly \$375,000 this year for that,
24 which we are using to support the

1 implementation of the financial aid
2 component of the program.

3 SENATOR KRUEGER: Thank you very
4 much.

5 SENATOR FOLEY: I have a question.

6 SENATOR KRUEGER: Senator Foley.

7 SENATOR FOLEY: Thank you for your
8 testimony. Being a new member in the
9 Senate, it's my understanding that your
10 corporation is not so much in policy as it
11 is in administration of policy that's been
12 agreed to.

13 ACTING PRESIDENT MAGEE: Yes.

14 SENATOR FOLEY: So in that vein, you
15 mentioned earlier about the soft launch of
16 the New York Higher Education Loan Program,
17 correct?

18 How do we intend to, since we're going
19 to move this now into -- to use a
20 transportation term -- second, third or
21 fourth gear, how do we intend to publicize
22 this program going into the springtime when
23 students and families are making decisions
24 about where they're going to college next

1 year? Can you speak a little bit about
2 that? Whether it's either a marketing or a
3 publicity campaign, how are we going to
4 educate and inform the public about this new
5 program?

6 ACTING PRESIDENT MAGEE: Yes, we are
7 approaching working with the Division of the
8 Budget right now to get funding specifically
9 for marketing, because we do recognize that
10 there's a window of opportunity.

11 And I will ask Aaron Pisacane to speak
12 further to the plan that we are putting
13 together.

14 SENATOR FOLEY: Please.

15 MR. PISACANE: It's really a
16 three-part plan, based on what the
17 Connecticut state program does, who I speak
18 to on a frequent basis, what Maine does, and
19 what some other states that I've been
20 involved in in the past that I'm aware of.

21 So there's the school marketing
22 component, which is limited because of the
23 new laws in place. But within, you know,
24 the current legal structure, we're going to

1 market to the schools and work with each
2 school on how they provide information on
3 the number of available private loan
4 programs. So that's the school approach.

5 The second approach is mass media.
6 That's budget-driven. And we're working
7 with an outside agency to figure out how
8 best to use those dollars.

9 And the third approach is at the high
10 school level. We're going to contact all
11 public and private high schools at the
12 guidance counselors and send them
13 information via email so that they have
14 information that they can pass to their high
15 school students.

16 So everything that we're looking to do,
17 we're looking to emulate other programs.

18 SENATOR FOLEY: And just as a quick
19 follow-up through the chair, if you could
20 send to the chair and to the members here a
21 copy of this three-pronged approach.

22 And let me just finish with this
23 question. You say you've spoken with the
24 DOB about putting together a budget or a

1 proposal for a budget. What is the budget
2 amount that you're looking for, how did you
3 arrive at that, and how do you intend to
4 work with whatever monies are, let's say,
5 granted through DOB? But how much have you
6 asked for? And then how would you, let's
7 say, parcel that out as part of your
8 three-phase approach to this publicity
9 campaign?

10 ACTING PRESIDENT MAGEE: Well, what
11 we've done is looked at, again, the
12 penetration levels of -- our communications
13 director spoke with the other state
14 agencies --

15 SENATOR FOLEY: What have you asked
16 for? What's the funding level?

17 ACTING PRESIDENT MAGEE: \$2.5
18 million.

19 SENATOR FOLEY: And how long ago was
20 that requested?

21 ACTING PRESIDENT MAGEE: Just last
22 week. So we've just begun the discussions
23 about that.

24 SENATOR FOLEY: And a decision would

1 have to be made by when in order for you to
2 effectively carry out this awareness
3 program?

4 ACTING PRESIDENT MAGEE: Well, we're
5 looking to really penetrate the market in
6 May, June, July.

7 SENATOR FOLEY: And so you need a
8 decision from DOB by when in order to
9 implement the program?

10 ACTING PRESIDENT MAGEE: Well, we
11 have one other barrier, which is the
12 contracting process. Because we would have
13 to issue an RFP. So even with --

14 SENATOR FOLEY: Sure. So put all
15 that together, okay -- I used to manage a
16 certain level of government. So working
17 back from the point that you want to start
18 the program, working back, when would you
19 want to have the contract in place? Prior
20 to that, when would you need to have the
21 money in place? Two weeks from now, a month
22 and a half from now?

23 This is not a policy question, it's an
24 administrative question, which I'm sure

1 you'll be able to answer. So how is that
2 going to work? What's the timeline, in
3 other words?

4 ACTING PRESIDENT MAGEE: We would
5 look by early March to have everything in
6 place to begin proceeding to implement this
7 by that time period.

8 SENATOR FOLEY: And that's a
9 practical timeline you believe that you'd be
10 able to meet?

11 ACTING PRESIDENT MAGEE: We have
12 spoken -- you know, we work with SONYMA,
13 we've spoken with SONYMA, we've spoken with
14 the appropriate people at Budget, and then
15 we'll be working with the Governor's office.

16 SENATOR FOLEY: Very good. Okay,
17 thank you. If we can be of any assistance
18 with that, we'd be more than happy to help
19 as well, because it's going to help our
20 students who live in each of our respective
21 districts.

22 Thank you. Thank you, Madam Chair.

23 MR. PISACANE: Senator Foley, let me
24 just add one point.

1 SENATOR FOLEY: Yes.

2 MR. PISACANE: Really, the school
3 marketing and high school counselor
4 marketing will cost little money, if
5 anything. The mass media marketing is
6 really unique. The Connecticut program
7 advertises in, you know, various newspapers
8 and so forth. But that's not a -- you know,
9 that's the third part of the program. The
10 program will be successful with the other
11 two, it would just enhance the awareness for
12 New York residents.

13 SENATOR FOLEY: Good. Thank you.

14 SENATOR KRUEGER: Thank you very
15 much.

16 CHAIRMAN FARRELL: Thank you very
17 much.

18 SENATOR KRUEGER: Our next testifier
19 is Dr. David Steiner, commissioner of the
20 Department of Education.

21 Good afternoon. Welcome. And when
22 you're ready.

23 COMMISSIONER STEINER: Thank you very
24 much. Good afternoon, Senator Carl Kruger,

1 Assemblyman Farrell, Senator Krueger,
2 Senator Stavisky, Assemblywoman Glick, and
3 members of the Senate Finance, Assembly Ways
4 and Means, and Senate and Assembly Higher
5 Education Committees. Thank you for this
6 opportunity to appear before you to discuss
7 the Executive's budget proposals for higher
8 education and the professions.

9 Let me begin by saying that the
10 University of the State of New York has a
11 new leadership team. As you know, the
12 chancellor, the vice chancellor, my senior
13 deputy -- who I'll introduce in a moment --
14 and I are new in our positions. And I look
15 forward to working with you in the months
16 and years ahead.

17 It's my pleasure to introduce my staff.
18 On my far left is the new senior deputy for
19 P-12, and that is John King. Then I think
20 someone you know, Joe Frey, who is the
21 deputy commissioner for higher education.
22 Frank Munoz, on my right, deputy
23 commissioner for the professions. And Terry
24 Savo, deputy commissioner for operation and

1 management services.

2 I'd like to briefly lay out our
3 priorities and comment a little bit on how
4 the Executive Budget affects higher
5 education and the professions. But I do so
6 in full knowledge of our difficult times, of
7 how the economic downturn is affecting us
8 all. It is a tough time. It's a tough time
9 to make the critical investments we have to
10 make in higher education. But there is no
11 more important time to make those
12 investments.

13 Let me begin by thanking you for your
14 support in past years and ask you to support
15 the Executive's proposal in a number of key
16 areas. First, their proposal would allow
17 the Office of Professions to continue to
18 stabilize and reestablish its
19 self-supporting operations, enabling us to
20 better regulate the licensed professions and
21 protect the public.

22 Second, your continued support of the
23 Educational Opportunity Program, some of
24 which you were just hearing about; in higher

1 education, investment in the "Smart
2 Scholars" Early College High School Program
3 and the other vital programs that open up
4 our colleges and universities for our young
5 people.

6 When I appear at the Education budget
7 hearing next Tuesday, I will of course also
8 speak about P-12, VESID, cultural education,
9 and department operations.

10 Let me add that as you deliberate as a
11 whole on the budget, I would ask that you
12 remember and put front and center your
13 historic reform enacted in 2007 when you
14 established a new, fair and balanced
15 foundational aid formula. I will get into
16 much more detail about this at the budget
17 hearing next Tuesday, but would want to urge
18 you not to let that formula go. It was
19 10 years of your extraordinary work that
20 brought us to that historic point.

21 Let me take you now to your first
22 slide, page 2. I will not, you'll be
23 grateful to learn, read the slides. I find
24 nothing more irritating than having text in

1 front of you and have somebody read it to
2 you. So I'm just going to comment briefly,
3 if I may, on each of these slides before
4 you.

5 I don't need to tell you, I think, that
6 New York, uniquely among all the states of
7 the country, has an extraordinarily
8 interconnected network of educational
9 services under the guidance of Board of
10 Regents. The University of the State of New
11 York encompasses all secondary and higher
12 education institutions, libraries, museums,
13 schools, cultural education institutions,
14 and other educational institutions. USNY
15 provides an incredible opportunity to
16 mobilize a large number of institutions to
17 increase student achievement and graduation
18 and narrow the tragic achievement gaps.
19 Some of the details, the numbers, are in
20 front of you are on your slide, and I'd be
21 delighted to speak more about them should
22 you be interested in doing so.

23 Your next slide talks about our broad
24 vision, the Regents' vision, for educational

1 reform. It really is a reform focused on
2 college and career readiness for all of our
3 students. We need a fully integrated P-16
4 education system that will ensure alignment
5 between our curriculum, our assessments, and
6 our teacher preparation. No one of those
7 factors can exist alone.

8 We must place teachers in classrooms
9 with the knowledge and skills to help all
10 students succeed. We must make sure they're
11 effective before we put them in the
12 classroom.

13 We must prepare school leaders to be
14 effective instructional leaders to impact
15 teaching and learning. The same thing
16 applies; they shouldn't be in a school if
17 they haven't shown those skills.

18 We must ensure that schools that have
19 failed students for decades not be allowed
20 to continue to do so in the future.

21 And finally, we owe it to all of our
22 citizens to have complete transparent data
23 on our efforts, the success or failure of
24 those efforts, to educate all of our

1 students in the way that we must. This is
2 not a two-minute drill. And we can talk in
3 more detail about some of the problems we
4 face in getting to those crucial ends.

5 On Slide 4, we speak about higher
6 education explicitly. I want to thank you
7 for your continued investment in higher
8 education and the professions. You're one
9 of only 13 states that did not cut support
10 for higher education in 2009-2010 below the
11 previous year's level. The investment in
12 higher education has been critically
13 important to our low-income students, to
14 ensure they have access to quality higher
15 education in New York State.

16 It's a fact that's been spoken of today
17 earlier by some of those who testified that
18 higher education is critical to our economic
19 development. It is, I think, more critical
20 than it ever has been before. In 2002, a
21 person with a baccalaureate degree had twice
22 the lifetime earnings of a high school
23 dropout. By 2008, just six years later,
24 that gap had widened to

1 two-and-one-half-times the dropout earnings.

2 New Yorkers understand this. This
3 year, enrollment is up at both graduate and
4 undergraduate levels in all sectors as our
5 citizens seek to improve their prospects
6 through higher education.

7 For the professions, the 15 percent
8 surcharge in registration fees that you
9 bravely approved last year lays the
10 groundwork for maintaining critical services
11 and oversight of professional conduct to
12 support professionals and to continue
13 protecting the public. My senior staff in
14 this area has never served more
15 professionals than they do today.

16 Below in your slide you see a snapshot
17 of some of the data that I was referring to.

18 The next slide speaks of our Office of
19 Higher Education and some of the efforts of
20 my colleagues. Their fundamental mission is
21 to ensure the maintenance of access to
22 high-quality education. They ensure the
23 high academic quality of all programs of
24 study. They help create greater access to

1 higher education for underserved
2 populations. And they certify over 22,000
3 teachers a year to improve teaching and
4 learning.

5 To protect our students, the office
6 screened over 90,000 individuals seeking
7 employment in schools and denied clearance
8 to almost 400 of them because of serious
9 crimes. The department investigates
10 in-service educators of whose moral behavior
11 complaints have been received. Again, you
12 have full details in the slide in front of
13 you -- and again, always happy to go back to
14 any of the facts that stick out for you.

15 The next slide speaks of the return on
16 the investment that you approved and made
17 possible. It is a success story. It's not
18 enough, but it is important to point out
19 that we've made progress. Including
20 students who receive degrees at their
21 initial institution and those transferring
22 to a different New York State institution,
23 73 percent complete a baccalaureate degree
24 in six years. That's up from 70 percent

1 five years ago.

2 More impressive, perhaps, the
3 participation and graduation of black and
4 Hispanic students has improved strongly over
5 the last five years. Their rates grew by
6 five to six percentage points, versus 2
7 percent for the other students. Therefore,
8 the gap has narrowed.

9 We have seen the enrollment of
10 significantly more students with
11 disabilities in New York's higher education
12 institutions. In the last five years, the
13 number enrolling in baccalaureate programs
14 grew by nearly 30 percent, from 2,000 to
15 almost 2,600. Their graduation rates grew
16 from 59 percent in 2004 to 64 percent in
17 2008. Your continuing investment in higher
18 education, frankly, is the prime reason why
19 these numbers can continue to rise.

20 You've heard quite a lot this morning
21 about the issues of high school and the
22 problems of the pipeline between high school
23 and college, and I think we may come back to
24 that in your questions. The Regents support

1 the Executive's proposal to invest in our
2 "Smart Scholars" Early College High School
3 Programs. Early college programs have
4 proven very successful in working with
5 students who historically may not have
6 thought of attending college. They allow
7 high school students to graduates from high
8 school with up to two years of college
9 credit already completed. A 2007 study
10 found that their students were more likely
11 than other students to finish high school
12 and go to college.

13 We ask that you support the
14 recommendation for \$6 million to match the
15 Gates Foundation's investment in the Smart
16 Scholars program. There are other details
17 on your slide of other important programs
18 that support our high school students moving
19 into college.

20 The slide also indicates something of
21 the size of our problem. We simply do not
22 succeed in getting enough students to
23 graduate from high school. The figures are
24 not good when we look at them in an

1 integrated way: Nearly three in 10 don't
2 graduate. They're much more tragic if we
3 take that apart and look at some of our
4 subgroups.

5 This is in many ways a responsibility
6 that I have taken on. We cannot continue to
7 create this kind of broken pipeline if we're
8 going to serve all of our students in this
9 state.

10 The next slide talks about some of the
11 other important programs that will help.
12 The Executive Budget continues to invest in
13 the Science and Technology Entry Program,
14 known as STEP; the Liberty Partnerships
15 Programs, LPP, which are important to our
16 efforts to improve high school graduation
17 and college entry; as well as our Higher
18 Educational Opportunity Programs that open
19 up college to many people who would
20 otherwise not have the financial ability to
21 reach college. They include the Higher
22 Education Opportunity Program, SEEK -- which
23 I saw firsthand -- and the College Discovery
24 Program at CUNY and the Educational

1 Opportunity Program at SUNY.

2 In 2007-2008, to give you one example,
3 88 percent of STEP program graduates
4 enrolled in college in New York State, with
5 63 percent majoring in a science, math, or
6 technology major. Of the Liberty
7 Partnership Program graduates, 83 percent
8 entered college or the workforce.

9 To speak of college is also to speak of
10 making it accessible and affordable. New
11 York ranks fifth in the nation in the
12 percentage of low-income students attending
13 college. The TAP program is the best state
14 need-based grant program in the nation. New
15 York needs to continue to keep TAP strong in
16 order to create access for all students.

17 Even after TAP and Pell grants,
18 institutional aid and family contributions,
19 many students will leave college with
20 significant debt. We believe that New York
21 State must maintain a strong TAP program for
22 the benefit of all students in our state.

23 We also need to continue support for
24 the new New York Higher Education Loan

1 Program to give college students access to
2 affordable loans. SUNY and CUNY
3 undergraduate tuition and fees continue to
4 be \$500 and \$2,000, respectively, below the
5 national average of \$6,446. That is an
6 important point about access. We can talk a
7 little bit later about the issues that came
8 before you this morning in that regard.

9 Our community colleges have
10 historically been the portal to higher
11 education for many New Yorkers who never
12 expected to go to college. Often years out
13 of school, many of them need additional
14 support to succeed in college-level work.
15 Supporting these New Yorkers with the
16 assistance they need is critical, and we ask
17 for your continued support of community
18 colleges.

19 Finally, I urge you to provide
20 sufficient resources to support an
21 appropriate number of full-time faculty at
22 SUNY and CUNY to attract students to our
23 public universities.

24 If I may, on a personal note, as I

1 believe in his kind remarks Chancellor
2 Goldstein referred to this morning, I had
3 the privilege of coming to this position
4 having been at Hunter College, part of the
5 City University of New York. I saw
6 firsthand both the extraordinary quality of
7 education that we offered to those students
8 and some of the challenges that those
9 students faced. Ninety-nine percent of my
10 student educators -- these are the folks who
11 will go on to be teachers -- were working
12 during the day, coming to us late in the
13 evening, trying to combine full careers with
14 learning how to be teachers. They were
15 often facing very, very difficult
16 circumstances. We lost a fair percentage of
17 them, for example, when they had to do their
18 student teaching, because they could not
19 afford to give up the jobs to take on that
20 critical responsibility. These are the
21 realities that we face.

22 Let me turn now to the Office of the
23 Professions. Professional licensees impact
24 the health and safety of all New Yorkers.

1 Thanks to the critical work that you have
2 done and the Regents have done, there's a
3 seamless connection between professions and
4 education. To put it bluntly, the
5 professions need children to become the
6 licensees of tomorrow, and children need to
7 see the opportunities that the professional
8 careers offer to them.

9 Professionals impact the health and the
10 safety of all New Yorkers and play a
11 critical role in our economy. Today, SED
12 licenses, registers, and occasionally has to
13 discipline 800,000 practitioners in 48
14 professions. To carry out that growing
15 responsibility, 156,000 new licenses in the
16 last decade, we have to have, of course,
17 sufficient staff and technology. We are
18 deeply grateful for your support for the
19 work of this office by passing the fee bill
20 during a very difficult time. A start has
21 been made, thanks to that support, in
22 replacing lost staff and reestablishing our
23 fundamental capacity and our technology to
24 implement such things as the CPA and illegal

1 practice laws. We especially appreciate the
2 time and effort of you, Assemblyperson
3 Glick, Senator Stavisky, and the members of
4 your respective committees, working with us
5 on these new rules.

6 We are focused all the time on
7 improving the efficiency and the handling of
8 our professional discipline cases. And your
9 next slide, Slide 11, speaks to those
10 efforts. We are working to upgrade all our
11 technology, with specific attention to our
12 website. We will continue to implement the
13 CPA law, the pharmacy immunization law, and
14 the social work law.

15 On Slide 12 we give you some of the
16 data involved. We effectively process
17 applications, investigate and adjudicate
18 professional misconduct, inspect pharmacies,
19 review professional education programs, and
20 we respond to basically about a million
21 emails and telephone calls a year from the
22 public and licensees.

23 We provide direction and guidance to
24 the field on matters of practice, and that

1 depends on our being ahead of the curve on
2 the regulations as they evolve so rapidly.

3 Finally, on your last slide, I want to
4 mention the social work law that was a
5 source of discussion last year in the higher
6 education committees in both houses. You
7 extended the exemption of certain state
8 agency staff who provide mental health
9 services from the requirement to be
10 licensed. This allows us time to address
11 the issue more fully. We look forward to
12 working with you and your colleagues to make
13 sure that the extension addresses corporate
14 practice and licensing standards.

15 As you know, this is my first testimony
16 before you. I look forward very much to
17 your questions. I will answer them to the
18 best of my ability. I'm supported by my
19 senior staff. Let me close by saying that
20 there has never been a time when access to
21 higher education, to quality higher
22 education, is more important to the citizens
23 of our state. The investments that you make
24 today will continue to pay us all back in

1 terms of human opportunity, economic
2 opportunity, and the health and well-being
3 of our fellow citizens.

4 Thank you so much.

5 CHAIRMAN KRUGER: Thank you very
6 much, Commissioner.

7 At this point we have a few questions
8 by the chair of our Higher Education
9 Committee, Toby Stavisky.

10 SENATOR STAVISKY: Thank you.

11 Thank you, and welcome.

12 COMMISSIONER STEINER: Thank you.

13 SENATOR STAVISKY: The second one
14 will be easier.

15 On page 13 of your slide presentation,
16 you talked about the four-year extension
17 that the Governor has in his Article 7
18 language part of the budget. What is the
19 State Education Department doing to resolve
20 this? I would like to see it resolved
21 before the four-year period. And in fact,
22 as I recall, last year the time frame was
23 shortened for the budget.

24 How can you resolve that issue of the

1 licensure in a more expeditious manner?

2 COMMISSIONER STEINER: Let me begin
3 and then ask, if I may, my colleague to
4 respond more fully.

5 We certainly support the extension,
6 first of all. But we would argue that other
7 interrelated issues, including corporate
8 practices, forgiveness for good-faith
9 experience, considerations of alternatives
10 to restrictive licensing standards, should
11 be look at simultaneously with extension.
12 So we're looking at the extension plus the
13 aspects that go with it.

14 SENATOR STAVISKY: We've had many,
15 many years, though. This is not a new
16 issue.

17 DEP. COMMISSIONER MUNOZ: Senator,
18 we -- as you know -- have tried to work with
19 the Executive and your staff and the
20 Legislature and all of the interested
21 parties. I think that the extension of the
22 exemption addresses the needs of state
23 agencies who for any number of reasons
24 simply were not prepared on day one to have

1 those important mental health services --
2 that have been provided by those agencies
3 for many, many decades -- provided only by
4 licensees. And so in some respects there is
5 a need for a continued transition.

6 In addition to that, the exemption that
7 was initially in the law did not cover all
8 the agencies. That exemption only --

9 SENATOR STAVISKY: That's correct.
10 OMRDD.

11 DEP. COMMISSIONER MUNOZ: Right,
12 OMRDD. It was the Office of Mental Hygiene.

13 We are trying desperately to merge all
14 of the issues. And we thank you for your
15 serious consideration last year of that bill
16 that would have addressed a short-term
17 extension of the exemption, that would have
18 addressed the very serious corporate
19 practice prohibitions that are impacting
20 many mental health providers in communities
21 throughout the state that, before the law
22 was passed, were able to provide mental
23 health services but now they are technically
24 practicing illegally.

1 Individuals who practice in those
2 settings and get experience in those
3 settings cannot be licensed. And we have a
4 thousand licenses pending.

5 In addition to that, we think that the
6 licensing standards that require 100 percent
7 of three years of experience are simply too
8 stringent.

9 So the short answer to your question,
10 Senator, is that we continue to try to have
11 discussions with all of the stakeholders,
12 and we are hopeful that the legislation and
13 the bill that you were seriously considering
14 last year will be taken up again.

15 SENATOR STAVISKY: Do you see the
16 other agencies dragging their feet? Or
17 what's the problem?

18 DEP. COMMISSIONER MUNOZ: I don't
19 think that the other agencies are dragging
20 their feet.

21 I think that what is happening is that
22 the other agencies have to confront a number
23 of changing circumstances, one of which is
24 the requirements of Medicaid reimbursements.

1 seriously consider the alternative of having
2 those providers register with us, with the
3 Education Department, and therefore
4 overcoming the corporate practice
5 prohibition.

6 SENATOR STAVISKY: Yeah, because the
7 corporate practice question is what . . .

8 A totally different -- well, not really
9 a different issue, but continuing with the
10 Office of the Professions, last year, as you
11 know, Assemblywoman Glick and I sponsored
12 legislation to increase the fees for the
13 Office of the Professions by 15 percent,
14 with the idea that the money would be going
15 into a separate, segregated fund in SED.
16 What's the status? What's happening?
17 You're collecting the money.

18 COMMISSIONER STEINER: Right. My
19 understanding is that we have our first 12
20 waivers approved, which would directly be
21 using the funds that you made possible. We
22 have a list of 51 -- is that correct -- 51
23 requests that we have prioritized, so that
24 the first 12, in priority order, have been

1 approved. That's where we are at the
2 current moment.

3 SENATOR STAVISKY: And has the
4 Division of the Budget presented any
5 problems in your executing this new
6 provision?

7 COMMISSIONER STEINER: I've had one
8 conversation there, and they assured me that
9 this would be moving forward. As I say, I
10 believe the first dozen were approved last
11 week.

12 SENATOR STAVISKY: So it's moving
13 along.

14 COMMISSIONER STEINER: It's moving.
15 It's moving.

16 SENATOR STAVISKY: What has been the
17 average amount of time needed to obtain a
18 licensure from the Office of the
19 Professions?

20 DEP. COMMISSIONER MUNOZ: That
21 varies. Many professions don't have an
22 experience requirement. And so for those
23 professions where the experience does not
24 have to be evaluated, that that can simply

1 be a matter of having the documents
2 submitted, reviewed within our Division of
3 Professional Licensing Services. We have
4 lost 46 staff, so there has been an impact.
5 But for those professionals, I would say
6 within one or two weeks they will get a
7 license.

8 However, on the other side of the
9 spectrum, at one point we were licensing
10 engineers, including a complex in experience
11 review, within six weeks. That was up to 16
12 weeks several weeks ago because that office,
13 that board office, is at a 40 percent
14 staffing. But we have been able to again
15 improve those numbers. And one of the 12
16 items that was approved will go to the
17 engineering board.

18 SENATOR STAVISKY: In other words, as
19 I -- I think I spoke to you right after the
20 legislation was signed, and I suggested that
21 this not be used for salary increases and
22 job title changes, but to go right into the
23 Office of the Professions account.

24 I see you gave us productivity results

1 for 2009 on page 12. And really, my
2 question, what about 2008? Has there been
3 an improvement? Because I understood that
4 one point DOB was objecting to the hiring of
5 additional people. And you say that is
6 being resolved?

7 DEP. COMMISSIONER MUNOZ: I think the
8 numbers for 2008, in comparison, have
9 changed. We cannot tell you that, for
10 example, we are licensing more people within
11 a certain period of time, not when you start
12 less than 363 to 318. But they haven't
13 changed dramatically.

14 I think that the number of licensees
15 registered has gone down by 4,000 year to
16 year. I think the number of professional
17 discipline complaints investigated is about
18 level. I think that the number of licenses
19 granted through the individual review of
20 comparative education through a
21 nontraditional route, that has remained
22 level.

23 So the numbers have not improved, but
24 they have not declined. Which we think is a

1 good sign, especially given the staffing and
2 the fact that we still don't have our
3 technology package.

4 COMMISSIONER STEINER: I would
5 just -- I am looking at the numbers right
6 now. New licenses issued within 2000, the
7 number 4,644. The new registration
8 processed from 256,000 to 252,000.
9 Pharmacies -- manufacturers, repackagers,
10 wholesalers -- registered is actually up,
11 from 6500 to 6800. And all of the other
12 numbers -- the pharmacy, the disciplinary
13 investigations, the professional education
14 program reviews, and the individual
15 reviews -- are all almost exactly equal.

16 SENATOR STAVISKY: Thank you.
17 Because that was -- the impetus came from
18 the professions. And how often do you see
19 groups coming to the Legislature and saying
20 "Tax us"?

21 COMMISSIONER STEINER: I would also
22 like to say that the processing of teacher
23 licenses, fortunately, now 96 percent of
24 those are online. So that has made a very

1 big difference.

2 SENATOR STAVISKY: Last question. In
3 your presentation you spoke about
4 strengthening, on page 7, the high
5 school-college connection. And I raised
6 this issue with Chancellor Goldstein
7 earlier, because I find it very troubling
8 that 75 percent of the young people at our
9 CUNY community colleges need remediation.

10 COMMISSIONER STEINER: Let me speak
11 about this, it's such a crucial issue. Let
12 me give you an image of building a tunnel
13 from two ends with no compass. That's what
14 we've done in P-16 education.

15 We have built a curriculum from the
16 ground up. We never did a vertical backward
17 integration with conversations with our
18 college faculty, our community college, our
19 high school, middle school, elementary
20 school. We never had that integrated
21 planning. And as a result, we're simply
22 missing each other.

23 Students who do well on the Regents
24 exams in too many high numbers are simply

1 not ready for college work. Our
2 assessments, which we are doing immediate
3 work on -- and we can come back to that.
4 But if you imagine the difference between
5 filling out bubbles and very short, very
6 short open response questions, and then
7 suddenly you're facing the demand to do
8 serious essays under pressure -- and you've
9 never been evaluated at a high-stakes level
10 on that work -- you've got a problem.

11 Fields like biology, biological
12 sciences, change rapidly at the university
13 level, and we haven't stayed apace in our
14 earlier preparation. So we've got a broken
15 pipeline. At Hunter, when we looked at this
16 in some detail in biology, we actually saw
17 that the curriculums were not aligned.

18 So part of the challenge is the
19 misalignment. Part of the challenge is that
20 for good historical reasons in this country
21 we've been very skeptical about uniform
22 practices in education. We've left a lot of
23 sovereignty to our districts, to our local
24 schools.

1 The difficulty is that mathematics is
2 mathematics. And it's not very clear to me
3 what we gain as a state by having 700-plus
4 curriculums in mathematics. Our curriculum
5 frameworks are supposed to create a certain
6 amount of consistency. The problem is that
7 they themselves are inconsistent. Some of
8 them are quite prescriptive, and some of
9 them are less so. Some of them are
10 detailed, some of them are not. And even
11 within the same subject year by year.

12 One of the things I'm delighted to say
13 about the recent work we've done with the
14 Regents is they have supported strongly the
15 idea of moving to clear, sequential,
16 content-rich curriculum frameworks for the
17 whole state. And I have to say that as I've
18 travel throughout the state, almost
19 everybody I've spoken to -- teachers,
20 principals, parents -- are in favor of this
21 work.

22 Until we get real curriculum,
23 sequential curriculum that is vertically
24 linked to the college, we can't train

1 teachers properly to teach that curriculum.
2 You can't train teachers to teach a
3 curriculum that you don't have. It's kind
4 of fundamental. And you can't construct
5 good assessments unless you have good
6 curriculum to build those assessments on.

7 So these are crucial pieces that have
8 frankly been somewhat fragmented. And we
9 need to do an enormous amount of work very
10 quickly to get this system to be one that
11 actually takes students from their early
12 grade levels into college.

13 SENATOR STAVISKY: And that is the
14 new curriculum, the new advances that you
15 and Chancellor Tisch have been --

16 COMMISSIONER STEINER: That's right.
17 As you may know, there is a movement right
18 now --

19 SENATOR STAVISKY: Oh, I've read it.

20 COMMISSIONER STEINER: -- on national
21 standards, core curriculum standards.

22 SENATOR STAVISKY: That is such an
23 important part of the "Race to the Top"
24 also.

1 COMMISSIONER STEINER: Yes,
2 absolutely.

3 I would make one point about "Race to
4 the Top" and why I've always said, in the
5 last four months, that while "Race to the
6 Top," our application is critical for the
7 funding, it's only a part of a bigger story.
8 Because for constitutional reasons, the
9 federal government couldn't speak about
10 curriculum. It's a strange idea that you
11 have major educational reform without
12 worrying about curriculum. But for
13 constitutional reasons, that's restricted to
14 the states and the localities.

15 So what we've said is of course we want
16 world-class standards, but standards only
17 get you so far. They're often at 30,000
18 feet. What we need is a integrated system
19 that is actually a single vision of enabling
20 all of our students to learn the quality of
21 material that they will need to succeed in
22 college.

23 SENATOR STAVISKY: Thank you.
24 Welcome. I am one of the people you spoke

1 about. I was teaching high school and going
2 to Hunter at night.

3 CHAIRMAN KRUGER: Thank you, Senator
4 Stavisky.

5 Assemblywoman Glick.

6 ASSEMBLYWOMAN GLICK: Thank you. I
7 have a couple of just sort of general
8 questions that are a little more
9 administrative in tone.

10 Is the department currently using any
11 temporary workers and using any placement
12 agencies to find those workers?

13 COMMISSIONER STEINER: The temporary
14 service agencies are used for short-term
15 needs -- for clerical assistance, for
16 temporary backlog, short-term security, and
17 laborers to assist in the shipping of exams.
18 We pay services per a daily basis for
19 hearing officers and court reports for
20 tenured teachers and the Office of
21 Profession board members.

22 I have the numbers in front of me. I'm
23 pleased to say that the dollar sums we're
24 spending on that work have gone down year on

1 year. The 12 months last year -- I'm
2 comparing the nine-month figure this year,
3 and we are down somewhat.

4 The key here I think is that in some
5 cases -- for example, the construction of
6 examinations -- we're talking about very
7 specialized work. But we are very, very
8 aware of the need to keep this work minimal.

9 ASSEMBLYWOMAN GLICK: Perhaps staff
10 will be able to communicate some of that
11 material to me so we can --

12 COMMISSIONER STEINER: Absolutely.
13 We will get that to you.

14 ASSEMBLYWOMAN GLICK: -- look at what
15 the value of those contracts are. And
16 perhaps they can include what process was
17 used to identify those agencies.

18 COMMISSIONER STEINER: Definitely.
19 We'll get that information to you.

20 ASSEMBLYWOMAN GLICK: Will you be
21 seeking an increase in any of the higher
22 education programs that you are
23 administering at this point?

24 COMMISSIONER STEINER: Well, let me

1 break that question down.

2 We support TAP, for example. Anything
3 that you can do to support that critical
4 sum, that critical opportunity, we support.
5 We support anything you can do for community
6 colleges because we simply think they're
7 critical.

8 We are aware of the request from SUNY
9 and CUNY, the work that was discussed this
10 morning. This is a complex issue, as I
11 don't need to tell you. There are so many
12 tensions here between who is going to pay,
13 is it going to be the user, the student
14 who's going into a particular program that
15 may be more or less expensive if
16 differential tuition goes through? Is it
17 the taxpayer?

18 One thing we all agree on, I think:
19 Compared to many other states, we get a
20 miraculous quality for the money that we put
21 in. And frankly, having been in CUNY and
22 seeing firsthand the struggle that we had at
23 every level -- at staffing, to make sure we
24 had good permanent faculty, the

1 facilities -- I'm deeply supportive, both
2 from that experience and from my general
3 knowledge of the crucial role of public
4 higher education, for the support that you
5 can give.

6 I think the question of where the
7 dollars come from, the question of the use
8 of leasing, the question of contracts and
9 planning around equipment, these are really
10 for you and your colleagues to finally make
11 a decision about. But the extent to which
12 you can enable CUNY and SUNY to flourish, we
13 are completely behind that work.

14 ASSEMBLYWOMAN GLICK: TAP is a
15 program that is student-based. And so
16 regardless of where the student goes, based
17 on their income and eligibility, the money
18 follows them.

19 COMMISSIONER STEINER: Right.

20 ASSEMBLYWOMAN GLICK: There are two
21 separate programs, one for SUNY and one for
22 the independent colleges, EOP and HEOP. And
23 in the SUNY system, the EOP money is
24 similarly spent for counseling and so forth.

1 And the graduation rates for both EOP and
2 HEOP exceed the students who come in without
3 those additional supports.

4 COMMISSIONER STEINER: The regular
5 ones. That's correct, right.

6 ASSEMBLYWOMAN GLICK: There is a
7 separate category for the private
8 institutions for unrestricted aid, Bundy
9 Aid, which has in this budget been only
10 minimally cut.

11 COMMISSIONER STEINER: Right.

12 ASSEMBLYWOMAN GLICK: And I guess I'm
13 wondering whether there is a significant
14 unmet need for HEOP that perhaps there
15 should be -- are there requests that you're
16 aware of that are not being addressed in
17 that area? Since the costs go up and then
18 you have this --

19 COMMISSIONER STEINER: Right. Right.
20 Let me make a general point and then ask my
21 colleague to comment further.

22 My understanding is that the sector you
23 speak of that is supported by what is called
24 the Bundy support is about 40 percent of the

1 university population. Is that --

2 DEP. COMMISSIONER FREY: That's
3 correct.

4 COMMISSIONER STEINER: That's
5 correct. Which is a huge percentage. So it
6 is a very, very important part of our higher
7 education community.

8 But perhaps you'd speak to the direct
9 question of the two.

10 DEP. COMMISSIONER FREY: There are a
11 number of very important opportunity
12 programs that we've funded in the state over
13 the years that really have helped us close
14 the gap. The Liberty Partnership Program,
15 the STEP, the CSTEP, the HEOP program -- all
16 of these have had success rates far
17 exceeding those of the current population.

18 As the commissioner mentioned and as
19 Chancellor Goldstein mentioned earlier, the
20 Executive has put forward another proposal
21 to create early-college high schools, which
22 we believe is a very powerful model to help
23 kids learn in middle school and high school
24 who do not have aspirations to go to

1 college, to be successful in college.

2 And because the times are so tight
3 fiscally, we've tried to make choices. The
4 choices here is to match a foundation
5 program so we can grow more early-college
6 high schools and get more students in the
7 middle schools and in high schools where
8 they've not been successful to understand
9 what it could be like to go to college, to
10 complete college courses, and to be on a
11 fast track.

12 And it really is going to help us
13 address the remediation issue too. Because
14 if we are able to get rigorous, rigorous
15 college courses for these students, then
16 we're cutting down the need for Chancellor
17 Goldstein, Chancellor Zimpher to provide
18 that remediation. Because it's not
19 effective, and it's using up TAP points.

20 And so that's the model here. The
21 reasons we've supported these opportunity
22 programs, we love them, they are banner
23 programs in the state. We ask you this year
24 to maintain the programs and help us create

1 a more robust early-college high school
2 program and see whether or not we can look
3 at a model of different ways of looking at
4 education.

5 Instead of four years of high school,
6 four years of college, is there a different
7 approach? And what kind of implications
8 does that have for funding education in this
9 country? Can we eventually look at TAP
10 following students even as they move through
11 high school into college, as long as they're
12 taking college courses? It's a very
13 exciting concept, and we need to begin to
14 think long-term on how we support kids who
15 are not being successful.

16 ASSEMBLYWOMAN GLICK: We've had this
17 conversation just a wee bit, on the fact
18 that there are so many students who are in
19 disadvantaged communities. We have this
20 cohort of students that their expectation is
21 college. Their parents' expectation is that
22 they will go to college. And to ensure that
23 they have the best possible SAT scores, they
24 have the capacity to provide them with

1 tutoring and better test-taking skills.

2 Then we have the cohort of students who
3 probably are just as bright, maybe not quite
4 as well prepared, and don't have any
5 modelling behavior before them because their
6 parents didn't go to college. And their
7 parents aren't really certain that that's an
8 aspiration that is something that they can
9 afford, and so it diminishes what their
10 vision is.

11 And in at least in New York City there
12 are some local -- what were and I guess
13 maybe still are viewed as settlement houses
14 that are providing the kind of support and
15 guidance for encouraging kids to go to
16 college, helping them fill out applications,
17 helping them get what is perhaps a little
18 bit more rudimentary Kaplan-like experience
19 for free. But it is very limited.

20 And I guess I'm -- it's not so much a
21 question. I wanted to make you aware of
22 this and to begin the conversation about how
23 we can reach down and assist those community
24 organizations to replicate that experience

1 so that there is less of a leak in the
2 pipeline. The kids are just as smart,
3 they're not just not as prepared. And
4 they're -- and I would urge some of the
5 staff to perhaps reach out to Riverside
6 Goddard that is doing an extraordinary job
7 and trying to, in its own way, raise some
8 money to replicate, in other settlement
9 houses, doing the same thing. It is, in my
10 humble opinion, what the high schools could
11 and perhaps were doing at some point but no
12 longer really are. When I went to school,
13 it was a different situation.

14 COMMISSIONER STEINER: This is a
15 critical point -- two points, really -- that
16 you're making. The first is in the old
17 days, the jury was out as to whether you
18 could actually prepare for these tests
19 because they were supposed to be
20 nonpreparable for, if I can mangle the
21 English language that way.

22 That myth, I think, is over. And
23 that's why the inequality in preparation has
24 become an academic access problem. And

1 that's why it's so critical. Those who
2 could afford it are not spending up to
3 \$30,000 on college preparation processes
4 because they think they're wasting their
5 money.

6 So there is a huge inequality growing
7 in the preparation for those tests, but not
8 just for those tests. It's for such things
9 as the application essay. It's the
10 preparation for college. It's the whole
11 mentality of what it means to go to college.
12 That's why things like the early college
13 programs are so critical, because for the
14 first time a child actually is physically
15 inside a college and sees what it's like and
16 gets the experience.

17 So I would say two things. Firstly, we
18 will absolutely look at these programs and
19 see what we can do to encourage them.
20 Secondly, we have a much larger task, which
21 is to break down the sense that college is
22 simply not for me. And that has multiple
23 factors. It's an academic factor, it's a
24 cultural factor, it's an institutional

1 factor. And when we see -- and as I saw at
2 Hunter, when we had those young students for
3 the first time walk into a college, their
4 eyes were, you know, wide open and for the
5 first time they could actually see
6 themselves being in an institution like
7 that. So we have to support these programs.

8 ASSEMBLYWOMAN GLICK: I would just
9 say that some of the schools have
10 dramatically improved their facilities from
11 when I went to CUNY. So I would think it
12 would be something that we would want, for
13 them to want to be there. Which maybe was
14 not quite -- I knew I was going to go, but
15 I -- you know, one's enthusiasm might
16 actually be greater now.

17 One last question. There were these
18 issues -- this is probably a question for
19 Joe. There were some issues around the
20 Liberty Partnership and some change in the
21 request for proposal process. And I guess
22 I'm wondering whether that's going to be
23 smoother and how that's going to proceed.
24 Because there were a lot of questions that

1 were raised midstream.

2 COMMISSIONER STEINER: Let me begin
3 and ask Joe to comment.

4 My understanding -- and of course this
5 happened just before I arrived -- is that
6 there was a change of process. The
7 Comptroller's office required that the
8 process be an RFP process. And that brought
9 with it certain requirements of rankings.
10 That, combined with a smaller pot of dollars
11 to start with, left us with a shorter list.

12 My understanding is we've now gone back
13 to the Comptroller to ask whether we can
14 extend the list, because we are as troubled
15 as you are by the fact that the program
16 right now isn't serving as many of the
17 high-needs communities as it once did.

18 Joe, is -- that's a fair --

19 DEP. COMMISSIONER FREY: That's
20 correct. And we'll be hopefully getting a
21 response. We're working with the
22 Comptroller and the Division of Budget to
23 see what we can do within the context of the
24 State Finance Law. So we should be back to

1 the Legislature very shortly.

2 ASSEMBLYWOMAN GLICK: Thank you.

3 COMMISSIONER STEINER: Thank you.

4 SENATOR KRUEGER: Thank you.

5 We have a question from Senator John
6 DeFrancisco.

7 SENATOR DeFRANCISCO: The section
8 here that talks about professional
9 disciplinary investigations completed, those
10 include physicians as well; correct?

11 DEP. COMMISSIONER MUNOZ: They do
12 not. We license 48 professions. The
13 discipline for physicians, physicians
14 assistants and special assistants resides
15 with the Department of Health.

16 SENATOR DeFRANCISCO: Okay. That
17 being the case, as Roseanne Rosannadanna
18 said, never mind.

19 (Laughter.)

20 SENATOR KRUEGER: We have no
21 additional from the Assembly, but I believe
22 we do have a question from Senator
23 Velmanette Montgomery and then Senator Brian
24 Foley.

1 downward. So can we expect you to do that?
2 And how will you need us to help you with
3 that?

4 COMMISSIONER STEINER: Thank you,
5 Senator. Let me comment, if I may, on both
6 your points.

7 Firstly, the research -- and this is
8 rare -- is actually unequivocal that nothing
9 matters more for a child's learning than the
10 quality of the teacher in front of her or
11 him.

12 The key here is we must absolutely
13 ensure that our teachers are held to very
14 high content knowledge, to academic
15 knowledge of their content. It's common
16 sense that you can't teach what you don't
17 know. But that means that our content
18 examinations for would-be teachers have to
19 be real and they have to be strong and they
20 have to be relevant to the content they're
21 teaching.

22 That academic preparation belongs, in
23 part, in our arts and sciences faculty. And
24 there needs to be much more cooperation and

1 integration between those two, the science
2 and arts faculty and the school of ed
3 faculty.

4 Secondly, there are huge numbers of
5 complex skills in teaching young people.
6 For people who think that this is something
7 you're just able to do, I always invite them
8 and say, let me take you and put you in
9 front of a group of, you know, 25, 28
10 16-year-olds tomorrow morning, and you're
11 going to teach them mathematics. Good luck.

12 This is an enormous set of skills. And
13 we have not prepared teachers to practice
14 those skills, to videotape them practicing
15 those skills, to evaluate them for the
16 purpose of enabling them to improve their
17 skills before they get into the classroom.
18 And we have no ability to say, to our
19 institutions of teacher preparation, You
20 will not graduate a teacher into a school
21 until you have seen that that teacher is
22 able to teach.

23 Because right now they do academic
24 coursework, then at the end of their

1 program -- and they may be in school a
2 little bit during that program. Then at the
3 end, they have a semester of student
4 teaching, which is supervised as best it can
5 be in the current system by an overharassed
6 teacher who is trying to try find time to do
7 it in the school, usually an adjunct
8 professor from the ed school. Their rubrics
9 may be this, may be that, may be not very
10 integrated or sophisticated. And most of
11 the time those student teachers just go
12 through that experience and they start to
13 teach. There is no performance assessment.

14 We are asking for a performance
15 assessment. You need to know if a teacher
16 can teach before you put them into a
17 classroom. It's fundamental. I think it's
18 common sense. We have not done it for 130
19 years.

20 To move on to the question of getting
21 this right, I mean, the curriculum planning
22 process has to be one table with lots of
23 people sitting around it. I don't think
24 it's a question of sequence. I think -- I

1 want to look at a table that has the
2 professor of biology at SUNY, at CUNY, at
3 the community colleges of SUNY and CUNY, the
4 four-year colleges of SUNY and CUNY, I want
5 the high school teacher at that same table,
6 I want the middle-school teacher, and I want
7 the elementary-school teacher.

8 And I want everyone to see what a
9 college course looks like. And I want them
10 to literally have a piece of paper and start
11 backward mapping how do we get there. Don't
12 talk to me about where we are now. Right?
13 It isn't working. Right? It isn't working.

14 So we need to make sure that there is a
15 sequence, that the curriculum is there to
16 deliver that sequence, the teachers are
17 trained to teach that sequence, and the
18 assessments give us an honest and thorough
19 evaluation, because we have to be able to
20 differentiate our instruction on the basis
21 of what we know about our students'
22 performance as to how we're doing in
23 teaching that sequence.

24 Most of the advanced countries of the

1 world with whom we compete now in the global
2 economy actually do this. You know, as I
3 said, for historic reasons we do not.

4 SENATOR MONTGOMERY: And I hope that
5 you will continue to say that the assessment
6 is of us, not the students.

7 COMMISSIONER STEINER: Yes. It's our
8 report card. It's our report card.

9 SENATOR MONTGOMERY: Okay, let me
10 just ask quickly one more area of interest,
11 and that is I've had -- over the years the
12 proprietary institutions of higher, quote,
13 unquote, education have had many issues.
14 And a number of my constituents in
15 particular have suffered unfortunate
16 failures dealing with these types of places.

17 And I see here where 50 percent of the
18 students in the proprietary schools are
19 black and brown people, versus 15 percent in
20 SUNY, 16 percent in private independent
21 schools, and 49 percent, thankfully, at
22 CUNY.

23 So -- and if you don't have the answer
24 right now, I understand. But I am very,

1 very curious about why so many people are
2 going into the proprietary area, many of
3 whom leave with no certificate, no degree,
4 owing lots of money. They cost more. And
5 there's such a much better chance that they
6 even would succeed -- at least they would
7 leave with something, at least some college
8 credits, if they chose other places.

9 So I would like to figure out what that
10 is, what draws so many people into -- and
11 some of these are beauty schools, I would
12 imagine, and barber schools and so forth and
13 so on. So I'm not against that, I want to
14 make it very clear, but why is it that 50
15 percent of their students are students of
16 color?

17 COMMISSIONER STEINER: Let me ask Joe
18 to comment first, and then I'd like to say
19 something.

20 DEP. COMMISSIONER FREY: Senator,
21 there are two sets of proprietary schools.
22 The things you're looking at are proprietary
23 colleges. Those are authorized by the Board
24 of Regents to confer degrees. We also have

1 some 462 non-degree proprietary schools --
2 barber schools, cosmetology schools -- and
3 there's probably around 200,000 students
4 that go to those schools.

5 You're absolutely correct, why would --
6 there are proprietary schools, colleges,
7 that accept students who have not yet
8 completed a high school diploma. Those are
9 called early benefit students. And if you
10 haven't completed a high school diploma, you
11 may not be accepted into SUNY, you may not
12 be accepted into CUNY or some of the
13 independents. They have more of an open
14 admit, taking students who are at risk. And
15 that may be one of the reasons why you see a
16 higher percentage of minority students in
17 the New York City area in proprietary
18 colleges.

19 The other part is that -- which is part
20 of our office too -- is the protection of
21 kids who are adults who are in these 460
22 non-degree schools. This is a huge issue
23 for us. We'll be coming back to Senator
24 Stavisky and Assemblywoman Glick to talk

1 about a revision of our authority to
2 regulate these schools.

3 I was a bureau chief back there 20
4 years ago. I grew up in that bureau. It's
5 a passion of mine. And we now have to
6 update our ability to make sure that these
7 students -- many of them are immigrants --
8 really are getting what they pay for.

9 Understand, we have many, many, many
10 quality degree-granting and
11 non-degree-granting proprietary schools.
12 When they're not doing their job, we need to
13 fix that and we need to fix it fast, because
14 these kids only have one chance.

15 COMMISSIONER STEINER: I would just
16 add that the basic graduation rates for
17 minority students, for ELL students, for
18 special education students are tragically
19 unacceptable. And it's fundamental to our
20 work, to everything that John and I will be
21 trying to change, when we have a graduation
22 rate of 52 and 54 percent for Hispanic and
23 African-American students, 42 percent for
24 students with disabilities, and 35 percent

1 for ELL students.

2 This is the shame of our culture. And
3 I think Joe is right. I mean, one of the
4 reasons you're seeing that imbalance that
5 you spoke of is precisely because you must
6 graduate in order to go to the SUNYs and the
7 CUNYs.

8 And there are many, many complex
9 reasons for this failure, which I look
10 forward to speaking to you about in the
11 months ahead. But I can assure you, and as
12 I assured the Board of Regents when they
13 interviewed me, this is what keeps me awake
14 at night. There is no greater problem than
15 the division between our young citizens of
16 these results.

17 SENATOR MONTGOMERY: And I certainly
18 hope, lastly, that you will continue to push
19 us on the STEP, making sure that we're
20 funding STEP and expanding it. We should
21 be, you know, not taking away but creating
22 more and more opportunities with STEP and
23 Liberty Partnerships. So thank you,
24 Commissioner.

1 about teaching for a test. And I look
2 forward to speaking at more length about
3 those things.

4 But just pertinent to today, I have a
5 number of mental health programs and some of
6 the best contract agencies anywhere in the
7 state, and therefore anywhere in the
8 country, on Long Island. And they are very,
9 very, very concerned about the licensure
10 issue as we deal with it today. This is
11 absolutely crucial that we get this thing
12 figured out, with all due respect, sooner
13 than later. Because particularly in that
14 region of the state, where at one time there
15 were three major psychiatric hospitals on
16 Long Island -- and they were closed and
17 foolishly much of the land was privatized,
18 not kept for public purposes -- to this day
19 we're still reeling from that effect.

20 And we also have, outside of Southern
21 California, the largest number of veterans
22 anywhere in the country, a number of
23 returning veterans from Iraq and
24 Afghanistan, but others. And we all know

1 the correlation between homelessness and
2 veterans who are homeless.

3 So this issue, where you have
4 professional men and women who have devoted
5 their professional lives to mental health
6 services, they are very, very concerned --
7 not in the back of their minds, but
8 forefront in their everyday activities --
9 we've got to get this thing figured out on
10 the licensure issue so we can free their
11 minds of that concern so they can do the
12 other things that they've devoted their
13 lives to do. Okay? I just wanted to put
14 that out there.

15 Thank you.

16 COMMISSIONER STEINER: Point
17 well-taken, Senator. Thank you.

18 SENATOR KRUEGER: Thank you. And
19 since the fact -- this is for the record --
20 Toby Stavisky and everyone asked all my very
21 intelligent questions already, so I don't
22 have to.

23 So thank you for coming. Thank you
24 very much.

1 COMMISSIONER STEINER: Thank you.

2 Thank you so much.

3 SENATOR STAVISKY: Thank you. I must
4 tell you, they've been terrific.

5 SENATOR KRUEGER: All right, it is
6 now officially 12 o'clock legislative time
7 on your schedule, and so clearly we're 3 1/2
8 hours behind this afternoon.

9 Our next panel is that of NYSUT, UUP
10 and PSC.

11 And I'm going to ask all of the
12 remaining testifiers this afternoon if they
13 can in fact summarize their testimony.
14 Please do not read your testimony to us. So
15 that will give us more opportunity to ask
16 questions. And we're all very good readers,
17 because we have had education. So thank
18 you.

19 Good afternoon, lady and gentlemen.
20 Have you decided in what order you would
21 like to speak?

22 MR. PALLOTTA: I'll go first.

23 Good afternoon, members of the Senate
24 Finance Committee and Assembly Ways and

1 Means Committee. I am Andrew Pallotta. I
2 am the executive vice president of NYSUT. I
3 know you're accustomed to seeing Alan Lubin
4 here. He is no longer here, he is retired.
5 And he is very happy right now, because it
6 is a very calm opening.

7 I would like to speak about a few
8 things, but first introduce the members of
9 the panel: Dr. Phillip Smith, Dr. Barbara
10 Bowen, Steve Allinger, from the NYSUT, and
11 also Steve London from PSC.

12 I'd also like to thank you for this
13 opportunity to come before you. I commend
14 you on your staying power. Last night there
15 was a meeting in Brooklyn, at Brooklyn Tech,
16 that I understand went until 3:45 in the
17 morning, and that is an amazing feat. It's
18 not really 3:45 yet, so we'll be okay.

19 I will not read my testimony to you, I
20 just will present a few points.

21 NYSUT represents the professionals who
22 serve SUNY and CUNY and all of our state
23 community colleges. I would like to present
24 a few observations on the Governor's

1 proposal for the budget. This would be the
2 fifth round of cuts to higher education in
3 24 months, \$800 million in two and a half
4 years. That equates to 40 percent of all
5 agency cuts.

6 Campuses already have been forced to
7 close out students from programs because of
8 faculty-student ratios. This causes some
9 students to be unable to graduate because of
10 classes being unavailable. I know this
11 firsthand because the school that I worked
12 in -- I was a teacher for 24 years, working
13 in the Bronx -- we had a paraprofessional
14 who was working to be a teacher and was
15 unable to get into the teaching -- to finish
16 his program because he was unable to get
17 into the class that he needed to take. And
18 this was at Lehman College in the Bronx.

19 President Obama's position has been to
20 highlight the role of community colleges, a
21 vital role in our country's recovery. The
22 proposed cuts would aggravate our state's
23 recovery, problems we're having right now
24 trying to build a competitive workforce.

1 The proposal would reduce many New Yorkers'
2 only chance for a higher education. And has
3 been said by many today, enrollment has been
4 up. I dropped my daughter off at
5 Westchester Community College on Monday, and
6 I thought I was going to a concert, there
7 were so many young people going into those
8 halls.

9 We appreciate all that you have done.
10 Since I have come to Albany three weeks ago,
11 I realize the amount of work that is done on
12 behalf of education of students, and I
13 appreciate that great amount of work and
14 dedication. These cuts are draconian. And
15 I realize that we all have to work together
16 to come to some type of resolution on how we
17 will deal with this. We must protect the
18 students.

19 I myself know firsthand how difficult
20 it was for me to get into a facility of
21 higher education. I am a graduate of
22 Kingsborough Community College, a great
23 institution in Brooklyn, and then went on to
24 receive my master's degree in education at

1 Brooklyn College.

2 Students are being asked to pay for
3 more and more of their share of education.
4 It's putting more stress on them and their
5 families. Our colleges are having to resort
6 to saving money by hiring more and more
7 adjunct professors. We need to invest more
8 in education, not privatize. It was just a
9 few years ago that the Commission on Higher
10 Education in New York recommended the
11 infusion of \$3 billion in R&D in our
12 university system and recommended hiring
13 10,000 full-time faculty.

14 The Governor's plan to have SUNY and
15 CUNY set their own tuition and enter into
16 privatization is not the right way for us to
17 go. We've heard some testimony on that
18 today, and I believe you will hear much more
19 from Dr. Smith and Dr. Bowen.

20 The state has a responsibility of
21 public accountability for their public
22 institutions, accountability for the use of
23 tuition and special revenue, making sure it
24 is used for the core teaching and learning

1 and research mission that they were
2 established for.

3 The Governor's proposal would also set
4 the universities and colleges free from
5 state audits. We will be lobbying Congress
6 to procure New York State's fair share of
7 Jobs for Main Street that was passed by the
8 House.

9 I have spent most of my life in the
10 education field, whether it was as a student
11 growing up in Brooklyn, as a community
12 college student, or as a member of graduate
13 school at Brooklyn College. I have a
14 special interest. That special interest, as
15 I sat here today, I thought about the years
16 where people have come before the
17 Legislature and made their testimony
18 available to say let's help out this next
19 generation. And I would think that years
20 ago, someone came before this body and said
21 let's help out the kids now, the kids that
22 are coming up. And I really needed to be
23 able to go to Kingsborough Community
24 College. At that point, that was my only

1 choice. And I will always appreciate the
2 opportunities that I was given here in New
3 York State.

4 My colleague Dr. Phil Smith, president
5 of United University Professions, will now
6 give his testimony.

7 DR. SMITH: Thank you, Andy.

8 Distinguished members of the Senate
9 Finance and Assembly Ways and Means
10 Committees, good afternoon. Thank you for
11 providing the opportunity for UUP to comment
12 on Governor Paterson's budget.

13 I'd like to set aside my written
14 testimony, you have it on record, and I'll
15 just review with you, in the interests of
16 time, some of the larger points.

17 As the president of the UUP, I
18 represent over 35,000 members who work on
19 the state-operated campuses of SUNY and its
20 health science centers and other facilities.
21 And in that capacity, our members serve
22 hundreds of thousands of students and
23 patients across every region of the state.

24 There's no doubt in anyone's mind that

1 this has been a difficult year for New York
2 and a difficult year for the State
3 University. As we now sit -- or stand -- in
4 the last 23 months SUNY has lost over
5 \$410 million in state support. The
6 Governor's current proposal would add
7 another \$118 million to that cut. And if
8 this proposal is not rejected, the State
9 University of New York will have to absorb
10 \$528 million of accumulated state funding
11 reductions.

12 Now, this represents 25 percent of the
13 university's operating budget. This could
14 not be allowed to stand. Indeed, if this
15 \$118 million cut is allowed to happen, SUNY
16 will have approximately \$80 million less in
17 the coming year than it did in 1990. And to
18 put that in perspective, since 1990 we've
19 had an increase of almost 40,000 students
20 within the university. So with this
21 historic enrollment growth and these
22 historic cuts, the university is reeling
23 from these effects.

24 We've heard about courses being

1 canceled, students unable to get classes,
2 unable to graduate on time, et cetera, et
3 cetera. And the sad fact is that under
4 these circumstances, students are paying
5 about three-quarters of a billion dollars
6 more in tuition this year than they did 10
7 or 15 years ago. And not one dollar of that
8 enormous tuition increase has gone to stem
9 the loss of faculty jobs.

10 Earlier today we heard the chancellor
11 talk about the loss of about 528 faculty
12 lines in this current year. Since 1990,
13 we've lost more than 2,300 faculty jobs.
14 And if we go back only to about 2005, we're
15 still down about a thousand more full-time
16 faculty members than would be expected to
17 meet the needs of this enhanced enrollment.

18 Now, part of the Governor's proposal is
19 a tuition package. And we believe that if
20 this is allowed to go forward, that this
21 will include the differential tuition which
22 will not only exacerbate the problem that we
23 have, but it will also result in turning
24 away additional tens of thousands of

1 students who are now seeking admission to
2 the university.

3 So I'd just like to ask three simple
4 questions. Why is SUNY so
5 disproportionately impacted? In fact, SUNY
6 alone has been asked to shoulder about
7 25 percent of the overall cuts. Does SUNY
8 not provide an important and essential
9 public service? I think the answer to that
10 is yes. And how do we, as faculty and
11 legislators, explain to students and parents
12 that access to our public institutions can
13 no longer be assumed and that academic
14 quality is not what it needs to be?

15 Those simple questions are why we ask
16 you to reject the draconian cut of
17 \$118 million in the current operating
18 budget.

19 There are other problems too. And that
20 is the SUNY hospitals, although they were
21 not cut in this budget, have been asked once
22 again to absorb approximately \$75 million of
23 mandatory cost increases. And since
24 2007-2008, this number is about \$223 million

1 in unfunded and unavoidable spending growth.

2 We're still in the process of trying to
3 determine what will happen with Medicaid
4 spending reductions as they impact our
5 hospitals, and it will take time for us to
6 determine that. And we will get back to you
7 on that.

8 And sadly, the Executive Budget also
9 calls upon the New York State Theater
10 Institute, an organization that we
11 represent, to basically become
12 self-supporting. NYSTI provides unique and
13 invaluable cultural services to New York's
14 students and children, and we feel this role
15 is very complementary to the traditional
16 educational services. We believe that NYSTI
17 has proven its value to New York State and
18 deserves state support. And we tell you
19 quite frankly that NYSTI will not be able to
20 survive based solely on its ticket sales.

21 Finally, the Governor's proposal
22 includes the Public Higher Education
23 Empowerment and Innovation Act. And we have
24 many concerns about this and find that it

1 has many deep flaws. Basically, the act
2 would allow SUNY the authority to
3 unilaterally raise its tuition without your
4 approval, enter into contracts, leases,
5 partnerships and joint ventures without your
6 approval as well, or any oversight of other
7 agencies such as that of the Attorney
8 General or the State Comptroller.

9 We're concerned deeply about the
10 elimination of state appropriations for
11 SUNY's expenditures of tuition, student
12 fees, and other revenues. Quite frankly, if
13 this proposal is enacted, the accountability
14 for SUNY spending decisions will be greatly
15 diminished, the transparency for SUNY
16 operations will be virtually eliminated, and
17 this will move SUNY more in the direction of
18 its own Research Foundation, an organization
19 that has been challenged for its secrecy
20 many times in recent years -- and, in fact,
21 in these chambers today.

22 The Governor's proposed legislation
23 granting SUNY the authority to raise tuition
24 without legislative approval places a cap on

1 the annual across-the-board tuition
2 increases at two and a half times the
3 so-called HEPI index over a five-year
4 rolling period. However, as drafted, the
5 legislation allows SUNY to continue to raise
6 tuition differentially, which would be
7 problematic for us.

8 Now, in terms of just tuition, in order
9 to meet the deficit of \$118 million, tuition
10 would have to be raised approximately \$600
11 in the coming year. Earlier today we heard
12 SUNY claim that this flexibility legislation
13 would create 10,000 new campus jobs and over
14 64,000 construction jobs. We believe that
15 this is a number that is completely
16 unrealistic. In fact, in order to fund
17 those 10,000 campus jobs, it would take
18 approximately \$1 billion. To meet that
19 through tuition alone, it would mean an
20 increase of tuition that would double the
21 current rate. So we believe that this is
22 neither rational, predictable or realistic.

23 So in summary, I'd just like to say
24 that we don't see any compelling reasons to

1 warrant the risk of further constraints on
2 access and affordability for our students.
3 And we find no evidence that these proposals
4 to avoid appropriations and appropriate
5 government oversight are either productive
6 for the university or its students and
7 faculty.

8 And once again, I ask: Are they worth
9 the risk of losing any reasonable form of
10 accountability and transparency for SUNY in
11 its spending and its operations?

12 And I thank you for your time.

13 SENATOR KRUEGER: Thank you.

14 DR. BOWEN: Thank you very much.

15 I'll also just try to summarize my
16 testimony. And also, there are a few
17 graphs, charts at the end of it that I might
18 ask you to take a look at.

19 I'm Barbara Bowen. I'm president of
20 the Professional Staff Congress, the union
21 that represents the faculty and staff at
22 CUNY. And as Andy said earlier, I'm happy
23 to be joined by Dr. Steve London from
24 Brooklyn College, our first vice president.

1 I just wanted to say one thing before
2 picking up exactly where Phil was. And that
3 was in the important discussion that we've
4 had throughout the day on the preparation of
5 students coming from high school into
6 college. I don't want us to lose sight of
7 the fact that these students are not just a
8 problem, they're also a resource.

9 And I have very much in my mind today,
10 as I testify, a student of mine, Ferentz
11 LaFargue, who is Haitian, who was so poor
12 that he and his sister shared a pair of
13 shoes and they went to school on alternate
14 days. When Ferentz came to Queens College,
15 he needed remediation in all three major
16 areas. He got resources through a
17 foundation program as well as through the
18 university. He went on to get the top
19 fellowship for Ph.D. study at Yale, and he's
20 now a professor at the New School. And his
21 first book is out.

22 That's just one story. So as we think
23 about our students and the difficulties, we
24 also have to think about how we as faculty

1 are enriched by having those very students,
2 complete with their histories, their complex
3 histories, in our classrooms. So I think
4 about that as I begin.

5 I want to pick up on one of Phil's
6 questions. And this also relates to what
7 Andy said. I think we really have to ask
8 why New York has derived 40 percent of the
9 cuts in the last recent rounds of budget
10 reductions from public higher education. If
11 it's not New York's policy, active policy to
12 undermine public higher education, then why
13 is that the result? And I don't suggest
14 that anybody sitting here, especially those
15 of you who have the tenacity to be here
16 throughout the entire hearing, that that is
17 your wish, that that is your policy. But
18 that's the policy the state is enacting.
19 And I think we have to ask that.

20 I want to end today with a suggestion
21 of how we can move out of that policy.
22 First, I do thank you, all of you, for the
23 opportunity to be here, and thank your
24 chairs. I know they couldn't stay for all

1 of it. This is an extraordinarily difficult
2 year. You are going to hear from extremely
3 worthy constituents and agencies throughout
4 the state of their need not to be cut this
5 year.

6 What we are saying, I think
7 collectively, is that CUNY and SUNY have
8 been cut disproportionately over the last 20
9 years. So while some institutions are
10 facing fiscal austerity for the first time
11 or in a new way, we have lived fiscal
12 austerity for at least 20 years. If you
13 take a look at the chart, our Chart 2, it
14 shows the drop in or the pattern of a drop
15 in funding by the state for the senior
16 colleges. And it traces a pattern that
17 falls dramatically and then was beginning to
18 make some progress. And this is adjusted
19 for inflation and also is adjusted per
20 full-time-equivalent student.

21 So while in 1990 the per-student amount
22 in real dollars, today's dollars, that the
23 state was providing for CUNY students was
24 \$14,000, today it's about \$9,000. I mean, I

1 think that tells the whole story.

2 If you look at the chart before, Chart
3 1, it shows that at the same time enrollment
4 has been going up dramatically. Our funding
5 has gone down in those 20 years 34 percent.
6 Our enrollment has gone up 37 percent. And
7 guess what has filled the gap? Tuition.
8 That's gone up 88 percent. And that's just
9 not fair.

10 But also in the Chart 2 that shows the
11 pattern, you can see that there was the
12 beginning of a rise up in state funding.
13 And that's really thanks to you. It's the
14 people sitting right here, our leaders in
15 the two sides of the Assembly and the
16 Senate, and also the two Higher Education
17 Committees. You did that work to make sure,
18 together with launching with Governor
19 Spitzer's initiative, really, to increase
20 the amount of funding in public higher
21 education. It began to rise and progress
22 was really being made.

23 Our request, as you'll see in our
24 detailed presentation, is not just to ask

1 you to reject the current cuts but to see if
2 there is a way to continue that progress.

3 And I won't go through our request. We
4 call on you very urgently to say no to this
5 round of cuts. As Phil said, we've done our
6 share in the last rounds. CUNY and SUNY
7 should be held harmless this time, and the
8 PSC is asking you to make a modest down
9 payment on progress towards restoring the
10 last two years of cuts.

11 We are not unrealistic enough to come
12 and say everything must be restored this
13 year. On the other hand, we are not
14 defeated enough to say that nothing should
15 be restored.

16 On the community college side, we have
17 a tremendous urgency. You've heard
18 throughout the day about that. President
19 Obama for the first time nationally has
20 shown a spotlight on community colleges.
21 CUNY is perfectly positioned in most ways to
22 be a leader in that effort to increase the
23 number of graduates from community colleges.

24 However, with the lack of funding to

1 community colleges, that's put at risk. The
2 cut this year that the Governor has
3 proposed, \$285 per FTE, I actually find
4 inexplicable given that background. And
5 there was a cut last year and in the
6 midyear. We are seeking to make up those
7 cuts and to recapture a little bit of the
8 value lost to inflation over several years
9 of cutting.

10 So again, we're not seeking the entire
11 restoration of several years, but we do feel
12 that we have to make some progress, continue
13 to make some progress.

14 I'll skip a little bit and just ask you
15 to take a look, when you have a chance, at
16 my testimony. I'm sure my colleagues say
17 this too. You've heard throughout the day
18 there is no better multiplier of state
19 dollars at this economic moment or any
20 moment than public higher education. Dollar
21 for dollar, if we're just counting -- and
22 that's not all higher education does, is
23 maximize dollars -- but dollar for dollar,
24 the investment pays off more in public

1 higher education than any other sector in
2 terms of return to the tax base.

3 The intangible return is even greater.
4 And you've heard, from Chancellor Zimpher
5 on, throughout the day about the crucial
6 role that higher education plays in the
7 renewal of the state. That's why -- it's
8 one reason, anyway, why enrollments are up
9 so dramatically at CUNY and SUNY. New
10 Yorkers know that. They want a secure
11 future.

12 It is really so wrongheaded, so
13 unbelievable to us that the state at this
14 moment would say this is the moment we're
15 going to pull money out of higher education.
16 In the Depression, in worse circumstances
17 than the one we're in now, New York built
18 three new public colleges in the CUNY
19 system. Now all we can think about is
20 cutting. It's time to change that
21 direction.

22 One thing I'd like to ask you to look
23 at in our testimony, which I won't speak
24 about now in detail, is the Governor's

1 proposed cut of \$20.8 million in workforce
2 costs or in personal services which would
3 have to be negotiated with the unions. As a
4 union president, I will say I think that
5 would be disastrous.

6 We have made some real progress working
7 collaboratively with CUNY administration in
8 the last 10 years since I've been president.
9 We have gained in competitiveness of
10 salaries, we've gained tremendously in
11 research time for our faculty. It's been a
12 huge change at CUNY through our
13 collaborative work. And to ask us now to
14 negotiate cuts and to scale back on the
15 competitiveness we've just managed to squeak
16 through to achieve, would be really a
17 mistake. So we do ask you to reject that.

18 I join Phil Smith and UUP and NYSUT in
19 speaking strongly against the so-called
20 Public Higher Education Empowerment and
21 Innovation Act. Frankly, I don't find it
22 empowering or innovative. It's not the CUNY
23 Compact. The CUNY Compact had a proposal
24 for so-called rational tuition, but that was

1 matched by investment by the state.

2 This proposal I would have to say is
3 irrational tuition. It allows the
4 institutions, CUNY and SUNY, as Phil said,
5 to set their own tuition within this cap.
6 That's a very high cap. Two and a half
7 times the rolling five-year average of HEPI
8 right now is about 10 percent. They'd be
9 able to set that increase every year. So
10 when Chancellor Goldstein spoke this morning
11 about an obscene increase in the 20 percent,
12 you could go up 10 percent every year under
13 this new scheme.

14 We also differ with the CUNY
15 administration in our assessment of the
16 impact that differential tuition by program
17 would have. Charging more to be an
18 engineering major on the basis that an
19 engineering major is going to earn more
20 money than a Latin major, like myself, is a
21 sure route to discourage people who might
22 wish to be an engineer, might wish to
23 achieve those salaries, and not be able to
24 pay that tuition.

1 We are afraid that the differential
2 tuition by major will have exactly the
3 effect of deepening existing inequalities,
4 not alleviating them. And I thought CUNY
5 was supposed to be about alleviating
6 inequalities, not reinforcing them.

7 And finally, I would like to just end
8 with a proposal of our own. We looked at
9 the Governor's restructuring proposal for
10 rational tuition, as he calls it, and we'd
11 like to ask you to work with us collectively
12 on a proposal for rational investment. We
13 think it's time for rational investment in
14 CUNY and SUNY.

15 We are not here today proposing that
16 all the defunding of the past 20 years would
17 be made up in this year when we face a
18 \$7 billion budget deficit. You'll be glad
19 to hear that is not what we're proposing.

20 But we are proposing that this would be
21 the ideal year to start a plan, a long-term
22 plan for phased, rational investment in CUNY
23 and SUNY. We cannot continue as a state to
24 give lip service to the importance of higher

1 education and then, with our actions, defund
2 higher education. A choice has to be made,
3 and we're offering the proposal of a
4 rational, strategic way to move forward.

5 We think -- and as a teacher in the
6 classroom, I will say I don't think there's
7 anything you could do as a legislator that
8 would be more important than that.

9 Thank you very much.

10 CHAIRMAN FARRELL: Thank you.

11 SENATOR KRUEGER: Thank you.

12 Toby Stavisky, and then Deborah Glick
13 also had a question.

14 SENATOR STAVISKY: Yes. Can I then
15 assume that you would not be supporting
16 taking SUNY off-budget?

17 DR. SMITH: Yes that's correct.

18 SENATOR STAVISKY: Thank you.

19 ASSEMBLYWOMAN GLICK: With the
20 changes that have been occurring over the
21 last couple of years, have you seen a change
22 in the student body?

23 DR. BOWEN: Yes. Do you mean the
24 demographics at CUNY? Yes. I mean, it's

1 something we've been trying to nail down in
2 terms of figures. One group that -- well,
3 one very dramatic change was when remedial
4 courses were no longer offered in the
5 four-year colleges. That's something the
6 union opposed. We didn't win that battle.
7 That did change the student composition.

8 The student I spoke of earlier,
9 Ferentz, would not have been at Queens
10 College under that regime. He would have
11 been sequestered in a noncollege, even
12 noncredit program taken separately because
13 he had so much remediation to do. The great
14 thing was that he was able to do that
15 remediation at the same time that the
16 courses he could do well in, he was able to
17 be in college-level and high-level courses.

18 So one big change is the absence of
19 students needing more remediation in the
20 four-year colleges.

21 Another big change that we are starting
22 to see, and maybe Steve would like to add to
23 this, is on the number of non-native
24 speakers in the four-year colleges. Several

1 of the programs that have concentrated on
2 those students have begun to be diminished.
3 And I hear often from our colleagues that
4 that's changing.

5 We're looking at the demographics.
6 Certainly we hear anecdotally that more of
7 our students come from farther out in Long
8 Island and fewer from the inner city. And
9 it's something I'd really like to
10 investigate. Because as the tuition rises,
11 we would not be surprised to find that even
12 if efforts are made for the existing
13 students to support them, there are students
14 who are being discouraged from even trying
15 because they look at that tuition number and
16 they look at the cost of books and then they
17 just feel they can't go.

18 SENATOR KRUEGER: And Senator
19 Velmanette Montgomery.

20 SENATOR MONTGOMERY: I just wanted to
21 say quickly to Ms. Bowen's comment -- I
22 really appreciate you raising a couple of
23 issues in particular, but one is there
24 exists a lot of elitism around which

1 university is best. And I ask young people
2 in my district "Where do you want to go to
3 college?" and they all say Yale and Harvard.
4 And I get the impression that that's the
5 measure of success. You either go to Yale
6 or Harvard, or you are no one, you're
7 nobody. Because the rest don't matter, and
8 so forth. And maybe there's 10 others, I'm
9 not sure, that they mentioned.

10 And I think it's going to be very, very
11 difficult -- if we have the so-called
12 differential tuition, it's going to lead
13 into having this kind of elitism around
14 which school is best. And I would hate to
15 see that happen.

16 So I really agree with you. And I hope
17 we will all broaden our concept. Because in
18 my opinion, wherever you go to college, just
19 as long as you go, is a good thing to do.
20 So I thank you for raising that issue.

21 DR. BOWEN: Thank you, Senator.

22 And, Senator, I think I heard this
23 morning -- and I want to make sure that that
24 was true -- Chancellor Goldstein say that he

1 was not planning to enact differential
2 tuition by college at CUNY.

3 SENATOR STAVISKY: I asked him that.

4 SENATOR MONTGOMERY: Yes. By
5 program.

6 SENATOR STAVISKY: You are correct.

7 DR. BOWEN: But he did give the
8 example of differential tuition by program
9 or by major. And for us, that is equally
10 concerning. You know, students change their
11 major -- what, they get halfway through,
12 they're a classics major, and then they want
13 to be premed, and then they find out they
14 can't afford it. I mean, it doesn't make
15 sense.

16 SENATOR MONTGOMERY: Absolutely.

17 DR. BOWEN: And we would ask you to
18 ask Chancellor Goldstein him to rethink
19 that.

20 SENATOR MONTGOMERY: Sure.

21 SENATOR KRUEGER: Thank you very
22 much.

23 CHAIRMAN FARRELL: Assemblywoman
24 Earlene Hooper, deputy speaker.

1 ASSEMBLYWOMAN HOOPER: Thank you.

2 Dr. Bowen, first of all, I wanted to
3 thank you very much for your testimony, and
4 I wanted to segue with my colleague Senator
5 Montgomery. I want to ask you a
6 hypothetical question as relates to
7 differential tuition, and the testimony that
8 we heard this morning as it relates to
9 program.

10 What do you think is more important, if
11 your car is disabled --

12 DR. BOWEN: I'm sorry, I'm having a
13 little trouble hearing you. It might be
14 your mike.

15 ASSEMBLYWOMAN HOOPER: What do you
16 think is more important, when your car is
17 disabled, a mechanic or a dentist?

18 DR. BOWEN: I'll try the mechanic.

19 ASSEMBLYWOMAN HOOPER: I asked that
20 question because my colleague Senator
21 Montgomery indicated that elitism can very
22 well rear its head on the differential
23 tuition. And if one takes the position that
24 one program and one profession is more

1 important than another, then you would have
2 a society where, when you leave home in the
3 morning and you set your garbage out and you
4 return in the evening and it's not removed,
5 what is more important -- the person who
6 picked up your garbage or the person who
7 left that morning with a briefcase? Just a
8 hypothetical question.

9 DR. BOWEN: Good point.

10 You had something, Steve?

11 MR. LONDON: Also I'll add that this
12 morning, during the SUNY chancellor's
13 testimony, we heard them talk about the
14 importance of the market and what the market
15 will bear. I think it's real important to,
16 first of all, understand that the mission
17 comes before the market. And also, the
18 market can distort the academic vision.

19 So I think that elitism is real, but
20 when you start talking about market
21 rationality, introducing that into the
22 curriculum, it can distort the curriculum
23 tremendously.

24 ASSEMBLYWOMAN HOOPER: Thank you.

1 SENATOR KRUEGER: Thank you. I
2 wasn't allowed to ask you any questions
3 because of the time, so I'm having staff
4 follow up afterwards. Thank you very, very
5 much.

6 DR. BOWEN: Thank you.

7 SENATOR KRUEGER: Our next testifier
8 is Laura Anglin, president of the Commission
9 on Independent Colleges and Universities.

10 And again, for those keeping score,
11 it's now 12:15 in the afternoon.

12 Good afternoon.

13 MS. ANGLIN: Good afternoon. Thank
14 you, Chairman Farrell, Vice Chairperson Liz
15 Krueger, Assemblywoman Glick, and Senator
16 Stavisky. We're very pleased to be here
17 today. With me today is Sheila Seery, who
18 is our vice president for research and state
19 and local relations.

20 We've submitted a fairly lengthy slide
21 presentation which we will not go through,
22 and I will just highlight a few points of
23 interest for us that we wanted to make sure
24 you were aware of.

1 First, I just want to let you know, for
2 those of you who were not with us yesterday,
3 we did hold a celebration event in the Well
4 of the LOB to celebrate TAP and HEOP. Each
5 of those programs are celebrating an
6 anniversary this year; TAP is 35 years old,
7 and HEOP is 40 years old.

8 I'd like to thank Senator Stavisky and
9 Assemblywoman Glick for being with us
10 yesterday. We had approximately 300
11 students from all sectors of higher
12 education. It was a very festive event, and
13 people were there to show their support and
14 also to thank you and the Legislature for
15 your tireless support for these programs.

16 We have two messages today that I'll
17 spend a few minutes on, the first one being
18 fund students first.

19 There are 1.2 million students in
20 New York State; 466,000 of those attend
21 private colleges and universities. Of
22 those, about one in three New Yorkers
23 enrolled at our campuses come from a family
24 earning less than \$40,000. One in nine have

1 family incomes less than \$20,000. Nearly 50
2 percent of black and Hispanic graduates
3 receive their bachelor degrees from one of
4 our campuses.

5 And one thing New York is very
6 fortunate is that we have a diverse array of
7 higher education options, both public and
8 private, and we are world-known for our
9 wonderful schools in the state.

10 In the independent sector, we are
11 fortunate enough that we do have 89 campuses
12 that are less than 2,000 students. Often
13 some students might find it easier to be in
14 a smaller environment where they can feel
15 more comfortable. So that's one thing that
16 we like to offer, and work closely with
17 students.

18 In November, we did host, for those of
19 you who were not aware -- and something
20 we've been trying to do more -- is we hosted
21 a Latino College Fair at Fordham University
22 in the Bronx, to provide information to
23 students and their families from across the
24 state about all the different choices of

1 education in New York State and how to
2 access financial aid so that they can attend
3 college. More than 900 families attended
4 that event, with about 60 of our schools
5 there.

6 And what this is all leading up to is
7 the TAP program and why we had the
8 celebration yesterday. TAP is really the
9 key to providing all our students with
10 access and entry into the college
11 environment. The \$71.4 million TAP cut, as
12 proposed by the Executive, threatens to
13 close the gate to higher education for many
14 deserving students. And let me just give
15 you a few examples.

16 The Executive Budget proposes to reduce
17 by \$1,000 TAP for two-year degree seekers at
18 two-year colleges. One sector that this
19 will hit that I'd like to mention is
20 financial aid for nursing students. At our
21 hospital-based nursing programs, over 500
22 nursing students currently receive TAP, and
23 they would be affected by this proposal.

24 The Executive's proposed \$75 cut to TAP

1 across all award recipients is really in
2 addition to the financial stress our
3 families are currently feeling. As you
4 know, our unemployment rate is reaching 10
5 percent nationally, close to that in New
6 York, and families are having to make
7 decisions about cutting their costs to meet
8 their daily expenses. And \$75 is a lot to
9 students.

10 At the event yesterday, I was fortunate
11 enough to have lunch with students, and one
12 of them said to me: "\$75 may not seem like
13 a lot to you, but I don't have \$75. And I
14 need that money. Please fight for us." And
15 I thought it was a very telling story.

16 In addition, the budget proposes to
17 eliminate graduate TAP, which in my mind
18 sends mixed messages to students as they are
19 considering continuing their education in
20 New York. We want to keep those students
21 here.

22 Our second message that I'd like to
23 touch on briefly today is that we like to
24 believe that colleges and universities are

1 anchor tenants in New York, and especially
2 in upstate New York. For example, in
3 upstate Madison County, education accounts
4 for about one in every 12 jobs, or about
5 9.2 percent of total wages. A surprise to
6 many, including myself, in data that we
7 recently received is that the fact that now
8 Cornell University and the University of
9 Rochester are two of the state's top ten
10 employers, where in the past obviously
11 manufacturing giants such as Grumman and
12 General Motors occupied those positions.

13 So on an annual basis -- I'll close
14 with saying on an annual basis we do
15 contribute about 47.5 billion to New York
16 State's economy. We directly employ 180,000
17 individuals. If you look at the indirect
18 number, it would be multiples of that. And
19 we really do work hard to be a partner with
20 the state and provide a public service of
21 providing education to students.

22 So thank you for having us here today,
23 and I'm happy to take any questions or
24 comments.

1 SENATOR KRUEGER: Chair of Higher Ed,
2 Toby Stavisky.

3 SENATOR STAVISKY: Real quick, you
4 and I have discussed this issue, and that's
5 the HE Cap lending program for construction.
6 And I have always felt that it's onerous
7 upon some of the colleges with the smaller
8 endowments to find the third -- the matching
9 money.

10 MS. ANGLIN: As I mentioned, there's
11 89 of our institutions that are very small
12 that don't really even have endowments. And
13 those are the ones where the program
14 requires this 3-to-1 match for state
15 dollars. And they are struggling to come up
16 with the match and have not been able to go
17 through the program.

18 So I know that's something that you
19 have raised concerns about and something
20 that we'd love to work with you on.

21 SENATOR STAVISKY: And I thank you
22 for coming to visit one of the private
23 colleges across the street from my district.

24 MS. ANGLIN: Thank you. It was fun.

1 We went to St. John's and had some graduate
2 students give us a tour. It was a lot of
3 fun.

4 CHAIRMAN FARRELL: Assemblywoman
5 Glick.

6 SENATOR STAVISKY: Thank you.

7 SENATOR KRUEGER: Thank you.

8 Assemblymember?

9 CHAIRMAN FARRELL: Assemblywoman
10 Glick.

11 ASSEMBLYWOMAN GLICK: In the interest
12 of time, I'll just ask you a quick question.

13 I think you indicated that 81 percent
14 of the -- I don't know if it was
15 institutions or 81 percent of the Bundy Aid
16 that is received goes for financial aid.

17 MS. ANGLIN: Funding to students.

18 ASSEMBLYWOMAN GLICK: I'm wondering,
19 if that is the case -- since they're in very
20 tight fiscal times, people worry about the
21 word "unrestricted" -- whether there is any
22 willingness or flexibility to be more clear
23 about a specific amount for financial aid or
24 have it directed through an increase in

1 HEOP.

2 And I don't necessarily expect an
3 immediate answer.

4 MS. ANGLIN: Well, I appreciate that.
5 So let me address the HEOP portion of that.
6 Over 80 percent does go to financial aid,
7 and a lot of our campuses use that for
8 students. So, for example, the HEOP statute
9 I believe requires a 15-cent match for every
10 state dollar. And on average, our campuses
11 do a \$4 match to every dollar of state
12 investment. So we're already doing extra
13 investment in the HEOP program because, as
14 you saw yesterday, it is a fabulous program
15 with HEOP and the opportunity programs and
16 SEEK and College Discovery. So that's
17 already something that we're already using
18 aid to enhance.

19 ASSEMBLYWOMAN GLICK: If -- well, we
20 can a further discussion.

21 MS. ANGLIN: And I'd love to chat
22 further. I mean, we do encourage the
23 campuses to use state dollars for financial
24 aid, because we believe that is to the

1 benefit of students. We find that already
2 we do that in excess of dollars that we
3 receive. So it's something that we do
4 believe in, to provide assistance to the
5 students.

6 ASSEMBLYWOMAN GLICK: Thank you.

7 CHAIRMAN FARRELL: Thank you.

8 SENATOR KRUEGER: I'm sorry, I have
9 one quick question.

10 No one, I think, on this panel wants to
11 see any reductions in state aid for higher
12 ed at all. But when you look through the
13 budget, the percentage cuts proposed in many
14 programs are far, far greater than the cut
15 in Bundy Aid. How would you explain Bundy
16 Aid basically being spared the cuts we're
17 seeing with the CUNY and SUNY budgets?

18 MS. ANGLIN: I wouldn't say that it
19 was spared. We took, in the midyear, about
20 a \$3 million reduction.

21 What historically the Executive has
22 done is to try to maintain parity between
23 the programs. That was our request this
24 year. And that is my understanding as to

1 how they did the allocation. The specific
2 formulas, you may have to ask them about.
3 But that was our understanding.

4 SENATOR KRUEGER: And just for my
5 education. Bundy Aid is some kind of
6 formula per student per school, but it's
7 based on their graduation from the school,
8 not how many years they spent at that
9 school; is that correct?

10 MS. ANGLIN: It's graduation and the
11 number of TAP students. Right?

12 MS. SEERY: Yeah, Bundy Aid is based
13 on degrees conferred. So they have to file
14 with SED, with the State Education
15 Department, the number of degrees they
16 conferred in the prior year, and that's what
17 the funding is off of. And you get a
18 certain amount for an associate's degree, a
19 certain amount for a baccalaureate, master's
20 and doctorate.

21 And at this point, because statutorily
22 it's being funded probably 30 percent or
23 less than 30 percent of the statutory
24 amounts that you would see, it is funded,

1 unrestricted aid, to about 106 private
2 colleges and universities.

3 SENATOR KRUEGER: Thank you. Thank
4 you very much.

5 MS. ANGLIN: Thank you.

6 SENATOR KRUEGER: Our next testifier
7 will be the New York State University Police
8 Officers Union: James McCartney, president,
9 and Peter Barry, executive vice president.
10 Good afternoon, gentlemen.

11 MR. BARRY: Good afternoon, members
12 of the joint committee. I'm Peter Barry.
13 President McCartney sends his apologies; he
14 couldn't be here. He's at a binding
15 arbitration meeting today, so that was a
16 conflict. He couldn't make it.

17 But I'm not even sure I'm in the right
18 room, because we're here to give you money.
19 Which is a change from everything that I've
20 heard this morning.

21 SENATOR KRUEGER: We should have had
22 you testify earlier.

23 MR. BARRY: I will try to summarize
24 this, but it's only a 3-1/2-page summary, so

1 it's probably going to be a Q&A, what it
2 comes down to.

3 Again, my name is Peter Barry. I'm the
4 executive vice president and legislative
5 director of the New York State University
6 Police Officers Union. This is Mr. Terry
7 O'Neill, Esquire. He's working with the New
8 York State University Police Supervisors
9 Union.

10 I had testified in '07 in front of the
11 Senate Standing Committee. And one of the
12 issues that we brought up, and I believe
13 Senator Stavisky realized it, is
14 centralization of the university police
15 departments.

16 The University Police Officers Union
17 represents 450 police officers and
18 investigators over 28 campuses throughout
19 the state. Each campus has their own chief,
20 their own organizational structure, they
21 have their own manual of rules and
22 regulations and so forth. They have
23 different levels of training and so forth.
24 It's not an even level of training as it

1 would be in any of the other State Police
2 departments -- the Troopers, the EnCon, the
3 Park Police, and so forth. Each of those
4 State Police agencies have a universal
5 structure, a singular leader who then
6 promulgates or puts down any type of goals
7 or missions that his officers should carry
8 out for their department.

9 We have a decentralized police
10 department, and that creates inefficiencies.
11 What we would like to do is to centralize
12 the State University Police Department. We
13 feel that's going to save a lot of money.
14 Currently the State University is
15 hemorrhaging money, we feel, because they're
16 inefficient and inconsistent in providing
17 these services, these police services.

18 You know what, I think I did do a good
19 job in summarizing that rather quickly. So
20 let me --

21 CHAIRMAN FARRELL: We will work
22 harder for you.

23 (Laughter.)

24 MR. BARRY: Yeah, well, I would like

1 some questions. But essentially what I'd
2 like to do is have a singular leader. You
3 wouldn't need all the top-heavy that you
4 have at each of the 28 campuses. I've
5 provided documentation for you with all the
6 salaries and so forth.

7 Now, the union is not looking to lose
8 any jobs here. We believe that this can be
9 phased in over a couple of years, and
10 through attrition, and probably could be
11 even expedited with the police retirement
12 bill. If that were to pass, you would see a
13 mass migration of people retiring. We would
14 then have those positions, which can be
15 consolidated, and we would save the state
16 and the State University millions of dollars
17 going forward -- tens of millions of dollars
18 going forward if that were carried out.

19 Senator Stavisky, like I said, we did
20 try to get this passed previously. It fell
21 on deaf ears. A bill has been drafted; it
22 does not have a number yet. But we would
23 like this committee to promulgate that bill,
24 to get that bill passed, and hopefully have

1 a police department which will have a
2 universal impact.

3 Now, some of the problems would be -- I
4 can say that -- I'm going to project and say
5 that somebody has a question here, and that
6 question would be who's against this bill.
7 Now, my understanding is that the only
8 people who would be against it would be
9 State University Police Chiefs Association.
10 And to be honest with you, that's not even
11 entirely true, because it's a case of the
12 haves and have-nots. The police chiefs in
13 the smaller departments who don't have the
14 resources, they would like a -- my
15 assumption is, and this is the word, they
16 would like a single organizational
17 structure. Whereas the university centers,
18 they have a bounty of resources and they
19 like the way things are. People hate
20 change; we all understand that. In fact, my
21 understanding is that some of these
22 university centers are actually appointing
23 people to compromise this type of bill, to
24 make it look, you know, unattractive.

1 But essentially, you know, it makes
2 sense. I mean, all the other police
3 agencies in the state use that
4 organizational structure.

5 One of the other problems with it is --
6 well, as put forth in the 2007 Comptroller's
7 report, was that there was erroneous crime
8 reporting -- or errors in crime reporting.
9 And we feel that if a singular
10 organizational structure was in place, that
11 wouldn't occur.

12 The other thing is in 2007, after
13 Virginia Tech, the Chancellor's Committee on
14 Emergency Response Management -- or Active
15 Shooter Response put forth guidelines and
16 recommendations so that our police officers
17 could respond to a certain critical incident
18 and protect the lives of the students.

19 Well, that was never acted upon. And
20 as recently as three weeks ago there was an
21 active shooter incident only feet from the
22 Brockport campus. And our police officers
23 weren't able to respond the way the training
24 dictates they should. And I'm just so glad

1 that it happened during a time when there
2 was nobody was in class. Because if there
3 were more people there -- if you didn't hear
4 about it, a police officer was shot and a
5 female was shot by a deranged gunman with a
6 long arm. But if there were -- you know, if
7 campus was in at the time, that could have
8 been a tragedy, much more of a tragedy than
9 it was.

10 And I'll give you my last paragraph --
11 and it probably would have been quicker if I
12 would have read the whole thing entirely.
13 But the New York State University Police
14 Officers Union urges this committee to
15 promulgate a bill which will have the effect
16 of creating a centralized model of
17 dispensing police administrative services
18 for the New York State University Police.
19 We urge the Legislature to then pass the
20 bill that would streamline services, reduce
21 financial waste, and eliminate costly
22 administrative redundancies.

23 We urge the Legislature to consider the
24 implementation of a singular SUNY police

1 commissioners office, appointed by the
2 chancellor, a police commissioner who would
3 be charged with overseeing the day-to-day
4 operations of our police agencies, with full
5 authority to make the necessary changes to
6 carry out the mission of the State
7 University Police.

8 Anybody have any questions to get me
9 off the hook?

10 SENATOR KRUEGER: Thank you.

11 Senator Toby Stavisky.

12 SENATOR STAVISKY: Very, very
13 quickly. I have the story from the Civil
14 Service chief about your efforts, I have a
15 copy of the December 2008 report, all
16 advocating the combination. Have you spoken
17 to the SUNY chancellor about this?

18 MR. BARRY: The SUNY chancellor is
19 aware of it, and my understanding is she's
20 not against it at this time.

21 SENATOR STAVISKY: Then I certainly
22 think if you will give your name to my
23 counsel, they will work with you on
24 legislation.

1 Let me just make sure of one aspect.
2 You will still be in compliance with the
3 federal Cleary Act?

4 MR. BARRY: Oh, absolutely. As I
5 mentioned, with the Comptroller's report,
6 that was one of the problems that we had.
7 And we want to make sure that that's held to
8 a strict to strict standard.

9 SENATOR STAVISKY: Thank you.

10 SENATOR KRUEGER: Thank you very much
11 for your testimony.

12 And our next testifier is Aquina Nolan,
13 chair, CUNY Coalition for Students with
14 Disabilities, followed by Patrick Krug, of
15 NYPIRG, just so they can move down front.

16 Hello.

17 MS. NOLAN: Good afternoon.

18 SENATOR KRUEGER: Good afternoon.

19 And we're asking people to summarize rather
20 than read their testimony. Thank you.

21 MS. NOLAN: Good afternoon, honorable
22 members of the Legislature. My name is
23 Aquina Nolan, and I'm a senior at Medgar
24 Evers College majoring in English. Someday

1 I hope to be an early childhood special
2 educator and change the lives of those
3 students with disabilities in a way that
4 amazing teachers have changed mine.

5 I'm also proud to serve as the
6 chairperson of the CUNY Coalition for
7 Students with Disabilities, the
8 representative organization of CUNY's more
9 than 9,000 students with disabilities.
10 Indeed, CUNY is a haven for students with
11 disabilities, as the university proudly
12 enrolls almost one-quarter of all the
13 post-secondary students with disabilities in
14 New York State at one of our 23 campuses.

15 As students with disabilities, we come
16 to CUNY for very pragmatic reasons. Quite
17 frankly, we realize that without an
18 affordable, accessible college education,
19 statistically we have very little chance of
20 finding competitive employment and living
21 independently. We rely on CUNY for the
22 support and innovative programs that are
23 crucial to helping us compete for jobs in
24 the face of a staggering 44 percent

1 unemployment rate and 70 percent jobless
2 rate among New Yorkers with disabilities.

3 Specifically, we rely on programs like
4 CUNY LEADS. CUNY LEADS stands for the
5 Linking Employment, Academics and Disability
6 Services. It is an existing partnership
7 between CUNY and the State Education
8 Department's Office of Vocational Services
9 for Individuals with Disabilities, otherwise
10 known as VESID.

11 This collaboration, which has a LEADS
12 counselor on every CUNY campus, provides
13 students with disabilities academic support,
14 career development, and job placement
15 services. CUNY LEADS' individualized,
16 holistic approach has resulted in
17 unprecedented success for students who are
18 generally otherwise regarded as an at-risk
19 population.

20 Participants have an 86 percent
21 retention rate and overwhelmingly intend to
22 go on to pursue advanced degrees, which will
23 certainly lead to higher-paid employment
24 outcomes. Most importantly, CUNY LEADS

1 students who are job-ready have a 72 percent
2 employment rate, compared to the 56 percent
3 national employment rate for people with
4 disabilities. Moreover, starting wages are
5 35 percent higher than for non-LEADS VESID
6 clients.

7 At a time when the state is feverishly
8 searching for innovative ways to grow its
9 economy, CUNY LEADS has proven to be a
10 significant stimulus. Indeed, a modest
11 investment of roughly \$10,000 to develop and
12 place a CUNY LEADS student in competitive
13 employment saves New York State \$14,312 per
14 year in disability benefits alone. Over the
15 course of a 30-year work history, this
16 represents a total savings of \$418,222 in
17 New York State disability benefits for each
18 LEADS job placement. Furthermore, a
19 six-year investment of \$12.4 million
20 projects to return more than \$25 million to
21 the state. Clearly, CUNY LEADS is a modest
22 investment that yields a maximum return to
23 New York State.

24 While CUNY LEADS has allowed students

1 like me to dream of productive, independent
2 lives, our worst nightmare would be for CUNY
3 LEADS to fade away. Right now, CUNY LEADS
4 funding is scheduled to run out in July
5 2010. In this nightmarish scenario, 70
6 percent of students in the CUNY LEADS
7 pipeline will lose crucial supports,
8 including all-important job placement
9 services. Twenty-six CUNY LEADS staff --
10 fellow New Yorkers who work so hard to
11 create opportunities for students like me --
12 would lose their jobs. This crucial bridge
13 to opportunity for New Yorkers with
14 disabilities, this remarkable economic
15 stimulus, would be lost.

16 On behalf of all CUNY students with
17 disabilities, I ask that you support the
18 university's request for \$2 million in
19 2010-2011 to preserve CUNY LEADS. We
20 desperately need your leadership to save
21 this crucial program. Our independence,
22 opportunities, and hopes for better lives
23 hang in the balance.

24 Thank you.

1 SENATOR KRUEGER: Thank you.

2 And you're here to support Ms. Nolan?

3 SENATOR STAVISKY: And that is -- may
4 I introduce Chris Rosa, my friend Chris
5 Rosa. Welcome. From the CUNY -- I don't
6 remember your exact title, but friend of the
7 disabled.

8 MR. ROSA: Thank you. Thank you.

9 SENATOR KRUEGER: Any Assembly
10 questions?

11 ASSEMBLYWOMAN GLICK: I think it's
12 just helpful to point out one more time the
13 placement rate, how high it is.

14 MR. ROSA: It's 72 percent of all
15 job-ready candidates. And it's
16 significantly higher -- the program is just
17 doing a great job -- of the New York State
18 rate for individuals with disabilities in
19 general, which is 56 percent. And it
20 demonstrates the power of a college
21 education to transform the lives of
22 individuals with disabilities.

23 ASSEMBLYWOMAN GLICK: Terrific.

24 Thanks very much.

1 MR. ROSA: Thank you very much.
2 Thank you all.

3 SENATOR KRUEGER: Thank you for
4 coming to testify and waiting all day for
5 us.

6 MS. NOLAN: Thank you.

7 CHAIRMAN FARRELL: Thank you.

8 SENATOR KRUEGER: Our next
9 testifiers, from NYPIRG, Patrick Krug and
10 Fran Clark.

11 MR. KRUG: Hello.

12 SENATOR KRUEGER: Good afternoon.

13 MR. KRUG: My name is Patrick Krug,
14 and I'm chairperson of NYPIRG's board of
15 directors. I'm also a student at Brooklyn
16 College. With me today is NYPIRG's program
17 coordinator, Fran Clark.

18 As legislators, you're surely aware
19 that students and their families have
20 already sacrificed too many of their
21 education dollars to the state's budget
22 deficits. These latest proposed cuts come
23 on top of December's Deficit Reduction Plan,
24 which reduced state funding for SUNY and

1 CUNY, cut community colleges, opportunity
2 programs, and reduced payouts for a number
3 of state scholarship program.

4 Before the DRP, the enacted 2009-2010
5 budget funneled hundreds of millions away
6 from SUNY and CUNY and resulted in
7 substantial tuition hikes of \$620 at SUNY
8 and \$600 at CUNY.

9 Fran is going to outline our concerns
10 about tuition and state funding for CUNY and
11 SUNY, after which I would like to summarize
12 our opposition to the proposed cuts to TAP
13 and community colleges.

14 MR. CLARK: So of course we're here
15 to urge you not to cut funding for SUNY and
16 CUNY, and also to make sure college remains
17 affordable in New York State. The proposed
18 cuts of \$148.8 million at SUNY and
19 \$81 million at CUNY, including those
20 workforce give-backs we think will lead to
21 significant tuition hikes and significant
22 reductions in or at least threats to the
23 quality of higher education.

24 Along with these cuts, I want to talk

1 about the proposals regarding tuition.

2 Giving up legislative control of
3 tuition rates and allowing tuition to
4 increase by the 2.5 times the rolling
5 five-year average of HEPI is, we think, a
6 problem. Of course, on principle, we're
7 opposed to tuition hikes of any kind however
8 you package them or whether they be lump
9 sums or the annual incremental hike. But
10 setting that aside, this proposed cap is too
11 high. It's 9.7 percent this year, if you do
12 the math. That's \$482 at SUNY, \$466 at
13 CUNY. It's four times this year's -- the
14 change in this year's Higher Education Price
15 Index.

16 If we were to allow tuition to increase
17 at rates like that over time, we would very
18 soon price students out of public higher
19 education in New York.

20 And even if the laws were changed so
21 that the universities really could keep
22 every single one of their tuition dollars,
23 all that money is still resting on a base of
24 state appropriations that we believe are

1 going to erode much more quickly if the
2 Legislature gives up the ability to
3 determine -- legislative control of tuition
4 rates and allocation of tuition.

5 An analysis of tuition-setting and
6 state appropriations in other states around
7 the country compared by who controls tuition
8 rates and who allocates tuition we think
9 bears this out. And I won't read through
10 the whole thing, because it's in the
11 testimony, but I'll highlight a few items.
12 Tuition dependence has increased 1.6 times
13 faster in states where the colleges or their
14 governing boards set tuition. So over a
15 five-year period, net tuition as a
16 percentage of the overall higher education
17 revenues -- allocations plus tuition --
18 increased by 43 percent in states where
19 survey respondents indicated that their
20 colleges were holding full decision-making
21 authority over tuition rates, as opposed to
22 24.7 percent where the governor or the
23 legislature held control over setting
24 tuition. That's a big difference.

1 On top of that, when we're comparing
2 states based on who has authority over
3 tuition, short-term tax allocations -- the
4 last couple of years, pretty much all across
5 the country, state tax allocations for
6 higher education have been declining.
7 However, in those states where it's the
8 governor or the legislature that has
9 authority over setting tuition, the drop in
10 allocations over the last two years has been
11 less severe.

12 So for states with survey respondents
13 that indicate that colleges or boards have
14 full decision-making ability -- so the
15 college decides tuition rates -- the median
16 drop in state tax allocations to higher ed
17 was 3.7 percent over last year and
18 6.8 percent over two years. But when you
19 compare that to states where the legislature
20 or the governor control tuition rates, you
21 will see that the one-year and two-year
22 median reductions are only 0.6 and
23 0.2 percent -- because elected officials are
24 being held accountable for those cuts to --

1 for cuts to state funding, and tuition is
2 not having to offset those cuts.

3 Five-year gains in tax allocations. If
4 you look over five years between 2003 and
5 2008, which steps back before this recession
6 kicked in, most states had increases, and
7 some had pretty significant increases. But
8 the states where the legislature or the
9 governor controlled tuition rates did
10 better, on average, than the states where it
11 was the individual institution's or their
12 statewide governing boards that were setting
13 tuition.

14 And to switch around, to take a look
15 and shift -- I'm going to skip one of these
16 here. When you compare states based on who
17 controls the monies, whether they're
18 allocated by the government or retained by
19 the institution, you'll see that the
20 colleges that retain monies are becoming
21 more tuition-dependent faster. Net tuition
22 revenues are accounting for -- everywhere,
23 students are being asked to shoulder a
24 greater percentage of the burden of public

1 higher education. But in those states where
2 it's the legislatures that are appropriating
3 the money, students are doing better. When
4 the individual institutions or the governing
5 boards that run those institutions get to
6 retain the monies, the shift is occurring
7 more quickly.

8 There are other reasons besides what
9 might happen in other states why you should
10 retain control of tuition dollars and retain
11 control of tuition-setting authority.
12 Access is a big one. A lot of folks talked
13 about it already today. I wanted to just
14 give a little bit of detail about our
15 concerns about TAP.

16 A lot of times when tuition goes up,
17 legislators, we know, will hold their nose
18 and support a tuition hike because they know
19 TAP is going to be there to help the poorest
20 students in the state. That's an argument
21 you hear about a lot. SUNY has promised
22 this year to self-fund TAP for those
23 max-TAP-eligible students if their tuition
24 is allowed to increased over the \$5,000

1 mark. That's great. It's good that they
2 proposed it. We thank them for it. But we
3 respectfully submit that that's not going to
4 protect access, especially over the long
5 term. It's not sustainable.

6 But even if you imagine that it was
7 sustainable, if you imagine that SUNY
8 continues that practice in perpetuity,
9 plowing tuition dollars back into help pay
10 financial aid for the poorest students in
11 the state, and CUNY does the same thing, we
12 still have the problem of the rising cost of
13 the Tuition Assistance Program. Because all
14 those students who are receiving TAP awards,
15 large but not maximum TAP awards, their
16 awards are going to increase along with
17 tuition. The program gets more and more
18 expensive, and the Legislature at some point
19 is stuck with deciding how you're going to
20 restructure the program.

21 That would be a tough conversation to
22 have. TAP is already on the chopping block
23 in the last couple of years, even despite --
24 even without these yearly upward pressures

1 that we're talking about.

2 Furthermore, differential tuition rates
3 we also have a real concern about. We think
4 they'll have a chilling effect on
5 applications of low-income and
6 underrepresented students, and potentially
7 price some students out of 21st century
8 careers or our most prestigious public
9 colleges and universities.

10 If you take a look at some of the
11 research out there, there are
12 college-qualified students that don't go to
13 college. When you ask them why they didn't
14 go to school, they often point to the
15 sticker price. Of course. That's obvious.
16 You hardly need me to cite research about
17 it. But there is research, and 63 percent
18 said it's extremely important or very
19 important in their decision not to go to
20 school.

21 Even if the aid might be available to
22 those students, the sticker price scares
23 them away. And not just high-cost majors
24 but also high-demand majors, majors where

1 the market will encourage the colleges to
2 increase tuition will also have that
3 chilling effect.

4 And finally -- and there's more detail
5 in the testimony -- increasing debt loads.
6 When you increase tuition, debt is certainly
7 going to go up. Right now, the most recent
8 data point to 65 percent of public four-year
9 college students graduate with debt. That's
10 already a lot. But there's some notable
11 research out there that points to just what
12 this means for public college students.

13 In fact, public college four-year
14 students are graduating in many instances
15 deeper in debt than students that are going
16 to private colleges nearby. Several
17 examples are in the research. But
18 University at Albany \$18,189, on average.
19 Hamilton College, \$18,259. There's a number
20 of examples where students are making the
21 choice to go to the more affordable school
22 and still graduating deeper in debt.

23 So the Legislature should pass a budget
24 that protects students and maintains control

1 of tuition.

2 And I'll hand things back over to
3 Patrick.

4 MR. KRUG: Thanks.

5 The Governor's proposals to cut funding
6 for TAP by \$74.3 million would cause harm to
7 some of the poorest students in the state,
8 and I would like to comment on just a few of
9 them.

10 Seventy-five dollars is a significant
11 sum for any student, but especially for
12 those students who are barely making ends
13 meet already. We oppose reducing all TAP
14 awards by \$75. That would affect
15 approximately 375,000 students and would
16 reduce awards for dependent students to a
17 minimum of \$425 and a maximum of \$4,925.

18 We oppose denying financial aid to
19 students struggling to improve their grades.
20 We certainly support encouraging academic
21 success, but the state should find ways to
22 help rather than to push out low-performing
23 students.

24 We oppose eliminating TAP for graduate

1 students. The graduate student TAP awards
2 may not seem big, but the program is
3 valuable. Graduate students are the
4 low-paid workhorses of our universities, and
5 they deserve financial aid.

6 We oppose reducing TAP aid for children
7 of some retired workers, which will make
8 college less accessible to the children of
9 retirees.

10 And we also oppose reducing maximum TAP
11 awards for two-year degree programs from
12 \$5,000 to \$4,000, which will
13 disproportionately hurt low-income and
14 minority students, potentially driving them
15 deep into private loan debt, and it may also
16 undermine the state's efforts to fill the
17 nursing shortage.

18 One proposed TAP reform that we welcome
19 is shifting orphans and wards of the court
20 and unmarried independent students less than
21 22 years of age to TAP's more generous
22 dependent award schedule. This would make
23 college more accessible for students who
24 have been falling through the cracks.

1 The Legislature should find the money
2 to implement this important change without
3 cutting aid for low-income married students
4 with no dependents, which is unfortunately
5 how the Governor proposes to pay for this
6 reform.

7 Regarding community colleges, reducing
8 funding for community colleges by another
9 \$57 million will leave those schools without
10 enough money to serve the record numbers of
11 students that are already filling their
12 classrooms. It would also pass off more of
13 the expense of operating our community
14 colleges to local governments and probably
15 lead to big tuition hikes.

16 Community colleges are the first places
17 workers turn after a layoff or to strengthen
18 their resumes to compete in a tight job
19 market. The recession is increasing
20 enrollments at community colleges for this
21 reason.

22 Community college students tend to have
23 lower incomes than the students at four-year
24 colleges. They are also more likely to have

1 unmet need after financial aid. Community
2 colleges also serve many low-income
3 part-time students who do not receive TAP or
4 Pell, and many adult students who receive
5 smaller TAP awards determined by the miserly
6 income requirements of TAP's independent
7 award schedule.

8 Our community colleges were underfunded
9 long before this recession began. For years
10 the state has failed to abide by education
11 law requiring the state to pay up to 40
12 percent of their operating costs, and that
13 cost has been passed on to students, making
14 average community college tuition and fees
15 in New York State some of the highest in the
16 nation. Since last year, average tuition
17 and fees at the state's community colleges
18 increased by \$235. This year the average
19 cost of tuition plus fees at public two-year
20 institutions was \$2,718 nationally. It is
21 \$3,888 in New York.

22 We know that the state is facing
23 unprecedented challenges and that the
24 Legislature will be forced to make difficult

1 choices this year. We ask that you do
2 everything in your power to lead us through
3 this crisis without sacrificing affordable
4 higher education.

5 Thank you.

6 CHAIRMAN FARRELL: Thank you very
7 much.

8 SENATOR KRUEGER: Thank you very much
9 for your testimony.

10 Our next to last is a panel, if
11 anybody's still here, University Student
12 Senate -- oh, it's everyone left in the
13 room. Come on down.

14 And I don't believe I see Karen
15 Schimke, and so this will be our last panel
16 for the day. Unless someone wants to run
17 down and tell me differently.

18 Good afternoon. And I know you've all
19 waited a long time today and traveled from
20 New York City, and you have a whole package
21 of testimony. So we're going to ask you not
22 each to read your testimony, okay, but to
23 summarize your points. And if each of you
24 are making a point that a previous testifier

1 has made, you know, simply say that you
2 agree with that person. Thank you. Of
3 course, you should identify yourselves.

4 MR. PROVOST: Good afternoon. My
5 name is Cory Provost, and I am a graduate
6 student at Brooklyn College. I am studying
7 urban policy and administration, and I've
8 also received a bachelor of arts in
9 philosophy from Brooklyn College.

10 I am the chairperson of the University
11 Student Senate, the chief student government
12 organization that oversees the City
13 University of New York.

14 I didn't want to sit here and inundate
15 you with a lot of the statistics, facts and
16 figures that the previous speakers touched
17 on, primarily because I think what was lost
18 in those testimonies was the voice of the
19 students. So I wanted to really highlight
20 the experience of the students, particularly
21 two students from the City University of New
22 York.

23 Kwame Amin and Christina Gonzalez are
24 two students who were both high school

1 dropouts. Now, both of them have reached a
2 point in their lives where they decided to
3 go a different path, get back into the ranks
4 and continue their education. So they both
5 decided to get a GED. After doing so, both
6 of them, after seeing an advertisement for
7 BMCC, the famous advertisement that I think
8 goes around all of New York City, "Start
9 here, and you can go anywhere," they
10 enrolled in BMCC.

11 And Mr. Amin, last November, was the
12 first-place winner in the Chemical Sciences
13 Award, and his achievements were broadcast,
14 through the BBC, around the globe. Now, he
15 went from a high school dropout to a
16 world-renowned scientist in a very short
17 period of time. I think students like
18 Mr. Amin really do epitomize the legacy that
19 is CUNY.

20 Ms. Gonzalez, after her 20th birthday
21 she completed her GED and went on to enroll
22 in BMCC. She maintained a 3.85 GPA and was
23 awarded a full-time scholarship from BMCC
24 that allowed her to finance her education.

1 She went on to transfer to John Jay, at
2 which she's also doing amazing things.

3 Both of these students went through a
4 lot of hardship. And the Governor's
5 proposal that talks about reducing so much
6 aid to students, to students that want to
7 get involved and come back and continue
8 their education, I think does a real
9 disservice to the students like Mr. Amin and
10 Ms. Gonzalez.

11 And I sit before you today, I think we
12 all do, in asking you to reject the
13 Governor's proposal as it pertains to higher
14 education. The students of CUNY and SUNY I
15 think are paying very close attention to
16 these deliberations and are being very
17 mindful of what is going on as far as the
18 finances go towards their higher education.

19 I think that what is imperative is that
20 while we understand the fiscal realities
21 that we are faced with, that this budget
22 still reflect the priorities and the values
23 of the students of New York. And I don't
24 believe this budget does that.

1 So we are asking you to don't allow
2 this budget to hinder students from starting
3 here and going anywhere.

4 I will pass the mike to one of my
5 counterparts to speak.

6 MR. PEREZ: When I wrote this
7 proposal, it was scheduled to say good
8 afternoon, but I guess it's more like good
9 evening.

10 My name is Oscar Perez. I am currently
11 a Baruch student. My major is finance,
12 economics and communications. I am
13 currently vice chair for fiscal affairs at
14 USS.

15 I'm here because I heard that a home
16 away from home is being threatened with
17 budget cuts. This home to me is CUNY. CUNY
18 has allowed me to escape the seesaws of the
19 emotional pain that I have gone through in
20 my home. CUNY has always, for me, been the
21 shiny spot, you could say, in my upbringing
22 and in my future success in years to come.
23 I mean, without CUNY, I don't know where I
24 would be right now.

1 I could say that I'm just the paint
2 that pretty much represents the surface of
3 the students in CUNY that are going through
4 the same issues and the same hardship that I
5 went through when I was coming up.

6 I'd also like to finish off with a term
7 that I call -- maybe you guys heard it --
8 flight to safety, flight to quality. It's
9 an economics term where many investors get
10 scared of a high-risk investment and they
11 decide to invest in something that is less
12 volatile. And this is called flight to
13 safety, flight to quality.

14 And this is what CUNY is. Because of
15 all the job losses that are being effected
16 now, I believe that many people and many
17 individuals in the cities and states are
18 running back to school for that safe
19 investment, going back to school to get a
20 safe investment in their education.

21 I would say if funds are cut and
22 tuition hikes are allowed, we might be
23 jeopardizing this flight to safety, leaving
24 them with little or maybe no positive

1 reinforcement.

2 And I will pass it to a fellow vice
3 chair.

4 MR. BOYO-FASHOLA: Good evening. My
5 name is Christopher Boyo-Fashola. I attend
6 Borough of Manhattan Community College. I
7 am the vice chair for community college in
8 the University Student Senate, the only
9 student who is representing every community
10 college student here this evening.

11 I finished from Bronx Community College
12 a few years ago with a degree of early
13 childhood education, but I realized my
14 advance of progressing in life is very
15 limited. I went back to school to get a
16 second degree in business, and now I
17 currently attend Borough of Manhattan
18 Community College.

19 I am currently speaking on behalf of
20 every student in CUNY. I work and I go to
21 school and I pay my tuition. I buy my own
22 books, and with the little support I get
23 from CUNY, it's very helpful to me. The
24 increase of Governor Paterson would really

1 make a big impact on a student like me.

2 Yes, I do attend a community college,
3 but the question is can I afford a senior
4 college. There's a lot of students who can
5 afford community college but do want to go
6 to school but don't have the funds or the
7 resources to attend colleges. My school
8 states "Start here, go anywhere." What if
9 they can't start from nowhere? Where would
10 they go?

11 I'll finish my statement tonight by
12 just saying CUNY, to me, has become the most
13 successful crime-prevention program in the
14 State of New York.

15 Thank you.

16 MR. BOYCE: Good evening. My name is
17 Keston Boyce, and I am the president of the
18 Student Government Association at Medgar
19 Evers College within the City University of
20 New York. And I'm also the vice chair of
21 technology fees for the University Student
22 Senate. I'm currently pursuing my
23 bachelor's in public administration at
24 Medgar Evers College.

1 As we all know, CUNY is known for its
2 diversity and its affordable tuition rates.
3 However, diversity does not only focus on
4 one's nationality, but it also highlights
5 one's socioeconomic status. Throughout CUNY
6 we have many groups of students, some who
7 are single parents, some who are
8 working-class. And we also have students
9 who are unemployed who depend on the Tuition
10 Assistance Program which we all know as TAP.

11 CUNY is a place where students should
12 feel comfortable while getting an education
13 and not worrying about whether they should
14 pay their rent or pay the cost of education,
15 because students rarely choose the latter.
16 We know in 2009 tuition for CUNY students
17 increased to \$2,300 from \$2,000. And in
18 2008, the technology fees increased to \$100
19 for full-time students and \$50 for part-time
20 students.

21 We know that CUNY is becoming
22 high-priced. That's why the financial
23 assistance is needed for those who qualify.

24 I was once told from my parents that

1 the cure for poverty is having a sound
2 college education and the right information.
3 And with these proposed budget cuts, you
4 would be negatively impacting on CUNY
5 students, potentially putting us in a worse
6 economic situation than that of our parents.

7 Today, as students whose education is
8 dependent on the Tuition Assistance Program,
9 we ask that you support us as we ask you not
10 to cut the TAP awards given to students,
11 especially if you would like to see CUNY
12 remain the sacred cow for the 500,000 plus
13 students who attend.

14 Thank you.

15 MR. JAMES: Good afternoon. My name
16 is Clement James. I am a student at John
17 Jay College of Criminal Justice. I'm the
18 vice chair for graduate affairs at the
19 University Student Senate.

20 As a representative of CUNY, I am one
21 of 1 million other CUNY and SUNY students
22 who also have to face challenges due to this
23 economic crisis. I am confident that the
24 Governor's proposed budget will adversely

1 affect the future of many, if not all,
2 graduate students.

3 The Governor's proposed budget will
4 negatively impact the future of the State of
5 New York's educational system. As a
6 graduate student, I believe that Governor
7 Paterson's proposal to eliminate TAP for
8 graduate students will make life more
9 difficult for graduate students.

10 The average graduate student either
11 works a part-time or full-time job, has a
12 family, and pays for their own housing. If
13 these proposed cuts were imposed, graduate
14 students would have to take fewer classes
15 and work more hours to pursue higher
16 education.

17 CUNY and SUNY students are the future
18 of this great state. One reason students
19 attend CUNY and SUNY colleges are due to the
20 affordable tuition while still offering a
21 superior education.

22 Graduate students also have the ability
23 to generate income in a number of ways. An
24 example of this would be a graduate student

1 pursuing an MBA at Baruch College. The
2 graduate would be able to start his or her
3 own business, will be able to generate money
4 into the economy. This is just one example
5 multiplied by 125,000 graduate students.

6 The state needs more small businesses,
7 more graduate students with entrepreneurship
8 during this economic crisis. The proposed
9 budget cuts would deter future graduate
10 students from attending a CUNY or SUNY
11 school because they simply will not be able
12 to afford it. These students compose the
13 institution.

14 CUNY and SUNY schools are sure to
15 decline as they lose prospective students to
16 exorbitant costs. The State Legislature
17 should do everything in its power to stop
18 the passage of proposed budget cuts
19 affecting CUNY and SUNY graduate students.
20 Blocking the passage of these cuts will
21 ensure that more students will enroll in
22 CUNY and SUNY colleges, as they continue
23 offering quality and affordable education.
24 It is important for the Legislature to

1 recognize that students are raising grave
2 concerns about the budget cuts.

3 Thank you for the opportunity to
4 testify this afternoon.

5 MS. BENJAMIN: Good afternoon. My
6 name is Tatiana Benjamin, and I am a
7 Brooklyn College student studying English
8 and political science in the hopes of
9 attending law school and becoming an
10 attorney. I am also the vice chairperson
11 for senior college affairs for the
12 University Student Senate.

13 Governor Paterson wants to give CUNY
14 and SUNY boards the power to increase
15 tuition and spend tuition dollars without a
16 single legislative oversight or approval.

17 Furthermore, this budget proposes to
18 deny any student struggling to improve their
19 grades any financial assistance. I believe
20 this budget proposal to be unprincipled, and
21 it will hurt students more than it will
22 actually help them. Denying aid to students
23 who are not doing well in their academics
24 merely further discourages them to want to

1 excel.

2 These students will give up and drop
3 out of school. They will turn back to the
4 streets that we worked so hard to get them
5 off of, and inevitably they will turn back
6 to crime.

7 I myself am a Haitian student. And
8 with my country in the state that it is in,
9 I cannot take on any more burdens. Many of
10 my family members have lost their homes and
11 are living on the streets. The ones that
12 are here cannot afford to pay for my
13 education.

14 There are approximately 6,000 Haitian
15 students in the CUNY system who have all
16 been affected by Haiti's earthquake in one
17 way or the other. Many of them can no
18 longer go back to school because they have
19 lost whatever form of financial assistance
20 they were receiving, or they are simply too
21 traumatized. I am one of the lucky few who
22 are still able to continue my education.
23 But if tuition keeps on raising, that may
24 change.

1 This is the time where we need your
2 help the most. Raising tuition would cause
3 many of us who are already on the brink of a
4 breakdown to completely give up.

5 Thank you.

6 SENATOR KRUEGER: I want to thank you
7 all for coming and testifying. And you're
8 all very articulate about specifically the
9 TAP issues.

10 But since several of you are finance
11 majors, I just have one question. You've
12 sat here all day, so you've heard everybody
13 testify. And one of the discussions -- or
14 one of the proposals being made to the
15 Legislature is allowing SUNY and CUNY to
16 have differential tuition for the type of
17 program.

18 And I guess particularly for those of
19 you who are doing financial analysis for
20 your careers, how do you think that would
21 affect students trying to get through the
22 SUNY or CUNY system if it was more money for
23 an accounting degree than an early childhood
24 degree or less money for a French major

1 that, say, wanted to go into English.

2 I think that is not what CUNY is about
3 or why it was started. I just can't see how
4 it would be a good thing for the university.

5 MR. BOYO-FASHOLA: I feel like it
6 doesn't matter what you want to become. And
7 you shouldn't have to pay more to achieve
8 your dream.

9 The most important is to become a
10 useful citizen to the United States, which
11 is our dream, to be educated students, to
12 make our children be able to achieve their
13 dream and not worrying about how much it
14 will cost them to live your dream.

15 Thank you.

16 SENATOR KRUEGER: Any Assemblymembers
17 who would like to ask questions?

18 ASSEMBLYWOMAN GLICK: Thank you so
19 much.

20 SENATOR KRUEGER: Thank you very much
21 for waiting all day to testify.

22 CHAIRMAN FARRELL: Thank you,
23 gentlemen.

24 Did you drive or did you come up by

1 train?

2 MR. JAMES: Amtrak.

3 SENATOR KRUEGER: Okay, you still
4 have time to get on trains heading back.

5 CHAIRMAN FARRELL: They missed the
6 4 o'clock.

7 SENATOR KRUEGER: Well, it was your
8 fault, Denny, clearly.

9 I want to thank everybody for sticking
10 with us through the Higher Education
11 hearing, and we will be back on Monday
12 morning with Economic Development.

13 (Whereupon, at 5:00 p.m., the
14 budget hearing concluded.)

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