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**TESTIMONY OF THE
NEW YORK PUBLIC INTEREST RESEARCH GROUP
BEFORE THE
JOINT LEGISLATIVE BUDGET HEARING OF THE SENATE FINANCE AND
ASSEMBLY WAYS & MEANS COMMITTEES ON THE
2014-2015 EXECUTIVE BUDGET FOR HIGHER EDUCATION
February 6, 2014 – Albany, New York**

Good afternoon. My name is Kevin Stump. I am the Higher Education Program Coordinator for the New York Public Interest Research Group (NYPIRG). With me today is Aileen Sheil, the Chairperson of NYPIRG's student Board of Directors and a Queens College student. We appreciate this opportunity to share our preliminary perspectives on the proposed Executive Budget for Higher Education.

NYPIRG is the state's largest, non-partisan, student advocacy organization. Our Board of Directors consists of college and university students elected from campuses with NYPIRG chapters across the state.

College access and affordability have been growing concerns for many, especially low-and middle-income families. Since the economic downturn in 2008, funding for higher education has been dramatically cut and financial aid programs, like the New York State Tuition Assistance Program (TAP), have not kept pace with rising education costs. Students recognize that having a college degree is one of the best ways to succeed in today's economy and are enrolling in college in droves. However, tuition and related education costs such as textbooks have skyrocketed – further threatening access to an affordable higher education. These factors and more have helped to drive student loan debt to an all-time high.

Today, we are here to urge the legislature to make the following five changes to this year's executive budget:

- 1) Restore funding to CUNY and SUNY to 2008 levels to rely less on tuition increases.
- 2) Support the CUNY and SUNY budget request to increase State Base Aid to community colleges by \$250 per Full Time Equivalent (FTE).
- 3) Reform the Tuition Assistance Program (TAP).
- 4) Include the New York State DREAM Act in this year's budget.
- 5) Strengthen support to opportunity programs that work.

Recommendation #1: Restore funding to CUNY and SUNY to 2008 levels to rely less on tuition increases. Since 2008, New York State has cut nearly \$2 billion to higher education, shifting the onus of filling state budget gaps and paying for college onto the backs of students

and their families. During that same time, tuition at SUNY went up as much as \$1,520, and \$1,730 at CUNY. NY SUNY 2020 incrementally raises tuition at SUNY and CUNY \$300 each year for five consecutive years. Tuition at SUNY is expected to reach \$6,470 (a 42 percent increase) and at CUNY tuition, will have reached \$6,330 (a 58 percent increase) by the 2015-2016 academic year.ⁱ These tuition increases could not have come at a more challenging time for many New York families.

Unfortunately, the Executive Budget recommends reductions of \$1 million to CUNY and \$2 million to SUNY. The Governor's proposal undermines the commitment made in the NY SUNY 2020 plan that promised to provide stable year-to-year funding. *We strongly urge the Legislature to not only restore the proposed budget cuts but increase State aid to 2008 levels, which will reverse the trend of public disinvestment and put the state on a path to making college more affordable.*

Recommendation #2: Support the CUNY and SUNY budget request to increase State Base Aid to community colleges by \$250 per FTE. Community colleges are a local, affordable first rung on the path to a higher degree or a better job for many New Yorkers, including those who need to be close to their homes, families, and jobs. Moreover, community colleges provide crucial job training and re-training for under-employed and unemployed workers in a rapidly shifting economic environment.

Unfortunately, the Executive Budget recommends flat Base Aid funding at \$2,422 per FTE student, providing the same funding levels as FY 2013-14. As you know, under New York State law, the state is mandated to cover 40% of the costs of community colleges,ⁱⁱ yet that law is routinely ignored. *We strongly urge the Legislature to take seriously the modest request from CUNY and SUNY to increase State Base Aid by \$250 per FTE. This would restore funding that has been lost since 2008 and bring the State closer to fully funding community colleges at 40% of their costs.*

Recommendation #3: Reform the Tuition Assistance Program (TAP). TAP was created in 1974 "to maximize access to higher education for all qualified students."ⁱⁱⁱ The forty-year old program is the cornerstone of financial aid for many New York families. Unfortunately, TAP has not kept pace with rising tuition and inflation.

As part of the NY SUNY 2020 law, SUNY and CUNY must make up the difference between the maximum TAP award and remaining cost of tuition for students who qualify for the maximum award. The tens of millions of dollars used to fill this gap are resources that could have been invested in academic support, new full-time faculty and staff positions, expanded course offerings, and additional student support services.

Higher education costs are growing at a considerably faster rate than overall inflation. The maximum TAP award has been \$5,000 since 2001. If it had kept pace with the inflation rate for higher education since then, the maximum award would be nearly double today, or \$9,942. The average award would be \$4,482, a differential of more than \$2,200.^{iv} This means that the average TAP award recipient could've realized an almost \$9,000 reduction in their total student loan debt.

In addition to the stagnant TAP award amount, there are serious structural changes needed to strengthen the program. This includes consolidating and getting rid of the 11 outdated award schedules and the rule requiring that a student's grant schedule be based on the year they enter college. Furthermore, the income threshold on TAP award schedules for independent single students and married students without dependent children is based on a twenty-year old schedule that makes students ineligible if they earn more than \$10,000 and currently limits the maximum award to \$3,025. Other issues that need to be addressed include the rule requirement that students attend college full-time for a year before becoming eligible for part-time TAP. Undocumented students, graduate students, incarcerated students, and students in default on federal student loans are also excluded from the program altogether.

The Legislature should recognize the need to expand opportunity and strengthen access to an affordable higher education by making TAP reform a priority this year. *We urge the Legislature to hold hearings across the state to solicit public input and feedback, especially from students and their families. We strongly urge you to enhance the Tuition Assistance Program in this year's budget to better reflect the needs of students and their families.*

Recommendation #4: Include the New York State DREAM Act in this year's budget. While Congressional gridlock has made comprehensive immigration reform out-of-reach, states have taken the initiative to create their own solutions. Texas, New Mexico, and California have already passed legislation that grants undocumented students access to public resources to attend college, such as education opportunity programs and the Tuition Assistance Program (TAP).^v It is well documented that investments in higher education contribute to the overall quality of life in the state and serve as a catalyst for economic growth. New York has long recognized the importance of supporting New York's immigrant students, including funding programs to support English Language Learners and college readiness programs. In 2001, Governor Pataki's proposal to grant undocumented students access to in-state tuition rates was enacted with bipartisan support.^{vi} An investment in undocumented student higher education will reap returns many times over for New York. Unfortunately, undocumented youth are still not eligible for state financial aid in New York State.

The New York DREAM Act, introduced by Assemblyman Moya and Senator Peralta, is an important education equity bill. *We strongly urge the Legislature to include funding in the budget for the New York State DREAM Act (S.2378/A.2597).*

Recommendation #5: Strengthen support for opportunity programs that work. To increase college attainment to meet the growing demands of a 21st century labor force, more investment in proven opportunity programs is needed, not less. These programs, which are designed for the "educationally and economically disadvantaged," have a steady track record of success in increasing graduation rates among the most at-risk students. In general, students in opportunity programs are individuals who have come from low-income communities and often rank low on traditional measures of collegiate admissions standards, such SAT scores, high school GPA, and class standing.^{vii}

Unfortunately, the Executive Budget recommends several budget cuts to critical programs, which jeopardizes the role these programs play in college access and success. These programs include the Search for Education, Elevation, and Knowledge (SEEK) program (\$551,340 reduction), Child Care (\$500,000 reduction), Joseph Murphy Institute (\$750,000 reduction), and

College Discovery (\$26,900 reduction).

Another alarming recommendation in the Executive Budget eliminates \$1.7 million in State support to the highly successful and nationally known Accelerated Study in Associate Programs (ASAP). ASAP provides top-to-bottom financial support and academic services for students at CUNY community colleges. It should be noted that ASAP students graduate at more than double the rate of non-ASAP students, with increases in graduation rates after three years of more than 30%.

In addition, the proposed plan recommends flat-lined funding for programs that are in need of more investment. These include Bundy Aid, Higher Education Opportunity Program (HEOP), Liberty Partnerships Program, Science and Technology Entry Program (STEP), and Collegiate Science and Technology Entry Program (CSTEP).

We strongly urge the Legislature to recognize the strength of these programs and the students they serve by first restoring proposed cuts to CUNY SEEK, ASAP, and the Joseph Murphy Institute. In addition, the legislature should take steps to increase funding to opportunity programs such as Bundy Aid, HEOP, Liberty Partnerships Program, STEP, and CSTEP.

In Closing, rapidly rising tuition, over-priced textbooks and course materials, state disinvestment, outdated and inadequate financial aid, and growing student loan debt all conspire to put college out of reach for many New Yorkers. The demand to graduate more students from college with less student loan debt must be matched with an effort to lower costs and increase financial aid programs such as TAP.

We urge the Legislature to restore funding levels to CUNY and SUNY, support the CUNY and SUNY budget request to increase State Base Aid to community colleges by \$250 per FTE, reform the Tuition Assistance Program (TAP), include the New York State DREAM Act in this year's budget, and strengthen support to opportunity programs that work.

We would like to thank you for providing this opportunity for us to share our thoughts on the 2014-2015 Executive Budget for Higher Education in New York. We will continue to engage you in this discussion over higher education funding and policy in the coming weeks. We look forward to working with you to ensure that a college education is accessible and affordable for all New Yorkers. Thank you.

ⁱ New York State United Teachers, "NYS Public Tuition Rates 1971-Current," Jacob Crawford, (10 January 2013).

ⁱⁱ New York State Education Law, section 630.

ⁱⁱⁱ New York State Higher Education Services Corporation, "New York's Tuition Assistance Program-A History," [www.hesc.com/content.nsf/CA/Appendix E New Yorks Tuition Assistance Program A History](http://www.hesc.com/content.nsf/CA/Appendix_E_New_Yorks_Tuition_Assistance_Program_A_History). (4 February 2013).

^{iv} Fiscal Policy Institute, "Analysis of Inflation for Higher Education," (16 January 2014).

^v Center for American Progress, "Keeping the DREAM Alive: States Continue the Fight to Give Undocumented Students Access to Higher Education," Philip E. Wolgin & Maya Edelstein, June 2011, http://www.americanprogress.org/issues/2011/06/keeping_dream_alive.html (8 May 2012).

^{vi} NYS S.7784/A.9612-A, <http://assembly.ny.gov/leg/?sh=printbill&bn=A09612&term=2001>

^{vii} The State Education Department, University of the State of New York, Collegiate Development Programs Unit, "HEOP Works," January 2013, Page 5, <http://www.highered.nysed.gov/kiap/colldev/HEOP/documents/HEOPWebBrochure2013-14.pdf>, (1 February 2014).