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**2014-15 Executive Budget Testimony
Chancellor Nancy L. Zimpher
February 6, 2013**

**Joint Legislative Public Hearing
New York State Assembly Committees on Ways & Means and Higher Education
New York State Senate Committees on Finance and Higher Education**

Introduction

Good morning. My name is Nancy Zimpher, and I am Chancellor of The State University of New York.

I want to thank Chairpersons John DeFrancisco, Denny Farrell, Ken LaValle, and Deborah Glick; members of the Senate and Assembly; and legislative staff for allowing us this opportunity to speak today. With me is President Deborah Stanley of SUNY Oswego, President Harvey Stenger of Binghamton University, and President Cliff Wood of SUNY Rockland Community College, all of whom I have asked to join me today to share their perspectives on the 2014/15 Executive Budget. I thank them for their time, and their continued devotion to their campuses and the SUNY system.

2014 promises to be another exciting year for the State University system. We hope that together, through our continued partnership we have all worked to build between SUNY, the Governor, and you, our legislative champions, we can develop and pass a budget that provides our students and faculty with the resources and vision they need to do our part in lifting up this great state.

A few weeks ago, I laid out in our annual State of the University Address several ways in which SUNY and its campuses—as a system—will work to improve how we educate New Yorkers and prepare them to become the workforce and engaged citizenry of tomorrow.

Of course, our biggest news that day was the introduction of Open SUNY, a new approach that will greatly expand access to SUNY's high-quality affordable college education via online learning. OPEN SUNY not only lets New Yorkers complete a degree on their own schedule, but it is also one of the only online platforms in the country that will provide the same level of high-quality education and experiential opportunity that is available to students on our campuses. Because of our system's diversity, reach, and scope, Open- DOT- SUNY- DOT-edu could become the nation's largest, most extensive distance-learning environment.

We also renewed our commitment to SUNY Works, a program that encompasses internships, clinical experiences, and cooperative education opportunities offered by our campuses in partnership with the state's employers. Our goal is that every SUNY student has an applied learning experience by graduation, and I have committed to personally engage the CEOs of every Fortune 500 company in New York and other large employers with the goal of 100 percent participation in this initiative.

You already know about our successful Networks of Excellence coming out of SUNY's Research Foundation, bringing together top scholars in energy, healthcare, neuroscience, and manufacturing. This

year, we double down on our belief in the value of a liberal arts education and will introduce a fifth network—the arts and humanities—to bring the success of our programs in this area to scale.

And that's not all—we believe SUNY should continue to reflect the diversity of New York, and therefore we created a Task Force on Diversity to propose new ways to improve the diversity in our SUNY family.

We will continue to partner with Governor Cuomo to link STEM and STEM education graduates to the state's workforce development programs; work hand in glove with our K-12 colleagues to enhance the Early College High School Program and do a better job at preparing our future generations for college; and of course, continue to be good stewards of our role in revitalizing the state's economy through leadership roles in one-of-a-kind programs like the 2020 Challenge Grants and START-UP NY.

A very busy year, indeed.

The Executive Budget

And so as it does every year, the Executive Budget brings with it exciting new opportunities for SUNY, as well as a few challenges that we would like to see addressed this session.

SUNY is excited to embark on proposals in the Governor's Executive Budget including:

- Better emergency training through the creation of the first-of-its-kind new College of Emergency Preparedness, Homeland Security, and Cyber Security;
- Training the next generation of pharmacists with a new school of Pharmacy at Binghamton;
- The Governor's STEM Scholarship program, which promises to position SUNY and New York as a leader in next-gen, high-tech job creation, and will serve as a critical attraction for our prospective students;
- And we are beyond thrilled that the Governor has included and expanded yet another round of the highly successful NYSUNY 2020 Challenge Grant Acts that drive synergies between academic and workforce needs throughout the regions of our state.

With that being said, ***I would like to briefly review a few items of the Executive Budget, as well as those items I respectfully ask the Legislature to consider restoring in the final 2014/15 budget.***

The 2014/15 Executive Budget holds operating funding for SUNY primarily flat. There were reductions to key access programs such as ATTAIN and SUNY's highly successful Educational Opportunity Programs, along with slight reductions in support for "Categorical Aid"—most notably in our Child Care program and complete elimination of the Graduation, Advancement, and Placement (GAP) funding. We respectfully ask that these items be restored. Finally, the Executive Budget did not provide the financial support of \$82.2 million for the collective bargaining contracts—costs that are outside of SUNY's direct control for our State-operated institutions.

New York is on the Right Fiscal Path

SUNY recognizes that you and the Governor have performed a monumental task of rightsizing the fiscal condition of the State, while still championing and investing in public higher education. Over the past three years you have steered the State through the fiscal crisis by transforming multi-billion dollar budget deficits into a surplus. SUNY has been a willing partner in this transformation from the start, following the lead of both the Governor and the Legislature through the successful NYSUNY 2020 program and more recently through the START-UP NY program, which will help drive economic opportunity and jobs, as well as enhanced academic opportunity, for the State for years to come.

Most notably, the rational tuition and Maintenance of Effort provisions of the NYSUNY 2020 legislation ensured much-needed predictable revenues enabled by fair and responsible increases in tuition and a maintenance-of-effort promise from the State were directly reinvested in the educational experience of our students. By this statute alone, the Legislature and the Governor positively changed the way SUNY was funded for years.

Today I would like to briefly discuss additional ways we could enhance and leverage our successes to date that could position SUNY's 64 campuses, 463,000 students, 79,000 annual graduates, 7,500 degree and certificate programs, 2 million enrollees in workforce and professional development programs, 88,000 employees, 20,000 active retirees, and 3 million alumni that together provide \$19.8 billion in economic impact for New York State for even greater results.

I. Investment in Full-Time Faculty

First, our faculty is the foundation of SUNY's academic excellence. Without world-class faculty our students won't succeed in future careers. Since the inception of NYSUNY 2020 and its rational tuition component, all of our State-operated institutions have been seeking to increase the educational opportunities afforded to our most important consumers, the students.

Under NYSUNY 2020 our campuses have been able to:

- Employ more than 520 additional instructional staff, including 270 net new full-time faculty;
- Increase the percentage of historically underrepresented minority students from 14 percent in Fall 2010 to 18 percent in Fall 2012; and
- Create more than 100 new degree programs at the State-operated campuses, many of which reflect investment in programs that will meet the needs of New York's growing workforce and economic revitalization.

We would like to continue the upward trajectory provided by NYSUNY 2020, but we cannot do this alone. With additional state resources, SUNY would set a goal of 250 additional full-time faculty hires beginning in 2014-15. These new faculty would focus primarily on high-need/high demand programs in

Engineering, Information Technology, Healthcare, Finance, and Accounting, and in support of our five Networks of Excellence. We will work with you and our other stakeholders to develop the best vehicle to get these faculty hired, including the “endowment program” for full-time faculty forwarded by UUP and others. I am excited by this concept, and I look forward to learning more about it in the days ahead.

II. Investing in SUNY’s Infrastructure

Second, while faculty is the backbone of academic excellence, we must ensure our infrastructure meets the 21st-century needs in order to support our students and faculty. Therefore, we must continue our investment in SUNY’s infrastructure.

State-operated campuses

SUNY is grateful for the \$500 million in capital funds provided in the Executive Budget that are directed toward critical maintenance needs. As you know, a vital part of SUNY’s mission is to provide an affordable quality higher education for our students, and we are committed to the role of steward over our vast inventory of facilities and infrastructure, making sure they are safe, to deliver that mission. Past generous investment has allowed SUNY to reduce the backlog of critical maintenance issues at our campuses and further funding is needed to sustain this progress. In addition, SUNY’s campuses, like all higher education institutions, must reconfigure academic spaces into state-of-the-art facilities that support contemporary instructional modalities.

We cannot do that without continued and predictable state support.

Multi-year funding commitments promote long-term planning and allow the campuses to identify and prioritize projects over time within known funding limits rather than utilizing the reactionary “band-aid” approach that is often the effect of year-at-a-time funding.

However, if a multi-year funding commitment is not possible and recognizing the constraints imposed by the 2000 Debt Reform Act, we recommend the Legislature double the Executive Budget’s proposal with a modest increase of \$500 million. That level of investment will address high-priority campus projects that advance technology innovation, promote sustainability, and leverage private investment.

This additional support would allow the SUNY campuses to progress numerous projects across the system to renovate classrooms, libraries, and other instructional space. These renovations would provide technology upgrades to support modern teaching methods, such as “flipping classrooms,” and adapt libraries from the traditional repositories of collections to high-tech information commons—much like the Smart Classrooms Bond Act proposal for K-12. The additional investment would also allow many campuses to renovate buildings that support the sciences, technology, businesses and the arts, producing energy efficiencies at the same time.

I would now like to ask President Stenger and President Stanley to speak to the impacts of the Executive budget on their specific sectors and campuses.

Community Colleges

As you are aware—and something for which we are extremely grateful for—great strides have been made in recent years in increasing the share of total community college operating costs provided by State funds. Through the actions of this Legislature and the Governor, the State's share of these costs has increased from a low of 25.5 percent to 26.3 percent, reducing the burden on students and lowering their share from a high of 43.9 percent to 43 percent in the current year.

Given the importance of community colleges to SUNY and the state, especially as a key component of workforce development efforts, I endorse SUNY's 2014/15 request for an increase of \$250 to Base Operating Aid. This would increase the value to \$2,672, a return to approximately 2008/09 levels of support.

Since the relationship between localities and the State began, both sides have benefited greatly from the capital program between the two. For just half the cost of a project, the State can ensure that the community college facilities are up-to-date, safe, and ready to meet the ever-changing pedagogy of postsecondary education.

However, this year, the State did not provide a match for those community college projects that had received a local sponsor match. This year's Executive Budget continues this new approach, and left 13 colleges without the matching support they need to continue these important projects. With this action, these colleges would now go two years without capital investment, despite having the pledge of their local sponsor to provide them their fair share of the costs.

SUNY is seeking an additional \$57.3 million in State support for 13 community college projects at nine colleges where local sponsor support has been obtained but the State support was not included in this year's Executive Budget. Community colleges work diligently with their local sponsors to obtain the 50 percent project share required by current statute. For the second year several high priority projects at three colleges have not received the other 50 percent State funding and the projects cannot move forward. Those that have received the sponsor funding are simply asking that the State provide their part. It is important to note that capital investment in these institutions comes at only half the cost and leverages local funding to stimulate the economy across upstate New York.

I would now like to ask President Wood to speak to the impact of the Executive Budget on the community college sector and his campus.

Hospitals

In addition, our hospitals have not received any capital funding for the past five years. Without a known source of funding, the hospitals cannot get the required Certificate of Need (CON) approval from the Department of Health, and without that certificate they cannot effectuate meaningful reinvestment. All of these factors hamper their efforts to become effective clinical classrooms for our medical students or

to compete as health care providers in their regions. Lack of a consistent ability to plan out capital investments in an efficient manner hampers excellence and could put hospitals' accreditation at risk.

Therefore, it is vital that the \$600 million requested on behalf of our three teaching hospitals is secured—or that we put in place a plan to provide long-term capital investments to our hospitals. We also would like to engage the Legislature and the Executive in a discussion of structure, regarding an alternate capital financing mechanism that would ensure continuous access to the capital markets and remove hospital debt from the state debt cap calculation, as we you helped us do last year with our Residence Halls.

III. SUNY Hospital Reform

It is no secret to anyone that health care, hospitals, and, more specifically, SUNY hospitals are in a state of transition. While the majority of our attention is currently focused on the issues at Downstate and Long Island College Hospital, I would put forth that this situation is merely the most recent of operating/financial issues that have plagued these institutions for years.

The long-term causes are varied: some that we at SUNY can and have controlled and those far outside our ability to effect. For many years, I—or someone in my position—would sit in this chair and ask you all for further funding for these hospitals, believing the idea that these issues could be corrected through increased cash flow alone.

Today, however, while I will ask for a increase of funding, an additional \$20.7 million, I will request that this funding be provided with additional legislative support that will help us move forward with the improvement of these hospitals and ensure that they become exactly the type of institution that each of our medical schools and unique geographic location requires.

This will require rethinking structure, including governance, financial, and operations.

This process has already begun in the Legislature with the recent bill put forth by Senator LaValle that would help situate the financial structure of Brooklyn, Syracuse, and Stony Brook for future success, with myriad reforms and proposals provided in the Executive Budget—and, of course, the Federal Medicaid Waiver sought to assist system transformation. I look forward to further conversations on this topic over the months to come, and I suggest to you that I and everyone at System Administration stands ready to aid you in forming a working solution to New York State's overall health care concerns.

Downstate and LICH

Before we take your questions, I would be remiss to not speak directly about an issue that stands to endanger the vision and the good work that has been spoken about today.

The Long Island College Hospital and Downstate Hospital have been the focal point of conversation at SUNY for many months now. At town halls, in our communities, on our campuses, and in meetings of our business officers, presidents, and Board of Trustees, this topic has dominated, if not consumed, the conversation.

In fact, so omnipresent is this issue for SUNY, our expert on this topic is currently unable to join us for this testimony as she is in Brooklyn as we speak, reviewing a new round of proposals for the operations of Long Island College Hospital that we hope will meet the needs of the community, SUNY, and the hospital itself.

It is imperative that we reach a solution immediately, because the SUNY system simply cannot afford the hundreds of millions of dollars in losses we have already incurred as a result of the situation at LICH, nor can we sustain the millions of dollars a month the facility continues to lose. More importantly, the longer the situation continues, the longer the community does not have access to a long-term health care solution.

Obviously, this is an issue that requires focused attention by all of us in this room and beyond, and I hope that we can work together to resolve it as soon as possible to limit the impact on our students.

Conclusion

I thank you for your time, and I hope that our outlining the Executive Budget impact, our vision for the eventual Enacted Budget, and the comments made here today by our esteemed presidents help you in your coming conversations.

It is a privilege to come before you on behalf of The State University of New York, and I look forward to working with you all during the upcoming legislative cycle.

I have asked Dr. Beth Bringsjord, our Interim Provost; Bob Haelen, our interim CFO and General Manager of the SUNY Construction Fund; and Dr. Jim Malatras, our Chief of Staff and Vice Chancellor of Policy to assist me in taking your questions.

Presentation to Budget Committee, NY Legislature

By Cliff L. Wood, President
Rockland Community College
State University of New York
February 6, 2014

Good morning, I am Cliff L. Wood, President of Rockland Community College, and I am pleased to be here to speak on behalf of New York's Public Community Colleges. I represent SUNY and I am here representing NYCCAP, the New York Community College Association of Presidents, SUNY's 30 community colleges and CUNY's 7 community colleges, who educate more than a quarter of a million New Yorkers each year.

New York's public community colleges are the doorway to higher education and job training for so many of your constituents. This is why all of our public community colleges have collaborated on our request for funding. We are the colleges that have consistently opened our doors to all adults, regardless of their backgrounds, circumstances, or prior education. Over half of the students enrolled in public higher education in this great state are enrolled in a public community college.

Each fall when I speak to students and to their parents, I tell them to be proud of their decision to attend a public community college. Community colleges are America's contribution to the world of higher education and help expand America's promise of access and opportunity for all: a quality education and solid career opportunities.

To achieve this goal of access and opportunity and to maintain our open doors, community colleges must also offer "affordability." It is you who can assure that your constituents have the opportunities that our community colleges provide. We need your support as we seek to help students in your respective communities. You, who represent the citizens of New York, are responsible for a significant portion of our budgets. The major portion of what you provide is called "base aid." The long-term goal for community colleges is for the state to fulfill the promise of State Education Law and provide at least 33 percent of our funding. This goal has never been achieved.

Several years ago when New York established guidelines for a rational tuition plan for four-year State-supported colleges and universities, community colleges asked for rational funding/base aid in a plan that in five years would have brought us to that 33 percent funding. Unfortunately, this was not done. By not receiving the 33 percent base aid, we have had to continue to look at increases in tuition and in local support.

Because of decreases in past years, our funding is now less than it was ten years ago. This brings us to today, and we ask that you increase the base aid by \$250 per FTE.

Community colleges continue to meet the demands of our local communities and the challenges of the State to help put New Yorkers back to work. Many of my colleagues and I are actively involved with our Regional Economic Development Councils to be sure our constituents are qualified for the jobs that are and will be available. We also are actively involved in helping our communities in creating new jobs and opportunities for our students. For example, this January in Rockland, RCC opened a Business Services Center and a state-of-the-art three-Dimensional Design Center to assist the 378 advanced manufacturers in the region who are also small businesses with fewer than 50 employees each. These centers assure access to the training opportunities that these businesses need to keep their companies competitive. Initiatives like this are occurring from Rochester to Westchester and from Clinton to Broome.

Community colleges have also used the Job Linkages funds that you have provided and will provide again to answer the Chancellor's call to change the way we provide remediation that is so critical to the success of our students. With only 40 percent of our students coming out of high school deemed college ready by our own State Education Department data, we know that we must be prepared to provide students with the support they need to successfully complete our programs in a timely manner and to enter the work force or continue their education. It is with this understanding that SUNY formed a Task Force on Remedial Education, chaired by Senior Vice Chancellor Johanna Duncan-Poitier. She has guided us to use our Job Linkage Funds to create new ways to provide remedial help for our students. She certainly helped Rockland Community College in becoming involved with the Carnegie Foundation Center for the Advancement of Teaching and their Quantway Pathway, an accelerated model that moves students through math with a focus that assists them in making sense of the world around them, using mathematical and numeric reasoning. In short,

in this program, students learn that math is critical for the jobs they seek. This new approach has been piloted very successfully at RCC, and students are spending significantly less time in remedial coursework. This is a national, research-based initiative that has three times the success rate in half the time. RCC has also piloted a very successful program in English remediation by enrolling students in the first college-level English course rather than a remedial course but offering them support modules to help them gain the skills they are lacking. These students, who previously would have spent a semester in remediation, have now completed their first college-level English course with an 85 percent success rate and reduced the time spent in remediation.

Additionally, we have adopted alternative ways of assessing students' abilities to do college-level work. These pilots have been possible because of the Job Linkage funds, and we are pleased these funds will again be available, seed funding that we are using to build a systemic infrastructure for change. We are committed to making a difference for large-scale college completion and meeting the workforce needs of our economy.

We are also concerned about the reduction in aid for Child Care. We all heard the President talk about the need for the best early childhood education possible. Community college child care centers are models of quality education and serve as laboratories for our students. We need to restore the \$653,000 that was taken from the 2013-14 budget for child care. Providing child care is an important service for many of our students as 40 percent of them are adults returning to college for career opportunities. Many of them have families and providing child care assists them as parents and also provides quality early childhood education for our youngest citizens.

And, finally, I want to address capital funding. As you know, our local sponsors must bond 50 percent of the cost of construction, major restoration, and renovation. This budget does not include \$57.3 million dollars for 13 projects needed by nine of our local colleges. These are projects that are ready to go. A perfect example is the Collaborative Learning Center that is needed at Jefferson Community College, which has had no new construction since 1995. Jefferson is a college that serves over 600 Veterans and that has worked hard to secure the 7 million dollar match that is needed to add classrooms and to renovate the library to create a Collaborative Learning Center.

This is just one more example where funding from the state for community colleges is vital to help us achieve an important goal: a quality education that is accessible and affordable for all citizens of New York.

Thank you for the opportunity to speak to you and please know that our community college presidents appreciate you and the support you continue to provide.

2014-15 Executive Budget Testimony

Deborah Stanley, President

February 6, 2013

Joint Legislative Public Hearing

**New York State Assembly Committees on Ways & Means and Higher
Education**

New York State Senate Committees on Finance and Higher Education

Good morning. My name is Deborah Stanley, and I am President of State University of New York at Oswego.

Thank you for the opportunity to speak today on behalf of Oswego and the other 12 state-operated university colleges in our State University of New York system, a vigorous and productive sector that currently enrolls 82,500 students and last year conferred 19,000 bachelor's degrees and 3,700 master's degrees. I am pleased to be here with Chancellor Zimpher to strongly support her budget request for SUNY.

Senator LaValle and Assemblymember Glick and all the members of the Senate and the Assembly Higher Education Committees, particularly Senator Patty Ritchie from the 48th District, I acknowledge your enduring commitment to excellence for our students and our state and, once again extend my thanks for your insight and foresight in establishing the pace-setting program of the Rational Tuition Plan you enacted for SUNY in 2011.

Since 2011, the Rational Tuition Plan has helped reverse campus decline and allowed the SUNY state-operated campuses to imagine and transform the educational experiences that allow our graduates to produce economic, cultural,

and social good for New York State and foster a climate of more prosperous prospects into the future.

Between 2008 and 2011, cuts to operating budgets for all state-operated campuses severely depressed new program development, depleted funding needed to hire and support full-time faculty and stalled our efforts to effectively address disruptive changes taking hold throughout higher education. But, with the first year of the Rational Tuition Plan, we began to turn that trend around. At Oswego, each year since 2011, we have infused the new tuition revenues into funding full-time faculty lines and direct student benefits. We have supported new academic programs and provided students with deeper learning experiences like undergraduate research and cooperative education, refined and advanced compelling pedagogies especially those connected to online and hybrid instruction, expanded enrollment connections to deal with demographic shifts, and forged increased productive partnerships to better align with 21st century workforce demands.

For example, by the beginning of the 2013-14 academic year we had restored 40 full-time faculty positions, directed at populating high-need existing and new programs. In 2013 we were able to launch our newest baccalaureate degree program, in Electrical and Computer Engineering, and our newest master's degree program, an MBA in Health Services Administration, hiring accomplished faculty in these emerging fields.

Faculty in these fields, and in others where we are focusing our hiring, are among those most in demand in our manifold partnerships with business and industry, especially our newest ventures linked to StartUp-NY. Oswego County has the

highest unemployment rate in Central New York. The jobs that this initiative has the potential to add in our region mean a great deal to our community.

While the greatest percentage of Rational Tuition Plan revenue each year has been invested in full-time faculty, we have also boosted direct services to students in scholarships, mentoring and advising all to help the students succeed and stay on path to their degrees. We have also focused on sustainable enrollment management and future-oriented development activities to keep the tremendous asset that Central New York has in SUNY Oswego vibrant for the long term.

So I think you can see that the Rational Tuition Plan has had a very meaningful impact at SUNY Oswego, and it has been similar at the other state-operated comprehensive colleges across the system. As a sector, we have been able to hire 140 *new* full-time faculty. But we are worried that the progress we have been able to make with the increased tuition revenues of recent years will be significantly undermined if those revenues are diverted in any significant way. Specifically, if the campuses are required to fund already negotiated salary increases, we in effect lose more than half of the net revenue gains of the Rational Tuition Plan. At Oswego next year alone, this cost amounts to \$1.1 million. Across our sector of SUNY, we estimate that the negotiated salary increases have a \$27.6 million impact and the annual tuition credit costs add another \$11.2 million. This diversion of funds will undercut our recovery. This is why we are asking for your help. I urge you to invest in us so that our sector can continue increasing faculty who are there full time for our students and continue delivering on the promise of greater value for New Yorkers to be realized through higher student retention and completion rates.

Also of high concern is funding for critical maintenance. Past SUNY Capital Plans have enabled us to bring campus facilities up to meet the learning needs of today's students. Yet, the estimated value of the current backlog at just SUNY Oswego remains at \$89.6 million for buildings and \$23.8 million for utilities and infrastructure. Oswego's expected share of the current \$500 million critical maintenance proposal is \$18.6 million, a level that would *never* reduce our backlog. Please consider providing between \$750 million and \$1 billion to address critical maintenance needs across the 64-campus SUNY system.

Finally, it is crucial that the Legislature pursue an immediate and equitable solution to the financial insolvency facing hospitals affiliated with our system, a solution that does not unfairly and harshly burden the educational mission of SUNY.

Thank you for allowing me to speak before the Joint Committee today. I am grateful for your constant dedication, ensuring that SUNY remains a vital asset for the people of our state.

Testimony before the Joint Legislative Hearing on Higher Education
Harvey G. Stenger
President
State University of New York at Binghamton

On behalf of the State University of New York at Binghamton (Binghamton University) I would like to thank the Legislature for holding these important public hearings. I especially want to thank Chair Assemblymember Deborah Glick and Chair Senator Ken LaValle for their commitment to strengthening public higher education in New York state. I also want to thank Assemblywoman Donna Lupardo, our representative and alumnus, for her continued support for Binghamton University.

I am pleased to be here with Chancellor Zimpher to give my support for the Chancellor's budget request for SUNY. As president of one of the four research universities in the SUNY system, I appreciate this opportunity to share with you how important strong funding is to the University and to the entire Southern Tier.

In December, I discussed with the Assembly Higher Education Committee the impact that predictable tuition has had on our campus and community. In the two years that the plan has been in effect, Binghamton University has received approximately \$22.75 million in incremental tuition revenue. These funds have enabled us to hire 72 new faculty and nearly 100 support staff, while increasing enrollment by approximately 1,300 additional students.

These funds have been crucial to our efforts to fulfill our central mission, providing educational opportunities and support for residents across New York state. At the same time, we estimate that the economic impact of these additional students, faculty, and staff resulting from predictable tuition have added more than \$30 million to the Southern Tier's economy over the past two years.

This support is fostering new research and scholarship on our campus, in all areas of scholarship and creative activities, and especially in areas that may result in new industries developing in the Southern Tier. We are grateful for the support we receive from the Legislature--it

is really making a difference in the lives of students and the people of our region and state.

However, I am concerned that Binghamton's impact and trajectory of growth may be adversely affected if elements of the Chancellor's budget request are not implemented.

It is especially important that the state assume support for already negotiated salary increases. Binghamton has absorbed \$3.3 million in one-time costs this year and will face an additional \$7 million in recurring costs over the life of the current contracts. This has slowed our ability to hire new faculty, reducing both the quality of education we can provide and our output of research and scholarship. Equally important, this loss in support will significantly decrease our impact in a region that is in significant need of economic growth.

Similarly, we are concerned about the long-term effects of underfunding the University's critical maintenance. This presents a number of challenges, as the higher education environment has changed radically over the last several years, particularly with regard to the need for facilities equipped with the newest technologies. Binghamton received no critical maintenance funding last year. Fortunately, we have been able to successfully renovate a number of buildings over the past year, using funds appropriated in previous years, but I am concerned that if critical maintenance remains underfunded, we will be forced to postpone or cancel a number of already-planned projects. This would be a grave disservice to both our current and future students and would put us at a long-term competitive disadvantage with regard to our educational peers. I strongly urge the legislature to consider Chancellor Zimpher's request for additional finding for SUNY's critical maintenance so that we can continue to provide our students the modern, high-tech learning environment they require.

I strongly support Chancellor Zimpher's proposal to continue state support for the SUNY-affiliated hospitals. These hospitals provide critical services for all of New York's residents, yet the burden of resolving their challenges seems to fall solely on the campuses of the SUNY system. I strongly urge you to find a way to provide a state-supported resolution to the situation.

I want to thank the Joint Committee for hearing my testimony. I recognize that the state faces its own fiscal challenges, but I urge you to consider the positive impact that your support for SUNY has across the state. The Senate and Assembly have always been strong partners. Binghamton University values this partnership and we appreciate everything you do for SUNY and Binghamton University.

