

**Testimony**

**Mary Beth Labate, President  
Commission on Independent Colleges and Universities (CICU)**

**Private Higher Education: Powering New York's Economy  
Tuesday, February 12, 2019**

**Joint Legislative Public Hearing on Economic Development  
New York State Senate Committee on Finance  
New York State Assembly Committee on Ways & Means**

**Hamilton Hearing Room B  
Legislative Office Building**

**Albany, New York**

## Members of the Commission on Independent Colleges and Universities

- Adelphi University
- Albany College of Pharmacy and Health Sciences
- Albany Law School
- Albany Medical College
- Alfred University
- American Academy McAllister Institute
- American Museum of Natural History, Richard Gilder Graduate School
- Bank Street College of Education
- Bard College
- Barnard College
- The Belanger School of Nursing
- Boricua College
- Brooklyn Law School
- Canisius College
- Cazenovia College
- Clarkson University
- Cochran School of Nursing
- Cold Spring Harbor Laboratory, Watson School of Biological Sciences
- Colgate University
- College of Mount Saint Vincent
- The College of New Rochelle
- The College of Saint Rose
- Columbia University
- Concordia College
- The Cooper Union
- Cornell University
- The Culinary Institute of America
- Daemen College
- Dominican College
- D'Youville College
- Elmira College
- Excelsior College
- Fei Tian College
- Finger Lakes Health College of Nursing
- Fordham University
- Hamilton College
- Hartwick College
- Helene Fuld College of Nursing
- Hilbert College
- Hobart and William Smith Colleges
- Hofstra University
- Houghton College
- Iona College
- Ithaca College
- The King's College
- Le Moyne College
- Long Island University
- Manhattan College
- Manhattan School of Music
- Manhattanville College
- Maria College
- Marist College
- Marymount Manhattan College
- Medaille College
- Memorial College of Nursing
- Mercy College
- Metropolitan College of New York
- Molloy College
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- Mount Saint Mary College
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- The New School
- New York Chiropractic College
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- Niagara University
- Nyack College
- Pace University
- Paul Smith's College
- Phillips School of Nursing at Mount Sinai Beth Israel
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- Rensselaer Polytechnic Institute
- Roberts Wesleyan College
- Rochester Institute of Technology
- The Rockefeller University
- The Sage Colleges
- Samaritan Hospital School of Nursing
- Sarah Lawrence College
- Siena College
- Skidmore College
- St. Bonaventure University
- St. Elizabeth College of Nursing
- St. Francis College
- St. John Fisher College
- St. John's University
- St. Joseph's College, New York
- St. Joseph's College of Nursing at St. Joseph's Health
- St. Lawrence University
- St. Thomas Aquinas College
- Syracuse University
- Teachers College, Columbia University
- Touro College and University System
- Trocaire College
- Union College
- University of Rochester
- Utica College
- Vassar College
- Vaughn College of Aeronautics and Technology
- Villa Maria College
- Wagner College
- Webb Institute
- Wells College
- Yeshiva University

### **Centers for Advanced Technology (CATs)**

- Alfred University Center for Advanced Ceramic Technology
- Clarkson University Center for Advanced Materials Processing
- Cornell University Center for Life Sciences Enterprise
- NYU Center for Advanced Technology in Telecommunications and Distributed Information Systems
- Rensselaer Polytechnic Institute Center for Future Energy Systems
- Rensselaer Polytechnic Institute Center for Automation Technologies and Systems
- Rochester Institute of Technology, Additive Manufacturing and Multifunctional Printing Center
- SUNY Stony Brook Center for Biotechnology
- SUNY Stony Brook Center for Integrated Electric Energy Systems
- SUNY Stony Brook Sensor CAT
- SUNY Binghamton Integrated Electronic Engineering Center
- SUNY Poly Center for Advanced Technology in Nanomaterials and Nanoelectronics
- SUNY Buffalo Center for Advanced Technology in Big Data & Health Sciences
- Syracuse University Center for Advanced Systems and Engineering
- University of Rochester Center for Emerging Innovation Sciences

### **Centers of Excellence (COEs)**

- Cornell University Center of Excellence in Food and Agriculture Innovation
- New York Medical College Center of Excellence in Precision Medicine and Responses to Bioterrorism and Disasters
- New York University, Rensselaer Polytechnic Institute and Rochester Institute of Technology Centers of Excellence in Digital Game Development
- SUNY Albany Center of Excellence in Atmospheric and Environmental Prediction and Innovation
- SUNY Binghamton Center of Excellence in Small Scale Systems Integration and Packaging
- SUNY Buffalo Center of Excellence in Bioinformatics and Life Sciences
- Rochester Institute of Technology Center of Excellence in Sustainable Manufacturing
- SUNY Buffalo Center of Excellence in Material Informatics
- SUNY Poly Albany Center of Excellence in Nanoelectronics
- SUNY Stony Brook Center of Excellence in Advanced Energy Research
- University of Rochester Center of Excellence in Data Science
- SUNY Stony Brook Center of Excellence in Wireless and Information Technology
- Syracuse University Center of Excellence in Environmental and Energy Systems

## **Introduction**

Good afternoon and thank you Chairpersons Krueger and Weinstein.

I am Mary Beth Labate, and I am honored to be here today as president of the Commission on Independent Colleges and Universities (CICU), representing more than 100 private, not-for-profit colleges and universities across New York.

As you may know, Independent Sector campuses are an integral part of New York's economy. Of the half million students we educate annually, approximately 300,000 are New York State residents. New York has counted on our campuses to drive local economies, and we have not disappointed. We contribute \$88.8 billion to our state's economy each year and are responsible for almost 416,000 jobs.

Those big statewide economic impact numbers can all be tracked back to smaller, local impacts: students and faculty supporting a local coffee shop in Garden City, researchers spinning innovations into small businesses in Ithaca and Brooklyn, hotels fully booked for graduation weekend in Troy, and professors buying homes and putting down roots in places like Poughkeepsie, Syracuse and Rochester.

Our partnership with New York State is an example of a public-private partnership that benefits all parties involved. The 100+ private, not-for-profit colleges and universities in New York are located in every corner of the state, from the Bronx to Buffalo and from Elmira to Elmhurst. Communities large and small across our state rely on college campuses to serve as economic anchors, holding steady through turbulent times and serving as a beacon of hope and possibility for their neighbors.

When it comes to economic development, higher education has long been at the forefront, supporting – and often leading – the state's efforts. There are many opportunities in this year's budget to strengthen that public-private partnership and strengthen the state's economy in the process.

At a time when many areas of New York, particularly upstate, are losing population, New York's private colleges are drawing people to our state. More American students come to New York for their higher education than any other state in the country. For international students, New York is the second most popular destination state and New York City is the most popular destination city.

Our campuses also produce the well-educated workforce that helps draw companies to locate in New York. We confer almost 60 percent of all undergraduate and graduate degrees in the state each year.

## **Investing in R&D**

Right now, on college campuses across the state, researchers are asking questions and solving problems that will lead to tomorrow's great innovations. This R&D leads to the creation of spin-off companies and draws existing companies to locate in New York, powering our economy today and setting us up to be globally competitive for years to come.

New York's colleges spend \$6.1 billion on R&D each year, putting us second only to California; three-quarters of that spending is done by private, not-for-profit colleges and universities.

There are several key ways the State Budget can invest in this critical research:

- **Enhance support for the 15 Centers for Advanced Technology (CATs) from \$920,000 per center to \$1.5 million per center. Restore and enhance support for the 13 Centers of Excellence (COEs) by funding each center at \$1.5 million;** the Executive Budget reduced funding for each COE from \$1 million to \$920,000. A list of existing CATs and COEs is appended to my testimony. These Centers provide important research, development and troubleshooting services for small and medium sized companies in New York and have helped to establish New York as an innovation leader. According to a 2017 Empire State Development annual report, CATs and COEs combined have created or retained 6,083 jobs and generated \$1.1 billion in economic impact.
- **Restore and invest \$5 million into the Faculty Development and Technology Transfer program through NYSTAR.** This program enables colleges and universities to attract world-class talent and innovation to the state but funding is expected to be exhausted in 2019.
- **Increase funding for the NYSTAR Matching Grants program to \$8 million (from \$6 million) to help leverage federal research dollars.** This important program helps New York's colleges and universities get more funding from federal sources; often, matching funds from the state can make the difference in a grant application being funded or rejected. With this small investment, campuses will be able to leverage more federal dollars and conduct more groundbreaking research.

The foundational and translational research being conducted on our campuses helps create new businesses today and imagines the industries of tomorrow. With sufficient support from the state, these campuses can continue that important work, setting New York up for generations of success.

### **Investing in Communities**

In 2017, New York's private colleges contributed \$88.8 billion to our state's economy and supported almost 416,000 jobs. An important part of this contribution is our campuses' investment in infrastructure. By building new facilities, renewing existing facilities, and investing in the latest technology, our campuses are not just improving themselves, they are also breathing new life into their communities.

The Higher Education Capital (HECap) Matching Grant program helps private colleges make these job-creating infrastructure investments. You have seen the results of this program in your own districts.

Regrettably, support for this program was eliminated entirely in the Executive Budget. **We ask that you restore funding for HECap (historically \$30 million per year) and enhance it to \$35 million in the 2019-20 State Budget.**

This program is an example of the type of public-private partnership that benefits the entire state. The HECap program is a competitive matching grant program, campuses that are awarded HECap grants must contribute \$3 for every \$1 of state funds they receive. They also must pay prevailing wage and employ minority- and women-owned businesses for HECap-funded construction projects.

Since the program's inception, the state has awarded \$246.8 million in grants that private colleges have matched with more than \$800 million – this means the state has leveraged more than \$1 billion in total infrastructure spending. In a year when the Governor has announced a \$150 billion

state infrastructure plan, including almost \$7 billion for SUNY and CUNY over the next five years, this \$35 million request for HECap funding is a way to further leverage the state's dollars.

## **Conclusion**

New York has the most vibrant higher education ecosystem in the nation. That didn't happen by accident. It is the result of strategic, sustained investment and robust public-private partnerships. With your leadership, New York can continue to benefit from its unparalleled network of public and private colleges whose students, faculty and campus centers sustain our economy and bring vitality to communities across the state.

I call on you today to make investments today that will pay off for generations to come, supporting funding to the critical programs allow colleges and universities to make the investments that help keep New York's economy strong.

Thank you for your time and I welcome your questions.