

BEFORE THE NEW YORK STATE SENATE FINANCE
AND ASSEMBLY WAYS AND MEANS COMMITTEES

JOINT LEGISLATIVE HEARING

In the Matter of the
2017-2018 EXECUTIVE BUDGET ON
HIGHER EDUCATION

Hearing Room B
Legislative Office Building
Albany, New York

January 24, 2017
9:39 a.m.

PRESIDING:

Senator Catharine M. Young
Chair, Senate Finance Committee

Assemblyman Herman D. Farrell, Jr.
Chair, Assembly Ways & Means Committee

PRESENT:

Senator Liz Krueger
Senate Finance Committee (RM)

Assemblyman Robert Oaks
Assembly Ways & Means Committee (RM)

Senator Diane Savino
Vice Chair, Senate Finance Committee

Assemblywoman Deborah J. Glick
Chair, Assembly Higher Education Committee

Senator Kenneth P. LaValle
Chair, Senate Higher Education Committee

Senator Toby Ann Stavisky

2017-2018 Executive Budget
Higher Education
1-24-17

PRESENT: (Continued)

Assemblyman Marc Butler

Senator James L. Seward

Assemblyman Steven F. McLaughlin

Assemblywoman Nicole Malliotakis

Assemblywoman Jo Anne Simon

Senator Rich Funke

Assemblyman John T. McDonald III

Assemblyman Chad A. Lupinacci

Senator Gustavo Rivera

Assemblyman Jeffrion L. Aubry

Assemblywoman Barbara S. Lifton

Assemblyman Luis Sepúlveda

Senator Todd Kaminsky

Assemblywoman Patricia Fahy

Senator Leroy Comrie

Assemblywoman Rebecca Seawright

Senator John Bonacic

Assemblyman Al Stirpe

Senator Marisol Alcantara

Assemblywoman Pamela Harris

2017-2018 Executive Budget
Higher Education
1-24-17

PRESENT: (Continued)

Senator Velmanette Montgomery

Assemblyman Charles Barron

Senator Robert G. Ortt

Assemblyman Victor M. Pichardo

Assemblyman Charles D. Lavine

Assemblywoman Earlene Hooper

Assemblyman Félix W. Ortiz

Senator Phil Boyle

Assemblywoman Tremaine Wright

Assemblywoman Alicia Hyndman

Assemblywoman Rodneyse Bichotte

2017-2018 Executive Budget
 Higher Education
 1-24-17

LIST OF SPEAKERS

	STATEMENT	QUESTIONS
Nancy L. Zimpher Chancellor State University of New York	8	25
Marc Cohen SUNY Student Assembly	21	
James Milliken Chancellor City University of New York	145	156
MaryEllen Elia Commissioner NYS Education Department	216	223
Elsa M. Magee Executive Vice President NYS Higher Education Services Corporation	261	265
Dr. Jim Malatras		281-323
Andrew Pallotta Executive Vice President NYSUT		
-and-		
Frederick Kowal President United University Professions		
-and-		
Barbara Bowen President PSC/CUNY	326	346
Mary Beth Labate President Commission on Independent Colleges and Universities (CICU)	357	370

2017-2018 Executive Budget
 Higher Education
 1-24-17

LIST OF SPEAKERS, Cont.

	STATEMENT	QUESTIONS
Dennis Dontsov Hunter University Blair Horner Executive Director NYPIRG	382	388
Donna Gurnett President and CEO Association of Proprietary Colleges (APC)	394	403
Jessica Maxwell Director, Children's Aid Society Fostering Youth Success Alliance	407	414
Gregg Beratan Policy Analyst Center for Disability Rights	415	
Chika Onyejiukwa Chair Hercules E. Reid Vice Chair, Legislative Affairs Jona Kerluku Vice Chair, Fiscal Affairs CUNY Student Senate	419	434
Kevin Stump Northeast Director Young Invincibles	435	
Dr. W. Hubert Keen President Nassau Community College	443	446

1 CHAIRMAN FARRELL: Good morning.

2 (Louder) Good morning.

3 AUDIENCE: Good morning.

4 CHAIRMAN FARRELL: Thank you.

5 Today we begin the first in a series
6 of hearings conducted by the joint fiscal
7 committees of the Legislature regarding the
8 Governor's proposed budget for fiscal years
9 2017 and 2018.

10 The hearings are conducted pursuant to
11 Article 7, Section 3 of the Constitution, and
12 Article 2, Section 31 and 32A of the
13 Legislative Law.

14 Today the Assembly Ways and Means
15 Committee and the Senate Finance Committee
16 will hear testimony concerning the budget
17 proposal for higher education.

18 I note that I have been joined by
19 Assemblywoman Deborah Glick, chair of the
20 committee, and I have Mr. Oaks, who has with
21 him?

22 ASSEMBLYMAN OAKS: Yes, thank you,
23 Chairman. We also have Assemblyman
24 Lupinacci, who's the ranking member on

1 Higher Ed, along with Assemblyman Butler and
2 Assemblyman McLaughlin.

3 CHAIRMAN FARRELL: And Senator Young?
4 Senator Young.

5 CHAIRWOMAN YOUNG: My timing is bad.

6 Good morning, everyone. Welcome to
7 the hearing today. I'm a bit under the
8 weather, but I'm going to soldier through
9 this. And I too would like to say that we're
10 so pleased to have with us today Chancellor
11 Dr. Nancy Zimpher, and we'll have CUNY and
12 other special guests later on.

13 I am joined by our ranking member, Liz
14 Krueger; our vice chair, Diane Savino -- and
15 these are all Senators, obviously -- Senator
16 Toby Stavisky, Senator Rich Funke, and
17 Senator Jim Seward.

18 CHAIRMAN FARRELL: Thank you.

19 But before we introduce the first
20 witness, I would like to remind all of the
21 witnesses testifying today to keep your
22 statements within your allotted time limit so
23 that everyone can be afforded the opportunity
24 to speak.

1 We are now to begin. State University
2 of New York Chancellor Nancy L. Zimpher. I
3 did it correctly?

4 CHANCELLOR ZIMPHER: That's perfect.
5 That's perfect, Mr. Chair.

6 CHAIRMAN FARRELL: Good morning.

7 CHANCELLOR ZIMPHER: Good morning to
8 you. My name is Nancy Zimpher, and I am the
9 chancellor of the State University of
10 New York. I want to thank Chairpersons
11 Young, Farrell, LaValle and Glick, members of
12 the Senate and Assembly and legislative
13 staff, for allowing us this opportunity to
14 share our perspective on the Executive
15 Budget.

16 With me today is Marc Cohen. He is
17 president of our statewide Student Assembly
18 and a SUNY trustee. Last year we initiated
19 the idea that our students would testify
20 during budget hearings, and later on in this
21 process you will hear more from our Student
22 Assembly.

23 I would also like to take this
24 opportunity to acknowledge the SUNY campus

1 presidents and stakeholders, some of whom are
2 with us today, to thank them for their
3 continued devotion to the SUNY system. And
4 of course I want to thank Chairman H. Carl
5 McCall and our entire Board of Trustees for
6 their leadership and support.

7 Chairman McCall is in the house today.
8 He's two places at once this morning, because
9 our Board of Trustees is in its January
10 meeting, so he will stay as long as he can.
11 But it gives me a great opportunity to thank
12 Carl McCall for his vision and leadership for
13 SUNY and for higher education.

14 We're thrilled to see higher education
15 is at the forefront of the Governor's
16 Executive Budget proposal. But before we
17 talk about the specifics, I want to provide
18 some context to make the value proposition of
19 SUNY crystal-clear -- to tell you about the
20 performance and accountability we are
21 committed to on behalf of our students, and
22 to demonstrate what we could do for our
23 students and the state with even more
24 support.

1 As you know, a high school degree
2 isn't enough to succeed in today's workforce.
3 We've moved the finish line. Less than half
4 of all adults in New York hold a
5 postsecondary degree of some kind, but
6 70 percent of the jobs here require one.
7 That's an astonishing gap, one public higher
8 education is best equipped to address.

9 So we approach this through a simple
10 formula: Access plus completion equals
11 success. It sounds simple, but it's a lot of
12 hard work to deliver on this formula. Access
13 and affordability are not just important to
14 the 600,000 students we serve each year, they
15 are critical to our state's future.

16 Beyond access, the future of our
17 state's competitiveness depends on us being
18 laser-focused on driving completion for every
19 student and getting them ready for a career.
20 Our commitment to student completion and
21 long-term success is what guarantees a return
22 on educational investment for them as
23 individuals and for the State of New York.

24 Yesterday I delivered my final State

1 of the University address as chancellor. It
2 gave me a chance to reflect on what it has
3 meant to be chancellor of the largest
4 comprehensive system of postsecondary
5 education in the country, including our 30
6 community colleges, 29 state-operated
7 institutions, five statutory campuses, three
8 teaching hospitals, and many university-wide
9 programs and activities.

10 All of these together, supported by
11 our Construction Fund and our Research
12 Foundation, comprise 41 percent of the
13 state's physical assets, employ nearly a
14 quarter of the state government workforce,
15 and is the destination of choice for nearly
16 40 percent of the state's Tuition Assistance
17 Program recipients.

18 I'm proud of the work we've done to
19 update our practices in important areas such
20 as seamless transfer, a uniform approach to
21 sexual assault prevention and response, and
22 of course our policies on diversity, equity,
23 and inclusion.

24 Now, however, on to the business at

1 hand, the Executive Budget.

2 Let me say again how thrilled we are
3 to see public higher education in the
4 forefront of the Governor's Executive Budget
5 proposal. We're excited about the potential
6 of the Excelsior Scholarship Program. I know
7 there are a lot of questions on this, and
8 we'll answer what we can. But I'd like us to
9 pause for a moment and think about what it
10 means to have a big, bold idea like
11 "tuition-free" in the conversation.

12 Just putting the term "tuition-free"
13 out there, that act alone, will move the dial
14 on access. For young people who have written
15 college off because they assume they can't
16 afford it, they'll hear about this and think,
17 Maybe college isn't out of reach for me.

18 We're happy that the Governor's
19 proposal emphasizes completion, because
20 research shows that students enrolled
21 full-time are more likely to graduate. And
22 perhaps most importantly, the less time
23 students spend in college, the less money
24 they have to spend on college.

1 In addition, we are pleased to see
2 that the Executive Budget includes a tuition
3 plan once again. This is a concept we
4 believe strongly in because it is imperative
5 for our students and their families to be
6 able to plan for the full cost of their SUNY
7 education.

8 In capital, the multiyear plan --
9 \$550 million per year over five years --
10 included in the Governor's proposal will
11 provide much-needed funding for our critical
12 infrastructure. We appreciate the
13 Legislature's help in advocating on behalf of
14 our campuses' capital needs.

15 I urge you to continue to support us
16 in this area. And of course, capital
17 projects are expensive and SUNY's needs are
18 significant. Your leadership could make an
19 even greater difference in this area. You
20 could take our allocation beyond existing
21 facilities and champion a major renovation or
22 new project on each of our campuses.
23 Additional funding would truly be
24 transformative, enabling us to maintain safe

1 campus environments while opening the door to
2 new projects that keep SUNY competitive.

3 We were pleased to see the
4 continuation of the \$18 million SUNY
5 Performance Investment Fund. Since 2015,
6 this funding has been the engine behind our
7 efforts to increase completion across the
8 system.

9 As you may recall, when this started
10 we pooled \$100 million from state funding
11 streams and invited our campuses to apply for
12 funding to support programs proven to help
13 students succeed. They so embraced the
14 challenge that they submitted over
15 \$500 million worth of ideas to move the
16 completion dial.

17 So because of this demand, this
18 enthusiasm for innovation amongst our
19 campuses, we've created a system-wide
20 foundation to actively seek private-sector
21 investment. Yesterday I announced the
22 formation of the SUNY Impact Foundation,
23 which will allow SUNY for the first time ever
24 to attract outside investment in SUNY-wide

1 programs proven to expand access, promote
2 completion, and prepare students for success.

3 The point is to work with investors
4 who want to have an impact at scale, not only
5 funding successful programs at a single
6 campus, but taking what works across the
7 entire system. Importantly, this new
8 foundation will drive investment directly
9 back to our campuses.

10 As with every year, we know you can
11 help us build on the promising start provided
12 by the Executive Budget. One key area for
13 improvement is in the support for our
14 30 community colleges.

15 Each year we talk about the need for
16 increased base aid for these institutions,
17 and we're always thankful for the
18 Legislature's support. What we've come to
19 realize is that the existing per-student
20 funding model does not work for our
21 institutions, our state, our students. Based
22 on current enrollment levels, 27 of our
23 30 community colleges would receive less
24 money than last year. We cannot afford to

1 continue on this path, as it will leave our
2 colleges without the essential resources
3 needed to retain and support students,
4 enabling them to complete their educational
5 plans.

6 That's why our budget request included
7 a new approach to community college funding,
8 that -- like the tuition plan for
9 state-operated campuses -- would provide
10 predictability to our community colleges, as
11 well as the opportunity for the purpose of
12 investment.

13 Our recommended approach would require
14 an additional \$30 million for academic year
15 2017-2018, \$15 million for "hold harmless"
16 funding to keep funding equal from year to
17 year, and \$15 million in investment in the
18 invaluable services these institutions
19 provide.

20 Our community colleges are pathways to
21 prosperity, preparing students to transfer to
22 four-year institutions and launching them
23 into well-paying careers. I ask you to
24 revisit this request when you address the

1 needs of this sector.

2 Like the hold-harmless proposal for
3 community colleges, we are requesting a
4 maintenance-of-effort provision by adding to
5 the proposed tuition plan for state-operated
6 campuses. We're grateful that the
7 Executive Budget did not cut funding for the
8 25 campuses and provided for the cost of
9 employee benefits. All we ask is that this
10 approach be continued and the MOE be
11 reinstated to provide much-needed stability
12 for our institutions.

13 We must also address the issues being
14 faced by our three teaching hospitals at
15 Downstate, Upstate and Stony Brook.
16 Throughout my tenure at SUNY, I think it's
17 fair to say that funding for our hospitals
18 has been a struggle for all of us. At the
19 risk of sounding like a broken record,
20 predictability of funding is needed to shore
21 up these institutions once and for all.

22 One area that we all need to focus on
23 in this area is Disproportionate Share
24 Hospital payments, better known as DSH. The

1 DSH program is a long-standing federal/state
2 partnership that addresses the financial
3 stress on hospitals that serve a
4 disproportionate share of indigent Medicaid
5 and uninsured patients by repaying these
6 institutions for their losses on a two-year
7 lagged basis, usually in a fall and spring
8 payment.

9 Our SUNY hospitals traditionally
10 receive a fall payment of around
11 \$180 million. However, SUNY's most recent
12 fall payment was approximately 60 percent
13 less than in prior years. While we
14 understand that there are pressures on the
15 state to meet the financial needs of all of
16 New York's public hospitals, all we ask is to
17 be a partner in these discussions so that we
18 can ensure that our hospitals are fully
19 reimbursed for the lifesaving care they
20 provide to vulnerable populations.

21 We also ask you for your help in
22 addressing the costs of the collectively
23 bargained salary contracts. As we have
24 discussed in the past, after new agreements

1 are finalized, too often it is students who
2 bear the burden of unanticipated costs. We
3 want the investment of our students and the
4 state to fund programs and activities that
5 drive completion and success.

6 Finally, as with every year, we ask
7 that you restore the legislatively added
8 funding for programs reduced or eliminated in
9 the Executive Budget, such as the Educational
10 Opportunity Program, celebrating its 50th
11 anniversary this year. As you know, 10,000
12 students are benefiting from this incredible
13 program, proven to help at-risk students
14 complete college at rates higher than their
15 peers across the nation.

16 Each year, EOP has more than 15,000
17 qualified applicants for only 2900 seats.
18 Over time, more than 60,000 students have
19 graduated, thanks to a history of legislative
20 support for this life-changing program. We
21 must keep the momentum going.

22 In addition, we request your continued
23 support for our Educational Opportunity
24 Centers; for the Graduation, Achievement, and

1 Placement Program; vital additions to
2 childcare; and support for the Small Business
3 Development Centers. Together, these
4 programs represent an \$18.2 million reduction
5 from last year's enacted budget. The
6 Legislature has been a true champion for our
7 students through these programs, and we hope
8 that that will continue. We cannot afford to
9 go backwards.

10 That's why you will consider the new
11 investment we included in our budget request:
12 Expanded funding for EOP and EOC, an
13 additional \$1 million for our childcare
14 centers, and an additional \$15.5 million for
15 the Empire Innovation Program, which helps
16 our campuses attract additional world-class
17 faculty.

18 So before I take your questions, I
19 want to invite Marc Cohen to provide some
20 additional remarks from the student
21 perspective, which will be a preview of the
22 SUNY Student Assembly's testimony later this
23 afternoon. My good friend and colleague,
24 Marc Cohen.

1 Marc?

2 MR. COHEN: Thank you, Chancellor. An
3 excellent speech yesterday.

4 CHANCELLOR ZIMPHER: Thank you.

5 MR. COHEN: I first want to thank the
6 Senate Finance Committee and the Assembly
7 Ways and Means Committee for giving me the
8 opportunity to speak here today on behalf of
9 my 600,000 SUNY student colleagues across the
10 State of New York.

11 I'd also like to thank, of course,
12 Chancellor Zimpher for her unwavering
13 commitment to improving the educational
14 experience for SUNY students during her term,
15 and I am honored to be with her here today.
16 SUNY is better positioned in countless
17 aspects as a result of your passionate and
18 progressive leadership. And of course
19 Chairman Carl McCall, who works tirelessly to
20 incorporate students in everything that he
21 does, most recently by establishing the
22 Student Life Committee.

23 We must strive to make the public
24 higher education system in the State of

1 New York the very best that we can. We must
2 strive for greater accessibility, increased
3 affordability, and increasingly enriching
4 educational experiences for our students, who
5 are our greatest assets and the most
6 worthwhile investment that can be made by
7 New York State. Any investment in our
8 students is a direct investment in New York's
9 workforce. It is an investment in our tax
10 base, it is an investment in our
11 productivity.

12 The ability to accomplish all that I
13 just mentioned is heavily influenced by the
14 funding priorities laid out in the New York
15 State budget. SUNY students have been
16 overwhelmingly supportive of an agenda to
17 increase affordability and decrease the debt
18 burden of attending college. We are
19 encouraged by the Governor's Excelsior
20 Scholarship Program, which brings the
21 critical issue of affordability into the
22 spotlight and takes a much-needed step toward
23 reducing student debt and alleviating the
24 financial strain on middle-income families

1 seeking a quality education.

2 SUNY students support proposals that
3 aim to reverse the most concerning trend of
4 the last few decades in higher education:
5 forcing students to pay ever-increasing
6 portions of the cost of that education and
7 being compelled to take on more and more
8 debt. This has occurred simultaneously with
9 the ever-increasing requirement of a college
10 degree to be a competitive candidate for jobs
11 in the modern economy.

12 We hope that in the coming years we
13 can continue to make progress on higher
14 education affordability with a renewed
15 commitment from the state to increase base
16 funding to SUNY, to ensure that tuition rates
17 are stabilized for those who have to pay
18 them, and that the overall cost of attendance
19 for students at all income levels is reduced.

20 SUNY students are a good investment.
21 Please be reminded and continue to recognize
22 the importance of need-based programs such as
23 the Tuition Assistance Program and the
24 Educational Opportunity Program, both of

1 which we hope to strengthen in the coming
2 years so that low-income students receive
3 debt relief for the increasingly burdensome
4 cost of room and board.

5 Community colleges also cannot be
6 overlooked as an integral part of our higher
7 education system in SUNY. They provide a
8 level of accessibility and connectedness to
9 the local workforce that needs to be
10 continually strengthened in the coming years.

11 SUNY community college students are a
12 critical investment. The hundreds of
13 thousands of community college students in
14 the SUNY system understand the need for state
15 investment, and I am hopeful that you key
16 legislators will continue to champion their
17 interests and work to raise the level of base
18 aid to community colleges in this budget.

19 In the coming months, I ask all the
20 members of the New York State Legislature,
21 and your committees in particular, to be
22 cognizant of and sensitive to the importance
23 of strong state investment in higher
24 education for the future of our state.

1 TAP and EOP, the investment fund in
2 childcare, that goes far beyond tuition. And
3 it is vital that we work to promote the
4 mission of SUNY -- accessible, affordable,
5 high-quality education.

6 Thank you for your time and thank you,
7 Chancellor, for sharing it with me.

8 CHANCELLOR ZIMPHER: Thank you,
9 President Cohen.

10 I will now be joined by our Vice
11 Chancellor and Chief Financial Officer Eileen
12 McLoughlin and Chief of Staff Stacey
13 Hengsterman. It's a privilege to testify
14 before you, and we welcome your questions and
15 comments. Thank you.

16 CHAIRMAN FARRELL: Thank you.

17 We've been joined by members
18 Assemblywoman Pat Fahy, Assemblyman John
19 McDonald, Assemblyman Al Stirpe,
20 Assemblywoman Seawright, and Assemblyman Jeff
21 Aubry.

22 ASSEMBLYMAN OAKS: We've also been
23 joined by Assemblywoman Malliotakis.

24 CHAIRWOMAN YOUNG: And we've been

1 joined by Senator Ken LaValle, who is chair
2 of the Senate Standing Committee on Higher
3 Education. Also Senator Marisol Alcantara
4 and Senator Pam Helming.

5 CHAIRMAN FARRELL: Deborah Glick,
6 chair.

7 ASSEMBLYWOMAN GLICK: Thank you,
8 Mr. Chairman.

9 First of all, let me thank you,
10 Chancellor, for your years of service. This
11 will be the last budget grilling, and we are
12 lucky to have had you and sorry to see you
13 go.

14 CHANCELLOR ZIMPHER: Thank you.

15 ASSEMBLYWOMAN GLICK: I appreciate the
16 notion that we should do more to make college
17 affordable. The free-tuition plan, the
18 Excelsior plan, is rather complicated in its
19 requirements and the way in which it will be
20 applied, so I have a few questions about
21 that.

22 Prior to this, we instituted a couple
23 of years ago a free-tuition plan for any
24 students who pursued STEM and were in the top

1 10 percent of their class in high school.
2 Have you seen any number of students? What
3 has that meant to the system? And if you
4 don't have that directly, you can give us
5 some of those numbers later. But it would be
6 important to us to know how successful that
7 free-tuition plan was and what that has meant
8 for students across the state, and whether or
9 not you feel that enough has been done to
10 make students aware of that availability.

11 This new program, what do you think
12 that will do to your enrollment? And are you
13 equipped to absorb that without any
14 additional state support? Because it appears
15 that we have not added to the Operating Aid
16 for SUNY. And if you are going to have some
17 additional influx of students, how are you
18 going to accommodate that?

19 CHANCELLOR ZIMPHER: Well, first,
20 Assemblymember, I think we can give you some
21 data on the STEM tuition proposal, and we'll
22 do that shortly.

23 We have taken a cursory look at where
24 we think we have capacity, because we know

1 from at least one other state's experience --
2 only in a tuition boost for community
3 colleges -- and of course the Excelsior
4 program adds the four-year institutions,
5 which is its uniqueness, by the way, on the
6 one hand. And so I think what we've looked
7 at so far is our community colleges, because
8 we think that's where the most demand will
9 occur.

10 We're not changing our admissions
11 requirements for our four-year comprehensive
12 colleges. So if students who have the
13 Excelsior program can meet the grade on our
14 four-year, they will be admitted. Otherwise,
15 they will be in our community colleges.

16 And if you recall, we had a boost
17 during the recession. People tend to go back
18 to college when jobs are scarce. Then we had
19 a drop, because the recovery allowed them to
20 go back to work. So we had that gap that --
21 frankly, I wish it were exact, but it might
22 be 3 to 5, it could be even a 10 percent
23 gap -- room, I would say capacity, for some
24 of these newly attracted students.

1 I think that's less so in our
2 comprehensive colleges. But I think before
3 you get to the end of the budget, we have to
4 be able to show you how we can accommodate
5 more students.

6 ASSEMBLYWOMAN GLICK: The Excelsior
7 program envisions paying for tuition at the
8 current rate, even as there is a proposal to
9 raise tuition over a five-year period, at
10 \$250 per year. So what does that do to your
11 ability to provide services if you get an
12 influx of students for whom the state will
13 pay a fixed rate at the current rate and not
14 add to it over the period that you hope to be
15 receiving an increase in tuition from other
16 students?

17 CHANCELLOR ZIMPER: Well, my response
18 is twofold. And my colleagues may have
19 something to add to this.

20 But on the one hand, I want to remind
21 you that the predictable tuition policy of
22 the past really gave us an opportunity to add
23 faculty. You may recall we added over
24 900 full-time faculty during the rational

1 tuition period, over five years. That really
2 helped us and helps us now provide services
3 to more students.

4 That said, recall that the second part
5 of the rational tuition program was gap
6 funding, that we would pay the difference
7 between what TAP offered and what our new
8 tuition was as a result of rational tuition.
9 That's about a \$60 million commitment, off
10 the top, of any gains we would get in this
11 new tuition plan.

12 So I think there are two stresses that
13 we have to work through. One is, do we need
14 more services, or do we have the capacity
15 right now? We're trying to find a way to
16 have the capacity right now. But secondly,
17 it does increase our -- what we call our TAP
18 gap obligation.

19 Any adds? You okay? Okay.

20 ASSEMBLYWOMAN GLICK: On the SUNY
21 hospitals, you've had substantial reductions
22 over the last several years. And I'm
23 wondering whether you've seen a reduction in
24 the demand for your services and whether that

1 gap may only increase as we see changes on a
2 federal level regarding healthcare. What are
3 you preparing for, or what's your
4 anticipation in that area?

5 CHANCELLOR ZIMPHER: So the summary
6 response is yes and yes.

7 There is more -- constantly,
8 increasingly more -- demand on the kinds of
9 services that Downstate Medical, for
10 instance, Upstate for sure, provides to
11 underserved populations. And the costs are
12 going to go up. So we can unpack that a
13 little bit for you.

14 Eileen?

15 SUNY VICE CHANCELLOR MCLOUGHLIN: So
16 with our hospitals, as the chancellor was
17 saying, the volume, the patient demand does
18 keep going up. There was a point in time
19 back in 2006 where the hospitals were funded
20 based on the increased costs of employee
21 compensation for a state hospital as opposed
22 to a private. And at the time, for that
23 funding back in 2006, that was \$160 million.

24 I think what would be helpful for our

1 hospitals is that you support us in our DSH
2 efforts to get that funding as well as, you
3 know, in our budget request we asked for a
4 cost avoidance of our debt service. That
5 would be \$3 million for critical maintenance
6 and \$40 million, all in, for critical
7 maintenance and capital investment.

8 So I think all those things that
9 you're saying, yes, those are stresses on a
10 hospital. So any support you can get for us
11 in terms of that would be great.

12 ASSEMBLYWOMAN GLICK: Chancellor, you
13 made mention of the need for various services
14 for students, broadly. Unfortunately, while
15 we have increased, over the last couple of
16 years, support for the Opportunity Programs,
17 we do not see that increase maintained in
18 this budget.

19 And so I'm wondering how many fewer
20 students you'll be able to serve if there
21 isn't a change in the Executive Budget.

22 CHANCELLOR ZIMPHER: So we started out
23 a few years ago thinking that we had 30,000
24 requests for seats in our Opportunity

1 Programs. Turns out that it's an easy thing
2 to check the box. And we really boiled that
3 down to about 15,000 students who really met
4 the eligibility requirements -- for 2,900
5 seats.

6 It's the most remarkable investment,
7 because we have the data, we know that our
8 students perform even better than students
9 who do not receive this aid. This is a
10 winner. This works.

11 And I would say we're counting on you
12 to retain that investment and increase it.
13 And I don't think it's not -- this is my
14 speculation -- I don't think it's not in the
15 Executive Budget because it's not critically
16 important; I think it's sort of sharing the
17 responsibility for this really important and
18 workable program.

19 So we're really short on seats.

20 That's it.

21 ASSEMBLYWOMAN GLICK: You said earlier
22 that -- and I've heard you say today and
23 indicated yesterday -- that completion is
24 crucial and if you are in school, you're most

1 that creates expense for them and they don't
2 have a degree to show for it.

3 So I want to say, Assemblymember, I
4 have held to that litany for decades, that
5 there are reasons why a student can't take
6 the full 15 hours. And then, as higher
7 education begins to look more carefully at
8 the data, actually looking at the truth of
9 that assumption, what we're finding out is
10 exactly the opposite. The more you take, the
11 more disciplined you are to carry on, the
12 better you do. So there are several studies
13 recently released that look at the 12-hour
14 student and the 15-hour student, and the
15 15-hour student stays.

16 So I think we're going to have to
17 think about early warning signals, which we
18 have at SUNY. We have a thing called Smart
19 Track. It tells you how to invest. We have
20 another thing that, online, tells you which
21 courses to enroll in. We're paying a lot
22 more attention to advising. I kind of want
23 to say it's on us to help our students keep
24 that 15-hour load, just because we're

1 learning that their chances of staying for a
2 lesser load are in danger.

3 So I have to -- either we pilot it or
4 we find a way, which I think would be
5 friendly to this program, to reenroll later
6 if we can't stop the hemorrhaging in that
7 first semester. But I think we have to try
8 to get our students more engaged. And we
9 have about 15 other strategies to support
10 that 15-hour.

11 So when you look at 15 hours, the only
12 proposal in the Excelsior program, remember
13 that we have a dozen more strategies for
14 keeping that student enrolled.

15 ASSEMBLYWOMAN GLICK: Well, I would
16 just say that there are a number of studies
17 that indicate that the one reason that
18 students do drop out, even though they may
19 come back later, is because they don't have
20 the resources.

21 And while this would pay for the
22 tuition, it does not cover books, it doesn't
23 cover a variety of expenses. And the
24 students who can carry 15 credits without

1 having a problem tend to be students who have
2 family support networks that provide for
3 these other expenses without students having
4 to work extensively.

5 And so it seems to me that the target
6 of this is not -- you know, is at a higher
7 economic level where there is more support.
8 And certainly my own experience and the
9 experience of people around me is that people
10 may decide to come back or carry 12 credits
11 the first year because they were making --
12 you know, they just were making adjustments,
13 and then maybe make it up, that three
14 credits, over a summer after they've made an
15 adjustment.

16 Don't you think it's a little bit -- I
17 hear what you're saying, that 15 credits
18 generally do well. But I also think that
19 there are students who could benefit greatly
20 from this who may have other reasons. They
21 may be very smart, they may be a little
22 emotionally young, and their adjustment in
23 their first year may not be the reason why
24 they should have the rug pulled out from

1 under them, especially when they may not
2 realize that there's a trapdoor for them.

3 So with all of the supports that you
4 have and all of the thoughts that you have,
5 are you thinking that you would give extra
6 attention to students who were there on the
7 Excelsior program to ensure that they didn't
8 fall through the trapdoor? And are those the
9 students in that \$100,000 income bracket, are
10 those the students who are most in need of
11 having support, or is it students who are
12 actually struggling to pay for their books?

13 CHANCELLOR ZIMPHER: Well, I like
14 where you've landed, because I do think it is
15 on us to provide more services for students
16 at risk. That's what we've learned from EOP.
17 We have a regimen of support systems that we
18 know work.

19 The other dilemma: If you don't take
20 a full load, you're going to be there longer.
21 If you're there longer, you're going to be
22 paying another semester. So what we're
23 learning is the time and the speed with which
24 you get to the finish line is ultimately the

1 cost saver. So we're a little bit in a
2 tension between helping the student on the
3 first hand, but costing them money on the
4 other.

5 I want to say to you SUNY is
6 absolutely committed to support students at
7 risk. That has been our charge from the
8 beginning. And if supporting students to get
9 to that 15-credit-hour bar -- which is a high
10 bar -- is part of this equation, that's what
11 we're going to try to do.

12 ASSEMBLYWOMAN GLICK: Just to close, I
13 would just suggest that there are many
14 students who may view the four-year as the
15 target and may achieve that by picking up
16 courses in the summer, including online
17 courses, so when they're back home and
18 they're working. Because they just may have
19 to work while they're in school.

20 And so the end result is to try to get
21 kids graduating in the four years. It seems
22 to me that this construct is perhaps too
23 inflexible for the reality of the majority of
24 students who we want to help in the public

1 systems.

2 CHAIRMAN FARRELL: Thank you. We've
3 been joined by Assemblywoman Barbara Lifton,
4 Assemblyman Charles Barron, and Assemblyman
5 Victor Pichardo.

6 Senator?

7 CHAIRWOMAN YOUNG: Thank you. We've
8 been joined by Senator Gustavo Rivera.
9 Welcome.

10 I'll go next, Mr. Chairman.

11 First of all, I'd like to thank you
12 for your service to the people of New York
13 State. You've always been so enthusiastic,
14 provided great leadership to the SUNY system.
15 And I want to personally wish you well in all
16 of our future endeavors, and you will be
17 missed. So thank you for that.

18 CHANCELLOR ZIMPHER: Thank you.

19 CHAIRWOMAN YOUNG: I think
20 Assemblywoman Glick actually asked several
21 very pertinent questions. I wanted to follow
22 up on the TAP gap, because that seems to be a
23 real problem for our campuses, where they get
24 money but then it's taken away, they have to

1 make up the difference.

2 And can you tell us what impact that
3 has had on student programming? Because it
4 seems to me that if SUNY is underfunded, they
5 can't always provide the quality programs
6 that we expect them to give to the students.

7 CHANCELLOR ZIMPHER: Well, I think,
8 Senator, the first thing I'd like to say is
9 that the principle of covering this gap is a
10 very worthy one.

11 I'm very proud that SUNY and CUNY
12 stepped up during the period of rational
13 tuition to close that gap. I think that was
14 the right thing to do. I think it was a
15 really hard thing to do. Because the whole
16 principle was that we would have more support
17 to serve our students. And we've been very
18 faithful to that, adding faculty, adding
19 services. We have the book on every dime
20 we've spent in the growth through that
21 tuition program, and it has and is serving
22 our students.

23 But right off the top, you can't avoid
24 it, is \$60 million. And it's an expensive

1 way to get to the end goal. It's a dilemma
2 for us. But, you know, it's the battle of
3 what's right to do with the struggle with
4 resources. So I think it does affect our
5 campuses, but I'm also proud to say that the
6 rational tuition program brought us 900
7 full-time faculty. I know you're concerned
8 about the ratio of full-time faculty to
9 part-time faculty. It allowed us to create
10 these support systems that we didn't have in
11 place, to expand our online offerings,
12 because students do finish their degrees
13 often with a course or two that's online.

14 So yes and yes, but it's the rightness
15 of it. And of course we would love relief.

16 CHAIRWOMAN YOUNG: Yes. So common
17 sense would tell us that if you offer
18 something for free, of course more people are
19 going to take advantage of it. So my concern
20 is the TAP gap will only increase. You
21 referenced that a little bit, but you expect
22 it to increase if there's an influx of new
23 students, which could really be a problem.

24 I wanted to switch for a second to

1 good governance and ethics. And the
2 Executive Budget would institute reforms
3 governing procurement procedures and the
4 financial activities of SUNY and CUNY
5 foundations and nonprofit affiliations. And
6 I had a question about what have you done to
7 increase transparency in your procurement
8 processes? That's question number one.

9 CHANCELLOR ZIMPHER: Eileen?

10 SUNY VICE CHANCELLOR MCLOUGHLIN: So
11 for all of our other related entities --
12 foundations and auxiliary service
13 corporations that support our campuses, this
14 past May 2016 and June 2016, the Board of
15 Trustees passed new guidelines that we are
16 now in compliance, even a little bit better
17 than New York State law.

18 We're now currently in the process of
19 developing a model contract and working with
20 OSC to improve our model contract. And we're
21 going to renew our contract with all of our
22 entities across our system.

23 And those policies deal with
24 procurement. Procurement policies have to be

1 defined. It deals with conflict of interest
2 and all the concerns that have arisen.

3 CHAIRWOMAN YOUNG: Okay. And do you
4 think that those measures are sufficient?
5 And what do you think needs to be done in the
6 future?

7 SUNY VICE CHANCELLOR MCLOUGHLIN: I
8 think those measures are sufficient, and I
9 think, from my perspective, what SUNY just
10 needs to do is to roll out those contracts
11 with our entities and continue our oversight.

12 CHAIRWOMAN YOUNG: Okay, thank you.

13 As far as the capital funding goes,
14 the Executive Budget provides \$550 million
15 for SUNY senior colleges and \$284 million at
16 CUNY senior colleges. And as you pointed out
17 so well, Chancellor, this falls far short of
18 what the needs are on the campuses. And I
19 actually have seen photographs of some of our
20 campuses having buildings literally
21 crumbling.

22 I need to say thank you to my
23 colleague, Senator LaValle, who has put
24 forward a five-year capital plan that was

1 passed in both houses in 2015. And
2 unfortunately, that measure was vetoed by the
3 Governor.

4 But under the Governor's current
5 construct, of that \$550 million, \$396,600 are
6 in a lump sum. So it's undefined. And I was
7 hoping you could shed some light on this lump
8 sum, because I think that the Legislature
9 feels very strongly -- at least I'll speak
10 for myself -- that we need to know and we
11 need to -- our responsibility is to know what
12 we're actually approving in the State Budget.

13 CHANCELLOR ZIMPHER: Happily, Bob
14 Haelen is with us, president of our
15 Construction Fund and vice chancellor for
16 facilities at SUNY.

17 But I want to say to you, Senator, and
18 to Senator LaValle, a five-year window is
19 what has made our capital plan so successful
20 in the past. And for that part, a five-year
21 window in the Executive Budget is a welcome
22 relief from our inability to be more planful.
23 So I think Bob can close the gap here.

24 VICE CHANCELLOR HAELEN: Yeah, thank

1 you.

2 As part of a capital planning
3 strategy, you always start projects under
4 design where you do not have construction
5 funding. We call it "build the shelf,"
6 because you would need to be prepared in the
7 event capital does come your way.

8 So right now we have 65 projects
9 totaling \$440 million in design that does not
10 have funding for construction. So as far as
11 the lump is concerned, that's the first
12 priority. They're ready to go; we have to
13 execute. And out of that 65, 50 of those
14 projects are ready to bid this coming year,
15 for a total of about \$350 million.

16 So, you know -- and we will continue
17 that endeavor to identify the highest, most
18 critical projects for each of the campuses
19 and start a project in design so we keep
20 rolling through the capital plan.

21 CHAIRWOMAN YOUNG: Is there a list
22 that's available to the Legislature?

23 VICE CHANCELLOR HAELEN: Oh,
24 absolutely. We can provide that to you.

1 CHAIRWOMAN YOUNG: Okay. We would
2 appreciate it if you could get it to
3 everyone. That would be great. Thank you.

4 I just wanted to go into the Excelsior
5 Scholarship, which is the free tuition. And
6 we've talked about it a little bit, but
7 you're not really sure about the capacity
8 issue and whether the system can actually
9 absorb it. We're talking about buildings
10 that are falling down, the capital needs not
11 being met, the TAP gap, community colleges'
12 funding being cut this year -- which, as you
13 noted, they would have to take the overflow
14 if there's an influx of new students.

15 So from my perspective, things don't
16 seem to be adding up very well right now, and
17 I think we need to have a very serious
18 discussion about that.

19 The EOP program too, as you noted, is
20 something that the Governor cut this year. I
21 can only imagine that if we're attracting a
22 whole slew of new students, there may not
23 be -- even if the Legislature restores
24 EOP funding, which I'm sure we will, that

1 people potentially moving here --

2 SUNY VICE CHANCELLOR MCLOUGHLIN: It's
3 New York State.

4 CHANCELLOR ZIMPER: No, no, no, it's
5 resident undergraduate students that get --

6 CHAIRWOMAN YOUNG: Right. But what is
7 the definition of residency? Is it they move
8 here, you know --

9 CHANCELLOR ZIMPER: Right. No, I
10 understand.

11 CHAIRWOMAN YOUNG: -- a week before,
12 six months before, a year before? What is
13 the definition of residency? Because I think
14 the Legislature deserves to know what that
15 definition is.

16 CHANCELLOR ZIMPER: I think we need
17 to make the assumption that the same rule for
18 residency, which is one year, will apply to
19 the Excelsior. But we'll check our work.

20 CHAIRWOMAN YOUNG: Thank you.

21 CHANCELLOR ZIMPER: So it's a good
22 question.

23 CHAIRWOMAN YOUNG: Is there any
24 requirement for students graduating to stay

1 in New York to --

2 CHANCELLOR ZIMPHER: No.

3 CHAIRWOMAN YOUNG: -- help build the
4 state or fulfill the workforce needs?

5 CHANCELLOR ZIMPHER: It's something we
6 could work on, but it's not there at the
7 moment, no.

8 CHAIRWOMAN YOUNG: So no residency
9 requirement on the back end. What about
10 economic requirements? Are there any
11 academic requirements on the students that
12 would take advantage of this program?

13 CHANCELLOR ZIMPHER: The only thing
14 that has been mentioned or is in the proposal
15 is this 15-hour credit. I wanted to come
16 back to it even for Assemblymember Glick.
17 The fact that we have in this Excelsior plan
18 a condition for the awardee that has to do
19 with completion is the big win. Whether it's
20 15 hours or some other condition, just giving
21 money without making the point that there's a
22 responsibility of the student to do something
23 during the time of that award is a huge step
24 forward, and I don't believe exists in any

1 other state tuition assistance policy.

2 So I just wanted to say what's novel
3 about Excelsior is that it introduces the
4 notion that the awardee has a particular
5 academic responsibility. I know we're
6 debating whether it's the 15 credit hour.
7 But it's for students to be more planful.

8 You know, we have one of these Finish
9 in Four programs, which is a guarantee
10 program on six of our campuses and hopefully
11 many more. You are guaranteed completion in
12 four years. We'll make sure the courses are
13 offered that you need, or else it's on us.
14 And then you take a rigorous, disciplined
15 curriculum plan and you don't veer from that.
16 You don't drop one major and pick up another
17 or try to take more electives. It's a very
18 rigorous exchange between the campus and the
19 student.

20 So what the Excelsior signals to me is
21 that in the process of trying to assist more
22 students, we put a condition in there. Let's
23 get that condition right.

24 CHAIRWOMAN YOUNG: Okay, thank you.

1 Like everything, there are loopholes.
2 And I'll give you a theoretical situation.
3 What if a family makes in excess of a
4 million dollars a year and they decide they
5 don't want to pay for their son to go to
6 college, they want their son to take
7 advantage of free college tuition, even
8 though they have a higher income. Could they
9 not emancipate that child right away and then
10 that child would qualify for free college
11 tuition?

12 CHANCELLOR ZIMPHER: You know, today
13 I'm just not sure we can answer the potential
14 loopholes. I think it's important to state
15 what you think they might be, and I really do
16 appreciate that. But we're not in the
17 if-come, we're trying to deal with the
18 proposal as it stands.

19 CHAIRWOMAN YOUNG: Okay. All right.
20 I think that's all I have, so thank you very
21 much. I might come back.

22 CHANCELLOR ZIMPHER: Thank you.

23 CHAIRMAN FARRELL: Thank you.

24 Assemblywoman Pat Fahy.

1 ASSEMBLYWOMAN FAHY: Thank you,
2 Mr. Chairman.

3 And welcome, Chancellor. And I want
4 to share in the thank you for all you have
5 done. You will certainly be missed.

6 And I also want to give a shout-out to
7 Marc Cohen, one of our own at UAlbany.

8 You're just doing great work, and did
9 a great job as well yesterday at the State of
10 the University.

11 I'm going to be very brief, because
12 I'm late for a Codes Committee meeting and
13 I'll be hearing about it.

14 Thank you for the support and the
15 shout-out that you have given on EOP.
16 Certainly it's one that gives me serious
17 pause each year that we are not filling the
18 slots that are needed. And certainly even --
19 I've known plenty of students going through
20 each year, and I always try to meet with the
21 students, and it's just -- it is about
22 shining a light on kids that need that light
23 shone on them and about the bonding and the
24 really trying to personalize each of our

1 universities for them.

2 I also want to give you a thanks on
3 the community college for your support there.
4 As you know, I'm first-generation American,
5 first-generation college. And if I had not
6 had the access to community colleges -- not
7 here, but in Illinois -- I wouldn't be here
8 today. So it's what made it affordable for
9 me, and I don't think we can do enough.

10 A couple of questions. The free
11 tuition policy, or the Excelsior Scholarship
12 Program. While I think it is ambitious and
13 I'm certainly following every bit of it, my
14 biggest concern is what will this do to
15 quality. And while I know I heard the
16 questions you just tried to answer about
17 projections, I am concerned about what the
18 numbers will be, particularly with freshmen
19 classes.

20 And one of my biggest concerns across
21 every college, public and private -- because
22 I've learned the hard way from my own
23 children and from classmates -- is that while
24 we see a lot about the 20 to 1 or 15 to 1

1 ratios, there seems to be a little bit of
2 gaming in the system. And again, I mean this
3 in public and private schools. It's those
4 freshman classes, those entry-level classes
5 that are the 200 to 400 to 500 students. And
6 it's completely the opposite of what we've
7 done with the EOP programs, and that is try
8 to break down the universities, make sure we
9 are establishing bonds, make sure they are
10 getting to know their professors, and really
11 shining a light on those students.

12 And then it's the opposite for the
13 regular freshmen. The minute they walk in,
14 they're in these very impersonal classes and
15 these lecture halls that they've never
16 experienced before. And I'm convinced that
17 that's what fuels the dropout rate at the
18 freshman level in college, which by all
19 accounts is certainly where we lose the most
20 students.

21 So if you could address a little of
22 that and how you plan to maintain quality
23 while moving forward on any free tuition or
24 the Excelsior Program.

1 CHANCELLOR ZIMPHER: Well,
2 Assemblywoman, I really appreciate the whole
3 issue because I will tell you right now, the
4 State University of New York has no intention
5 of reducing the quality of the curriculum
6 delivered for our students.

7 ASSEMBLYWOMAN FAHY: Thank you.

8 CHANCELLOR ZIMPHER: So that is our
9 pledge.

10 That said, we're getting so much more
11 data-oriented at SUNY. Yesterday we
12 announced a Center for Systems Change, which
13 is all about testing the assumptions being
14 made in this question.

15 So I can't tell you right now exactly
16 how many of our classes are in the jumbo
17 size. I also don't think every big class is
18 bad. I don't know that every small class is
19 good.

20 ASSEMBLYWOMAN FAHY: Fair enough.

21 CHANCELLOR ZIMPHER: So I want to test
22 that one out.

23 But we have known for decades that if
24 you can't get that freshman student to the

1 sophomore year, you've lost the battle.

2 So we put so much of our resources
3 into bridging and supporting those first two
4 semesters. And I think it would -- our goal
5 would be to take every one of your questions
6 today and put some data behind it. Because
7 we our own selves in higher ed have lived on
8 a pool of assumptions that now are being
9 brought into question about the way we do our
10 business.

11 And while we're not asking you for
12 support for this center that we're creating,
13 we are asking private investors. We're going
14 to find out if this is true and if there are
15 any abuses in our class size.

16 And I think when we say to you what
17 capacity do we have for Excelsior, we have to
18 set a number, I would say somewhere between
19 zero and 10 percent. And then we have to
20 really know that we have the services that we
21 can deliver to these additional students.

22 That's on us. I don't know if we can
23 get there by the end of the session, but
24 frankly I think we have to. I don't think

1 you can make a decision about Excelsior till
2 you know whether we have the capacity to
3 continue the quality.

4 ASSEMBLYWOMAN FAHY: That would be
5 extremely helpful and something I look
6 forward to. You're right, a small class can
7 be lousy, as can a big, but there are ways to
8 break down those big classes so that they are
9 not as impersonal.

10 But it is probably my single biggest
11 concern, is maintaining quality, maintaining
12 the levels of support, especially for those
13 early entrants.

14 Last question, and I'll just look
15 forward to getting some information on this.
16 But the Clean Energy Workforce Opportunity
17 Program that we supported last year to the
18 tune of \$15 million, if you have a quick
19 update on it. But I'd also welcome some more
20 information to see if that's been implemented
21 yet and where.

22 CHANCELLOR ZIMPHER: We'll do that.
23 Thank you. Not today.

24 ASSEMBLYWOMAN FAHY: Thank you. Thank

1 you.

2 CHAIRMAN FARRELL: Thank you.

3 Senator?

4 CHAIRWOMAN YOUNG: We've been joined
5 by Senator Leroy Comrie.

6 CHAIRMAN FARRELL: I've been joined by
7 Assemblyman Luis Sepúlveda.

8 Senator?

9 CHAIRWOMAN YOUNG: Yes. At this time
10 I'd like to introduce the chair of the Senate
11 Committee on Higher Education, Senator Ken
12 LaValle.

13 CHAIRMAN FARRELL: While we're trying
14 to do that, we've been joined also by
15 Assemblywoman Bichotte.

16 SENATOR LaVALLE: Okay. I think we
17 have it.

18 I want to thank you for your years of
19 service, and I certainly will miss you not
20 being the chancellor.

21 CHANCELLOR ZIMPHER: Thank you. I'll
22 miss you too.

23 SENATOR LaVALLE: So good luck to you.

24 CHANCELLOR ZIMPHER: Pardon me?

1 SENATOR LaVALLE: Good luck to you.

2 CHANCELLOR ZIMPHER: Thank you.

3 SENATOR LaVALLE: But we do have some
4 work to do --

5 CHANCELLOR ZIMPHER: Yes, we do.

6 SENATOR LaVALLE: -- between now and
7 June. So I would like to start someplace
8 that no one has gone, and that is our
9 community colleges.

10 CHANCELLOR ZIMPHER: Right.

11 SENATOR LaVALLE: They -- we have a
12 very interesting situation. Some are losing
13 students, some are flat -- you know, you just
14 can't put your brakes on and stop everything.
15 So what are you going to recommend to us for
16 our community colleges?

17 CHANCELLOR ZIMPHER: Well, thank you,
18 Senator. Did you hear me say I'll miss you
19 too?

20 SENATOR LaVALLE: Ah. Thank you.

21 CHANCELLOR ZIMPHER: I think that
22 we've tried to present a new approach to
23 community college funding under the name of a
24 hold harmless clause. We know that in the

1 old enrollment -- well, still, in the current
2 enrollment-driven formula, if the community
3 college has experienced a drop in enrollment,
4 it's a drop in their funding. And they still
5 have faculty, they still have support
6 programs, and they still have high needs,
7 because these are students that need a lot of
8 support.

9 So we've proposed sort of a bundling
10 effect, that we look at the kind of base aid
11 that community colleges need to continue,
12 that we separate it from the per-pupil or the
13 enrollment-driven model, and we really
14 thought that was a new way to think about our
15 community colleges for exactly the reason you
16 present in your question.

17 In the adds here, at this point, I
18 think you're on the right track. I think
19 we're on the right track, and I really would
20 like this \$30 million -- I would really like
21 this \$30 million.

22 What we try to do is to look at the
23 \$30 million and say, okay, half of it would
24 be to fill the gap when the enrollments have

1 dropped, and the other half would be to add
2 support systems. We are dealing at our
3 community colleges with the students with the
4 highest needs. We're an open door at our
5 community colleges, and we're proud of that,
6 but it takes a lot of work.

7 SENATOR LaVALLE: I'd like to next
8 go -- and I know Senator Young talked a
9 little about this -- to our foundations.

10 I kind of -- when I read the budget, I
11 thought there were people probably jumping
12 out of windows. Because it's good if you're
13 in a house of worship to do a tithing, but
14 people are not necessarily good about that.
15 So it's my understanding that they're
16 supposed to give a 10 percent tithing?

17 VICE CHANCELLOR McLOUGHLIN: SUNY
18 foundations already have over \$500 million in
19 assets dedicated to scholarship, which throws
20 off about \$55 million a year in annual
21 disbursements, which is actually 23 percent
22 of the asset base. And also 23 percent of
23 the disbursements. So we're there.

24 CHANCELLOR ZIMPHER: We're there.

1 SENATOR LaVALLE: Okay. I think the
2 Governor is on a good track there, because
3 there's a lot of money there and every once
4 in a while if you ask someone how much money
5 do you have in your foundation, they get very
6 nervous.

7 I'd like to go to rational tuition.
8 So back in time -- and this was I think
9 before you arrived here, under Governor
10 Spitzer -- we created a blue ribbon
11 commission, and the idea of rational tuition
12 was born out of that commission. And as we
13 moved forward, the discussion was that there
14 would be a three-legged stool. Students
15 would make an investment, the state would
16 make an investment, and the campuses would
17 make an investment.

18 So history now shows us that the
19 students have made a \$1500 investment,
20 \$300 for five years. What investment has the
21 state made as part of their investment?

22 CHANCELLOR ZIMPHER: So, Senator, as
23 the ratios as well, even in our community
24 colleges, have strayed away from a third, a

1 third, a third -- I guess, over time, because
2 of financial concerns in state funding across
3 the board. So I think the question best
4 answered is where are we with that ratio at
5 this point.

6 Eileen?

7 VICE CHANCELLOR McLOUGHLIN: It's not
8 that I don't -- I don't actually have it
9 right with me. I know that behind me they
10 have it. But it's not a third, a third, a
11 third anymore.

12 CHIEF OF STAFF HENGSTERMAN: Senator,
13 the state investment mainly has been, in the
14 past five years -- certainly while the
15 chancellor has been here -- also in employee
16 benefits and fringe debt service and then a
17 little money that you've seen with the
18 investment fund.

19 SENATOR LaVALLE: Yeah. I understand
20 there have been some nickels and dimes that
21 have been put in, but you know, when you have
22 a contract, and that's what we had, we said
23 to the students: You make that investment;
24 we, the state, will make that investment.

1 And I think, speaking for myself, I
2 think it's something we can't lose sight of,
3 that that is an important part and that we
4 need to fund -- you know, we're going to be
5 doing all sorts of things, and you're going
6 to need a commitment, a revenue stream that
7 you could depend on to deal with all of these
8 students and so forth.

9 So I would like us to not lose sight
10 of that and our commitment to the students
11 that we made. Can I ask you, Chancellor, if
12 you don't have it now, at some point, room
13 and board?

14 CHANCELLOR ZIMPHER: Absolutely.

15 SENATOR LaVALLE: What those
16 numbers --

17 CHANCELLOR ZIMPHER: Yeah, I think we
18 have it in our fact sheet.

19 May I say, Senator, that your
20 commitment to the principle of a third, a
21 third, a third is our commitment as well, in
22 principle.

23 And I do think that one of the reasons
24 we have championed maintenance of effort has

1 been because it really holds us harmless in
2 situations where the budget shifts from year
3 to year at the state level.

4 So I didn't want you to think that we
5 don't like the principle. We do.

6 CHIEF OF STAFF HENGSTERMAN: Senator,
7 the average cost for fees and room and board
8 for a New York State resident is about
9 \$15,000.

10 SENATOR LaVALLE: About 15,000. Okay.

11 CHIEF OF STAFF HENGSTERMAN: Fifteen.
12 Fifteen.

13 SENATOR LaVALLE: Yes. Fifteen per
14 year. Yes.

15 CHANCELLOR ZIMPHER: Fifteen.

16 SENATOR LaVALLE: So the tuition is
17 \$6,470 --

18 CHANCELLOR ZIMPHER: Correct.

19 SENATOR LaVALLE: And so when we add
20 that to the 15, we're talking about a sizable
21 amount of money that the student has to come
22 up with.

23 CHANCELLOR ZIMPHER: It is indeed.

24 Money is money, and we have to pay attention

1 to every dime.

2 I don't think it's bragging rights, I
3 just would say that still, that cost is the
4 lowest in the Northeast. It doesn't make it
5 right, I'm just saying that's where we stand
6 relative to our peers.

7 SENATOR LaVALLE: Yes. You have been
8 consistent in that every time we've talked --

9 CHANCELLOR ZIMPHER: I know.

10 SENATOR LaVALLE: -- you have talked
11 about that.

12 CHANCELLOR ZIMPHER: Well, if nothing
13 else.

14 SENATOR LaVALLE: So one of the things
15 that is critically important, and my dear
16 friend and counterpart in the Assembly talked
17 about this, is the 12 credit hours.

18 Having been a former teacher, and
19 there are a lot of students that I spent time
20 with -- and for those students who for a
21 whole variety of reasons that was mentioned,
22 whether it be maturity, they're nervous about
23 being away, whatever it is -- I always tell
24 those students to take 12 credit hours. Ease

1 into your program. And I know you have
2 talked about your research and so forth, but
3 the LaValle research for the students that he
4 has dealt with directly, I have a 100 percent
5 success rate to ease them into that program.

6 So I would say to you, Chancellor,
7 please stay on this, because this is very
8 important. This is about students. It's
9 about students. So we can't lose our way as
10 we're traversing through the forest here.

11 CHANCELLOR ZIMPHER: You know, I just
12 want you all to know that I think this is a
13 question to which there is a discoverable
14 answer. And I really live for the day when
15 we can come to these hearings and actually
16 lay out a portfolio of what happened last
17 fall to the 15-credit-hour student and the
18 12-credit-hour student, that making policy in
19 a vacuum, of lack of information about how it
20 really is from our own personal experiences,
21 is where we are right now.

22 So we're going to work hard at it,
23 because we don't know unequivocally the
24 answer, and we should. We should.

1 pharmacy. What can I tell him?

2 VICE CHANCELLOR HAELEN: Well, the way
3 the appropriation was written for capital, it
4 is for existing buildings and
5 critical-maintenance-type projects. So
6 you're not seeing new facilities in there.

7 SENATOR LaVALLE: Right.

8 VICE CHANCELLOR HAELEN: And the
9 strategy behind doing that lump was an
10 analysis of the formula that was used to
11 allocate monies to campuses, and there was a
12 couple of instances where it didn't work. So
13 if you have a small campus that has an
14 electrical distribution line or stormwater
15 systems that are just as large and long as a
16 large campus, then the formula was not
17 working and we could not address those needs.

18 So it's to address those
19 highest-priority needs. And again, it is not
20 for new facilities. And that's not to say
21 that there isn't a need for new facilities.

22 SENATOR LaVALLE: Well, something that
23 I'm close to and I know is that -- and this
24 campus is not alone, because it was mentioned

1 by one of the -- whether it was
2 Assemblymember Glick or Senator Young, that
3 there are buildings crumbling. Crumbling.
4 So STEM and science is so high, so the
5 engineering building at Stony Brook is a
6 disgrace. It's a disgrace.

7 What do we tell Stony Brook?

8 VICE CHANCELLOR HAELEN: Well, that's
9 where we need your support, Senator.

10 (Laughter.)

11 VICE CHANCELLOR HAELEN: I mean, you
12 know, it's got to be part of the legislative
13 process. And, you know, the campuses do need
14 additional funding. And we're going to do
15 the best with what we can with the 550.
16 We're very appreciative of it. It will
17 arrest our rate of decay. But additional
18 funding could be very helpful and
19 transformative for SUNY.

20 CHANCELLOR ZIMPHER: And, Senator, you
21 are in the best position to advocate for the
22 campuses in your district. And I think more
23 recently, while we thought we could have a
24 body approach, a full-on system approach,

1 calling out the particular needs of a campus
2 in your district will be very effective.

3 SENATOR LaVALLE: I have colleagues,
4 as chairman, who have given me a list of
5 projects that are critically important.
6 Those that have been here for a while have
7 given me that list for a while.

8 Assemblymember Glick and I passed --
9 and Senator Young talked about this --
10 five-year capital for both SUNY and CUNY.
11 This is critical. This is critically,
12 critically important.

13 Yes, we've gotten -- you know, yahoo,
14 we've gotten a block of money for critical
15 maintenance. That's great. It's important.
16 I laud that. So -- but we do need some help.

17 Chancellor, I want to thank you for
18 mentioning in your remarks about the DSH
19 money --

20 CHANCELLOR ZIMPER: Thank you.

21 SENATOR LaVALLE: -- to the hospitals.

22 CHANCELLOR ZIMPER: Right.

23 SENATOR LaVALLE: But I cannot -- and
24 the reason I bring it up and put an

1 exclamation point on your remarks is this is
2 critically important. Upstate and
3 Stony Brook, I mean -- critical. Critical.
4 So that's something that must be fixed.

5 CHANCELLOR ZIMPHER: And Senator, just
6 to pile on, these are expenses we've already
7 incurred. So this is not forward looking,
8 gee, you might need the money. This is what
9 we have already delivered. So we appreciate
10 that.

11 VICE CHANCELLOR McLOUGHLIN: And just
12 also to add to that, one of the comments that
13 we've received is that we have a lot of cash
14 on hand in our hospitals. We actually have
15 less than 30 days' cash on hand, based on our
16 expenses. So that's something to keep in
17 mind.

18 I also got those ratios for you for
19 the community colleges. It's no longer a
20 third, a third, a third. It's 25 percent
21 state support, 30 percent local, 45 percent
22 tuition.

23 SENATOR LaVALLE: Okay.

24 I guess my time is up.

1 CHAIRMAN FARRELL: Thank you very
2 much, Senator.

3 We've been joined by Assemblywoman
4 Tremaine Wright.

5 Next to question, Mr. Lupinacci.

6 ASSEMBLYMAN LUPINACCI: Good morning.

7 I just had a question. Based on --
8 {inaudible; mic turned off} --

9 CHANCELLOR ZIMPHER: Assemblyman, we
10 only have a state or two to generalize from.
11 And these are states that have really only
12 extended this kind of tuition support to the
13 community colleges, not to the four-year
14 campuses, so we're dealing with an unknown.

15 But my recollection of the first two
16 years at Tennessee is that the influx was
17 something in the vicinity of 8,000 or 9,000
18 students who had not previously availed
19 themselves of a college experience in
20 Tennessee.

21 ASSEMBLYMAN LUPINACCI: Going back to
22 the credit requirements -- now, just so I'm
23 clear, so right now what it stands at is
24 15 credits a semester for four years. Now,

1 if the student is coming in with AP credits,
2 are they still required, or once they
3 complete the bachelor's requirement, the
4 program stops? Or how does it --

5 CHANCELLOR ZIMPHER: Good question.
6 Don't know the answer. But fair enough.

7 ASSEMBLYMAN LUPINACCI: Okay. And I
8 guess the other question -- I mean, I
9 understand what your research is showing,
10 15 credits a semester. Was there any thought
11 of ever looking at maybe doing an average of
12 30 credits over the years? So if a student
13 wants to take 12 one semester or during
14 summer session or January session --

15 CHANCELLOR ZIMPHER: Interesting.
16 That's an interesting proposal.

17 ASSEMBLYMAN LUPINACCI: Okay. Just
18 to -- and I understand, you know, echoing --
19 you know, my colleagues have already hit home
20 on it in terms of, you know, obviously family
21 life. And of course, sometimes my students
22 have one or two jobs on semesters too.

23 And I guess the other thing is looking
24 at the population, the nontraditional

1 population now that goes back, when you have
2 a single parent that's back at school or, you
3 know, obviously a returning student that
4 hasn't gone to school in decades -- I mean,
5 the 15 credit requirement, I think, is going
6 to be problematic for them too. And I don't
7 think it should be aimed towards any one
8 specific population but, you know, give
9 opportunity to, you know, all various
10 learning styles and learning groups. So --

11 CHANCELLOR ZIMPHER: Well, I want to
12 say to all of you I am impressed with the
13 interest in the 15-credit-hour issue. And I
14 think as soon as humanly possible, we need to
15 give you some briefing on this issue
16 particularly. Because there's so much else
17 to talk about in that scholarship that it,
18 you know, could be problematic or it could be
19 great.

20 And if we know some more about the
21 15-hour and who succeeds and who doesn't in
22 the SUNY system -- forget national studies,
23 let's find out what we know about our
24 students -- I think that would be very

1 helpful in the debate.

2 And it's early enough, I think --
3 today being the first day -- of this
4 discussion that we can deliver some goods for
5 you that will be very helpful. And we will
6 make that our highest priority. I appreciate
7 that.

8 ASSEMBLYMAN LUPINACCI: No problem.

9 And I just had a question. I know
10 someone brought up the residency
11 requirements, a Senator did earlier. Is
12 there a requirement in the scholarship that
13 they graduate from a New York State high
14 school? Or is it just based on, you know,
15 declaring --

16 CHANCELLOR ZIMPHER: Again, not
17 spelled out.

18 ASSEMBLYMAN LUPINACCI: Okay.

19 CHANCELLOR ZIMPHER: But in our little
20 briefing, we ought to remind everybody of the
21 residency requirement that exists now and
22 sort of confirm the intention that this
23 Excelsior complies with that. Thank you.

24 ASSEMBLYMAN LUPINACCI: Now, on a

1 totally different topic, I know in past years
2 we've spoken about remedial courses and money
3 being invested in such. How is it going in
4 terms of the work and the progress we made
5 over the past few years and over your tenure
6 in terms of basic skills classes?

7 And I know the articulation that the
8 State Education Department does with SUNY and
9 CUNY. How are we progressing in that area?

10 CHANCELLOR ZIMPHER: I think what
11 we've done with our community colleges and
12 remediation might be our greatest success to
13 date. We happened onto a program that we
14 know works for students to get them moving
15 into college-credit classes as soon as
16 possible. That's where the remediation
17 really bogs down. You as a student enter
18 with a deficiency or two or three and then we
19 put you in remedial classes that are supposed
20 to upgrade your capacity so that you can go
21 right into college classes. The truth of the
22 matter is, the more of those remedial courses
23 you take, the less likely you are to
24 graduate.

1 We needed to find an intervention that
2 got people out of this remedial work and into
3 college-level classes as soon as possible.
4 So we started with two community colleges,
5 Onondaga and Westchester Community Colleges.
6 We had about 100 students, we tested out the
7 principle that we could get you out of
8 remediation and into college-level classes
9 faster, and it turns out we're doing it two
10 to three times faster and you're two to three
11 times better prepared.

12 So now we're doing this at 20
13 campuses. A couple of them are our
14 comprehensive campuses. Our goal is to go to
15 all 30. This program works, and it is saving
16 students time and money.

17 Now, my question has been, okay, if it
18 was costing us \$70 million to offer
19 remediation -- what, we're down to
20 \$20 million now? Guess what, we have shifted
21 our resources to make sure that every campus
22 has this math pathway, it's called
23 Quantway -- you may hear that, I know that we
24 repeated that last year several times so that

1 you can get that in your head -- but it's
2 really a math pathway that's working.

3 That's the biggest stumbler for our
4 students, and I think I'm proudest of the
5 work we've done there. Johanna
6 Duncan-Poitier is our senior vice chancellor
7 for community colleges, and she and her
8 colleagues have just done tremendous work.

9 ASSEMBLYMAN LUPINACCI: Excellent.

10 Thank you very much. And again, thank
11 you for all your service.

12 CHANCELLOR ZIMPER: Thank you.

13 CHAIRMAN FARRELL: Thank you.

14 Senator?

15 CHAIRWOMAN YOUNG: Yes. We've been
16 joined by Senator Velmanette Montgomery, so
17 welcome, Senator.

18 And our next speaker is Senator Diane
19 Savino, vice chair of the Finance Committee.

20 CHAIRMAN FARRELL: Well, just one
21 minute, I'll add to that. We have, joined
22 with us, Assemblyman Chuck Lavine, we have
23 Assemblywoman Jo Anne Simon, and we have
24 Assemblywoman Yuh-Line Niou.

1 CHAIRWOMAN YOUNG: Very good.

2 So, Senator Savino.

3 SENATOR SAVINO: Thank you,
4 Senator Young.

5 Thank you, Chancellor. And I want to
6 echo the comments of my colleagues and thank
7 you for your service to SUNY and to the
8 people and the students of the State of
9 New York, and wish you well in your future.

10 I'm going to return to probably the
11 topic of the day, which is the Excelsior
12 scholarship. You may be aware that earlier
13 this year Senator Klein, myself, and the
14 members of the Independent Democratic
15 Conference put out a report on college
16 affordability, making some recommendations on
17 how we can broaden affordability for more
18 students and address some of the crushing
19 student debt that many students are carrying.

20 And like you, we were thrilled when we
21 saw that in the Executive Budget there was a
22 proposal for closing the gap for many of
23 these students. So the program has been
24 described by the administration as "the last

1 mile." And essentially that's really what it
2 is. And so as we delve into it with greater
3 detail, I think it becomes critically
4 important that that last mile not really
5 become a road to nowhere.

6 And so I think it's important that we
7 take into consideration the flexibility that
8 should be there and not be so rigid. You've
9 heard from many of the members here today
10 about the difficulty of carrying a full
11 course load of 15 credits, sometimes because
12 of personal circumstances with students who
13 may not be college-ready yet, students who
14 may be working, all of that -- but there's
15 also the problems of sometimes the
16 universities don't have courses that are
17 available that meet your major at the time
18 that you need them.

19 I'm not that old that I don't remember
20 registration days for college, and when you
21 think you have your schedule ready and you
22 find out you've been locked out of that
23 course. So sometimes, it's beyond that
24 dedicated student's ability to get into those

1 15 courses.

2 So I would just suggest what you've
3 heard a lot today, perhaps that four-year
4 degree, the 120 credits in the four years is
5 a better gauge than 15 credits per semester.
6 I think that provides the right dedication on
7 the part of the student, and it also gives a
8 little bit more flexibility so that we don't
9 have students who fall out of the program,
10 lose their eligibility, and are forced to pay
11 the money back. Because that really would be
12 a road to nowhere.

13 But I want to ask a couple of
14 questions. If the goal really is to increase
15 affordability for students, why wouldn't we
16 just simply increase TAP for all students and
17 increase the eligibility level for the
18 income -- the income eligibility levels so
19 then we would really close that gap? Would
20 that not make more sense than creating a
21 whole new program?

22 CHANCELLOR ZIMPHER: Well, I don't
23 think I'm in a position to second-guess what
24 the thinking was on the part of the Governor

1 in plowing new territory.

2 I will say that raising the
3 eligibility level was new for the entire
4 country, frankly. I think attaching
5 conditions around student commitment was new.
6 And I will tell you, no one else, to my
7 knowledge, in the country offers this for the
8 baccalaureate four-year colleges. So it's a
9 new level or new tier, and maybe all of that
10 would have faded away if all he proposed was
11 to increase TAP. I don't know, I can't
12 second-guess.

13 But I do know when people ask me
14 what's distinctive about this, one, it's the
15 threshold. And probably Long Island or
16 some -- we know there's an income
17 distribution across the state that's
18 variable, but many, many, many students are
19 going to benefit from that, pushing it out to
20 our four-year campuses. It's novel, it's
21 new, and finding some way -- this is where I
22 land -- to underscore the importance of
23 completion, that is new. We have not had
24 that discussion.

1 We've had a big remediation
2 discussion, it's gone on for years, now we're
3 into where it really matters: Completion.
4 And so I think this new plan has fostered a
5 discussion we have not heretofore had.

6 SENATOR SAVINO: Thank you.

7 CHANCELLOR ZIMPHER: But I
8 understand -- I appreciate your question.

9 SENATOR SAVINO: Thank you.

10 In the limited time, because I know
11 there are a lot of people with questions,
12 there is one piece in the budget, though,
13 that is a little confusing. The Executive
14 Budget limits annual tuition and fee
15 increases for all New York State institutions
16 of higher ed to either \$500 or a three-year
17 average of the Higher Ed Price Index,
18 whichever is greater. Currently it's
19 2.4 percent. Any new students at
20 institutions of higher ed that increase over
21 this threshold would not be eligible for TAP
22 awards. So if a public institution were to
23 raise their tuition above that, none of the
24 students there would be eligible for TAP.

1 But then would all of those students be
2 eligible for the Excelsior award?

3 VICE CHANCELLOR McLOUGHLIN: Well, I
4 don't know that the latter part of your
5 question -- that they'd be eligible for
6 Excelsior if they weren't eligible for TAP.

7 I will say that SUNY, the majority of
8 our campuses -- all of our campuses -- within
9 the past period of 2020 have been within the
10 HEPI index of 500. So they would not be
11 impacted by that legislation.

12 SENATOR SAVINO: Well, but if that
13 were to happen, I think you need to take into
14 consideration what would happen to all of
15 those students who would no longer be
16 eligible for TAP if for some reason you
17 raised your tuition above the --

18 VICE CHANCELLOR McLOUGHLIN: It's a
19 good -- it's a good concern.

20 SENATOR SAVINO: So again, this is a
21 wonderful concept. I think we all agree,
22 that last mile is critically important. But
23 we need to really put a lot of thought into
24 making sure that we don't unintentionally

1 pull the rug out from underneath students and
2 the institution itself. Thank you.

3 CHANCELLOR ZIMPER: Thank you.

4 CHAIRMAN FARRELL: Thank you, Senator.
5 Assemblyman Pichardo.

6 ASSEMBLYMAN PICHARDO: Thank you,
7 Mr. Chair,

8 Madam Chancellor, thank you so much
9 for the time and being with us this morning
10 in answering some questions.

11 CHANCELLOR ZIMPER: Thank you.

12 ASSEMBLYMAN PICHARDO: I know it's
13 been a long morning, and I do apologize if
14 I'm treading on some old ground here. I came
15 in a little late. So just very quickly, I
16 want to touch again on the Excelsior program
17 and the Excelsior scholarship.

18 Speaking from my experience, I'm a
19 product of SUNY --

20 CHANCELLOR ZIMPER: Good.

21 ASSEMBLYMAN PICHARDO: -- graduated
22 from the University of Buffalo 10 years ago.

23 CHANCELLOR ZIMPER: Congratulations.

24 ASSEMBLYMAN PICHARDO: Yeah, I feel

1 old.

2 But anyway, so I was a student with an
3 expected family contribution of zero, so TAP
4 and Pell mostly financially covered my
5 tuition. So if I were a college student now,
6 Excelsior wouldn't apply to me, because my
7 tuition would be effectively covered. But at
8 the same time, when I would get to college,
9 my room and board fees, books, all this other
10 stuff would cost me approximately, it was
11 mentioned earlier, just for room and board,
12 about 15 grand a year. Right?

13 So to cover that \$15,000, I would have
14 to either get more loans or, in my case, I
15 worked three jobs as a college student. I
16 was a facilities manager during games, I gave
17 tours to incoming students, and I worked the
18 dining hall just to make sure that I had
19 enough money to pay the rent, to pay the rest
20 of my costs for my education. But at the
21 same time, I would have to reduce the amount
22 of classes that I would have to take. And I
23 think that my final semester I ended up
24 taking about 18 credit hours. But for most

1 of my college career, I had to take 12, and
2 that's what maintained my financial aid,
3 because I understand that TAP needs to
4 maintain 12 credit hours, a 2.5 GPA -- at
5 least when I was there. Maybe the standard's
6 gone up.

7 So with that being said, if we're
8 trying to push for college success rates,
9 especially from constituents that I represent
10 in the West Bronx, wouldn't it be easier to
11 do two things? First of all, help cover more
12 of that cost or change the formula so it's
13 not the last dollar, it's the first dollar,
14 versus making sure that just that tuition
15 aspect is covered.

16 So wouldn't it make more sense, if
17 we're talking about college affordability,
18 because this is what we're talking about,
19 that the formula is changed where not only --
20 if your numbers are covered with your other
21 financial aid, that the Excelsior covers some
22 costs of living so that you don't have to
23 take three jobs and cut the amount of classes
24 that you have to take as a college student?

1 CHANCELLOR ZIMPHER: Well,
2 Assemblymember, this is a lot to package into
3 a new idea.

4 And on the one hand, it would be
5 wonderful if all of the costs of delivering a
6 college education were paid for by some
7 source, most notably the state -- that would
8 be wonderful. Realistically, it's probably
9 not going to happen in my lifetime. It would
10 also be wonderful if we could put this
11 support into first dollar, but I'll tell you,
12 we'd be leaving a lot of federal money on the
13 table.

14 So what we announced yesterday is our
15 intent to make sure every student fills out
16 that FAFSA form that gets you the federal
17 money that you need and, for that matter,
18 helps you qualify for TAP money, so I think
19 last dollar is still reasonable.

20 Now, should we divert some of those
21 funds to pay room and board? Money is money.
22 The cost of the total, which is hovering in
23 the \$20,000 range, it's where are you going
24 to put it. We could argue that.

1 Here's the real thing. We've looked
2 at the whole situation, we're pretty sure
3 that this year the state's not going to fund
4 the full cost of college, we're pretty sure
5 that we can save students money by getting
6 them through earlier, and I just want us to
7 think about that.

8 The federal government tracks
9 completion on a four- and six-year level.
10 We've listened to so many students remark
11 that -- some students really believe six
12 years is the goal. No, four years is the
13 goal. If you're a parent, it might even be
14 less than four. And now, you know, students
15 are taking courses in high school, many of
16 our students are graduating with 30 to
17 60 credits, so they can graduate college in
18 three years.

19 So what we are able to do at SUNY, to
20 match what you are able to do at the state
21 level, is to make sure students are on track,
22 spending their money wisely, and getting them
23 out sooner. That's my answer to what I know
24 we can contribute. So in the model of a

1 third, a third, a third, students have a
2 responsibility to stay on course, the state
3 has a responsibility to meet its investment,
4 and we have a responsibility to provide the
5 courses and the program that allow you to get
6 in and get out.

7 ASSEMBLYMAN PICHARDO: Thank you.

8 CHANCELLOR ZIMPHER: It's a big
9 question. I appreciate your experience.

10 ASSEMBLYMAN PICHARDO: No, I know --
11 and I believe I ran out of time, but I'll
12 hopefully come back for a second round.
13 Thank you.

14 CHANCELLOR ZIMPHER: Thank you.

15 CHAIRMAN FARRELL: Thank you.
16 Senator?

17 CHAIRWOMAN YOUNG: Thank you very
18 much.

19 Next is Senator Toby Stavisky.

20 SENATOR STAVISKY: Thank you.

21 There --

22 CHAIRWOMAN YOUNG: There you go.

23 SENATOR STAVISKY: There it is.

24 That's why we need another engineering

1 school.

2 (Laughter.)

3 CHANCELLOR ZIMPER: Right.

4 SENATOR STAVISKY: I too want to thank
5 you for your service to really the students
6 of the state and to the people of the state.

7 A couple of really quick questions.

8 We've been talking about Excelsior. How many
9 students do you estimate would be eligible
10 for the Excelsior program?

11 VICE CHANCELLOR McLOUGHLIN: We
12 estimate for the first year, based on the
13 transition in, it'd be about 80,000 students
14 right now at SUNY.

15 SENATOR STAVISKY: Eighty thousand
16 students.

17 VICE CHANCELLOR McLOUGHLIN: Eighty
18 thousand.

19 SENATOR STAVISKY: And that would
20 include the four-year and two-year
21 institutions?

22 VICE CHANCELLOR McLOUGHLIN: Yes.

23 SENATOR STAVISKY: The reason I'm
24 asking is that many of us have raised

1 questions about the ultimate cost of the
2 program.

3 CHANCELLOR ZIMPHER: Right.

4 SENATOR STAVISKY: Second, Marc, our
5 student representative, spoke about the
6 indebtedness of students.

7 As I recall, last year I asked you
8 about tracking the -- helping the students
9 track the debt, and helping them repay some
10 of the debt. And you, I know, I believe,
11 have a system in place to do this. Can you
12 tell us how successful it's been?

13 CHANCELLOR ZIMPHER: Well, you're
14 referring to Marc, and I just want to make
15 sure that we get some data on the table.
16 Forty-five percent of our students today
17 graduate debt-free. We are tracking it,
18 absolutely. And we track it through our
19 online programs, and when we see people
20 stacking up too much debt, we also have early
21 alert systems.

22 But to think that nearly half of our
23 population is debt-free is -- we're making
24 progress in that regard.

1 CHIEF OF STAFF HENGSTERMAN: Also,
2 with Smart Track, I think we mentioned
3 yesterday that since we've had that program
4 in place to make students more aware of what
5 they're borrowing, we've seen a reduction in
6 borrowing by 5 percent.

7 CHANCELLOR ZIMPHER: That's in one
8 year.

9 SENATOR STAVISKY: That's the second
10 part of my question.

11 How are you helping to educate
12 students to try to (a) avoid it, and (b) keep
13 the interest costs, et cetera, as low as
14 possible?

15 CHANCELLOR ZIMPHER: We direct them to
16 this online program. We're looking at
17 financial literacy, with many of our business
18 partners. This institution of this program
19 called Smart Track is exactly targeted at
20 knowledgeable information about the cost of
21 college and how individual students and their
22 families are spending their money. And
23 that's new. We didn't have it, we have it
24 now.

1 SENATOR STAVISKY: Thank you.

2 One other area which was mentioned by
3 one of the previous legislators was the
4 question of the Research Foundation and the
5 tithing. What happens to the money?

6 And I know this has been an issue -- I
7 think, if my memory is correct, your first
8 year at SUNY -- it was my first year, the one
9 year or two years that I chaired the Higher
10 Ed Committee -- I asked you many questions
11 about the SUNY Research Foundation.

12 CHANCELLOR ZIMPHER: I think we
13 bonded, Senator.

14 SENATOR STAVISKY: Yeah, I know. I
15 think so too.

16 CHANCELLOR ZIMPHER: It led to --
17 actually, I have to say, just to turn the
18 clock -- when I arrived, I had already
19 charged a committee to look at the entire
20 operation in the Research Foundation.

21 There were many questions at that
22 time, and you may recall that we found 50 --
23 5-0 -- gaps in the operation of the Research
24 Foundation. And I'm proud to say that in the

1 next two years that followed, we closed every
2 one of those operational gaps.

3 And in Eileen's arrival, we have added
4 to the policies of the Research Foundation
5 for oversight and accountability. We have a
6 new and incredibly strong board of the
7 Research Foundation. We have a new president
8 of the Research Foundation who comes from
9 North Carolina State and the Research
10 Triangle. So I think we're in incredibly
11 good hands.

12 SENATOR STAVISKY: Without question,
13 there has been a tremendous improvement from
14 the time I asked you why you had bank
15 accounts in the Middle East in the name of
16 the Research Foundation, and tickets to the
17 Moscow Circus charged to the Research
18 Foundation. There's been a tremendous,
19 earthshaking change.

20 However, one last question. What
21 happens -- and I know that there's a tithe, a
22 payment to the Research Foundation. What
23 happens to that money?

24 VICE CHANCELLOR McLOUGHLIN: The money

1 that goes to the Research Foundation that
2 you're referring to?

3 SENATOR STAVISKY: Yes.

4 VICE CHANCELLOR McLOUGHLIN: The
5 Research Foundation does a lot of the
6 compliance and uniform systems to monitor
7 research programs for our state ops. So
8 there's a service that they provide to the
9 campuses for that money.

10 CHANCELLOR ZIMPHER: And the campuses
11 pay that money.

12 VICE CHANCELLOR McLOUGHLIN: Yes.

13 SENATOR STAVISKY: And the campuses
14 pay that money.

15 VICE CHANCELLOR McLOUGHLIN: Yes.
16 Yes.

17 SENATOR STAVISKY: How -- well, I know
18 the Governor hasn't proposed the 10 percent
19 charge to SUNY they have to CUNY, but what
20 happens -- well, okay, we'll -- my time is
21 up. But I was concerned about the funding
22 that comes in and the accountability. And as
23 I said, I commend you for tremendous strides
24 in this area.

1 CHANCELLOR ZIMPER: Thank you.

2 SENATOR STAVISKY: Thank you.

3 CHAIRMAN FARRELL: Thank you, Senator.

4 We've been joined by Assemblyman Félix
5 Ortiz.

6 Next to question, Assemblyman Oaks.

7 ASSEMBLYMAN OAKS: Thank you,
8 Chairman.

9 Chancellor, thank you for being here
10 today and for your service to the state over
11 the years.

12 I know you have -- we've spoken and
13 some of the questions for remediation and
14 completion, you've talked about a lot today.
15 Kind of to honor the former Senate Finance
16 chair, he talked a lot about college
17 preparedness to us -- Senator DeFrancisco --
18 over the years, and just how we were doing.

19 Do we have any stats on that end
20 of are we getting -- making progress on
21 preparedness of the students you're getting?
22 And -- of course, we've been talking all
23 about the Excelsior program today -- you
24 know, would that be impacted should that

1 happen?

2 CHANCELLOR ZIMPHER: Well, in honor of
3 Senator DeFrancisco, we talked for three
4 years about making sure we have a diagnostic
5 in high school that tells students and their
6 families early enough whether they are on
7 track to be college ready. Regrettably, we
8 haven't found the magic bullet for that. But
9 I do think we have to keep working.

10 I know that Commissioner MaryEllen
11 Elia is in favor of an early diagnostic, but
12 in the environment of sort of wrestling to
13 the ground how we're dealing with testing --
14 anyway, it seems like a bridge too far at the
15 moment. But we have to find a mechanism to
16 push our remedial work into the high school
17 to deliver it when it's needed.

18 And I'm not saying push it off to
19 K-12. We are more than willing to be in the
20 high schools more obviously, to help kids get
21 ready. That said, we're still struggling
22 with a number -- somewhere around 40 percent
23 of our students who come to our community
24 colleges and they need remedial work --

1 that's unacceptable.

2 But for any of you who are new to this
3 hearing, I always pause and say we prepare
4 the teachers who teach those students who
5 come to college ready or not. So the one
6 thing that we're now doing very visibly is
7 working on teacher preparation. This is a
8 partnership with the Commissioner and SED,
9 it's called Teach New York. We also have
10 CUNY and our independent colleges at the
11 table, and we're not only working on supply
12 and demand, but we're just working on the
13 ground at what teachers can do to help us
14 make sure that students arrive college-ready.

15 So that 40 percent? Too big. Too
16 much. We need to remediate where the
17 remediation needs to occur. We need to make
18 sure we're preparing teachers who know how to
19 do that.

20 ASSEMBLYMAN OAKS: Thank you.

21 And the other one you talked about was
22 completion. I know over the last couple of
23 years, you also talked about expanding
24 somewhat the numbers that SUNY, by retaining

1 a greater portion --

2 CHANCELLOR ZIMPHER: Exactly.

3 ASSEMBLYMAN OAKS: -- that that's
4 where you can be successful.

5 How about that? Are we seeing a
6 retention level -- and I know the completion
7 is met in there if you -- you know, you'll
8 have a greater number finishing if you can
9 retain them. But are we seeing static or
10 progress on getting students, once they're in
11 SUNY, to stay as students?

12 CHANCELLOR ZIMPHER: Well, I think we
13 translate retention as degree completion. I
14 mean, that's our metric, that's our measure.

15 We started this campaign at 93,000
16 degrees offered annually; we're now at
17 96,000. We're trying to get to 150,000
18 degrees, which is to close that gap of only
19 40 to 60 percent of our students getting a
20 four-year degree in four to six years.

21 Why would we tolerate that as a
22 country? We need to close that gap. So
23 we're working on it. We think even
24 75 percent graduation rate is not exactly a

1 victory. It's growth, but we don't want to
2 lose any of those students. So we have this
3 massive completion agenda. And as we
4 graduate more students on time, then we have
5 an enrollment issue.

6 So we're literally going to every
7 campus right now, we've sat down with 30 of
8 our 64 campuses to plan more strategic
9 enrollment so that when we do get better at
10 degree completion, we still can fill our
11 seats with students, young or adult, who need
12 more education. So it's probably the focus
13 of SUNY right now, that retention issue.

14 And it's growing -- 93 to 96 to
15 hopefully 100 to 125 to 150,000 degrees. And
16 boy, is that going to be an asset for the
17 State of New York. Because they're going to
18 be job-ready, which is what the jobs require.

19 So I think I want to say, Assemblyman,
20 we're on it. It's big for us. It's huge.
21 And we have data, and we'd love to share it.

22 ASSEMBLYMAN OAKS: Appreciate that.
23 Focus and the response -- I think -- just a
24 final comment, I guess, as we go -- the

1 numbers, and I know the Governor has, for the
2 Excelsior program, around \$160 million. You
3 gave a figure of how many students might it
4 be. I think that the figure, should we take
5 in those numbers, the figures could go quite
6 a bit above that. The figure that the
7 Executive put in the budget, if that comes to
8 fruition -- and so that obviously is
9 concerned as how do we pay for it.

10 CHANCELLOR ZIMPHER: I'm sure they
11 built that number on a set of assumptions
12 that are yet to be analyzed. That when you
13 make a budget number like that, you've got to
14 expose the assumptions, and that's what we're
15 working on.

16 ASSEMBLYMAN OAKS: Thank you very
17 much.

18 CHAIRMAN FARRELL: Thank you.
19 Senator?

20 CHAIRWOMAN YOUNG: Yes. Senator Rich
21 Funke.

22 SENATOR FUNKE: Thank you, Senator.

23 Thank you, Chancellor, for all of your
24 good work on behalf of the families and

1 students in New York State.

2 I think we're all trying to get our
3 arms around the cost of this potential
4 program. And so to know how many students
5 actually carry 15 credits, how many actually
6 graduate in four years, is certainly going to
7 be helpful to that end.

8 With that in mind, SUNY is governed by
9 a board that at least in theory is separate
10 and apart from the Governor's office. But
11 that being said, there are some major policy
12 changes being proposed in the Governor's
13 Executive Budget with regard to SUNY. For
14 example, I would like to ask you if you
15 support the Governor's proposal to extend
16 free tuition to undocumented immigrants.

17 CHANCELLOR ZIMPHER: Yes.

18 SENATOR FUNKE: Okay.

19 I agree with you in terms of your
20 opening remarks with regard to your statement
21 on economic impact. I come from a region
22 that has eight private colleges, two SUNYs,
23 and a couple of community colleges. But two
24 privates within my district.

1 And so here we have some proposals
2 that in my judgement hurt our independent
3 colleges like St. John Fisher and Nazareth
4 College. We are, on one hand, limiting their
5 ability to increase their tuition by more
6 than \$500, yet for them to lose their Bundy
7 and TAP funding. Do you think it's fair that
8 you can increase tuition at the SUNY level
9 but at the same time the Governor is directly
10 attacking the ability of your competitors to
11 do the same thing?

12 CHANCELLOR ZIMPHER: Well, I only know
13 that SUNY is incredibly affordable and we've
14 tried to live within the plateaus that the
15 Governor and the state have provided for us,
16 all the way back to rational tuition. So I
17 don't think I'm in the position to comment on
18 issues between public and private.

19 But I do think my obligation as a
20 leader of a public institution is to keep our
21 costs down and keep our tuition down.

22 SENATOR FUNKE: Okay.

23 One other question. Being from
24 Rochester, I'm very concerned about recent

1 events that would seem spell trouble for our
2 photonics initiative. SUNY Poly is, at least
3 in theory, under the SUNY banner. What
4 oversight do you have there?

5 CHANCELLOR ZIMPHER: What oversight do
6 we have over SUNY Poly?

7 SENATOR RICHARD FUNKE: Yes.

8 CHANCELLOR ZIMPHER: Total oversight.
9 They are one of our 64 campuses, and our
10 expectation is that the leadership and
11 operation of that campus will be on par with
12 every other one of our campuses.

13 As you know, when trouble arose, we
14 took immediate action to change the
15 leadership of the SUNY Poly campus. We now
16 have an outstanding researcher-administrator
17 leading SUNY Poly in Professor Bahgat
18 Sammakia. He's outstanding. He is, every
19 day, getting that institution back on track
20 to be the Polytechnic Institute we know it
21 can become.

22 SENATOR RICHARD FUNKE: So at this
23 point you believe you're taking -- you're
24 doing everything you can to ensure the

1 success of the photonics project?

2 CHANCELLOR ZIMPHER: Well, within the
3 SUNY Poly portfolio, it's photonics. I will
4 say that our provost, Alex Cartwright, is a
5 photonics specialist and is keeping a
6 personal eye on the growth of the photonics
7 program. And if he were here today instead
8 of at the Board of Trustees meeting, I'd ask
9 him to elaborate. I might not understand
10 what he's saying, but I know he's on it.

11 SENATOR FUNKE: All right.

12 Chancellor, thank you.

13 CHANCELLOR ZIMPHER: Thank you.

14 CHAIRWOMAN YOUNG: Thank you, Senator
15 Funke.

16 CHAIRMAN FARRELL: Thank you.

17 Assemblywoman Lifton, please --
18 Assemblywoman Simon.

19 ASSEMBLYWOMAN SIMON: There we go.
20 Thank you.

21 Thank you, Mr. Chairman, and thank
22 you, Chancellor, for your service and for
23 your testimony today and every time I've
24 heard you. Thank you very much.

1 CHANCELLOR ZIMPHER: Thank you.

2 ASSEMBLYWOMAN SIMON: I have a
3 question about the Excelsior scholarship. I
4 know it's obviously something that's very
5 much on our minds, and I share some of the
6 concerns with regard to how many students
7 we're going to be able to help and some of
8 the policy issues around supporting full-time
9 students only, et cetera.

10 But one of the things that concerns me
11 is the 15-credit-hour requirement. In
12 particular, I'm a student who actually went
13 through college in less than four years,
14 because I had no money and I could read fast
15 and I was able to do that. But there are so
16 many students who really can't handle the
17 workload because of a disability, and they
18 run out of hours in the day.

19 And so I am concerned that this
20 15-credit requirement would foreclose many
21 deserving students with disabilities from
22 being able to access that program. And I'm
23 wondering if you can address that issue for
24 me.

1 CHANCELLOR ZIMPHER: Well,
2 Assemblymember, we have to address that
3 issue. I can't think of a solution to the
4 immense interest that you have in this issue
5 without sort of preparing for you a briefing.
6 How many disability students do we have?
7 What are the services we are providing for
8 them? How many of them take 12 hours? What
9 do they do with that, or 15?

10 So all that I am really asking in
11 response to your immense interest here --
12 let's study this right now. Let's look at
13 exactly the populations that we feel are
14 vulnerable and see what we're doing with
15 them, for them.

16 And, you know, we've been big on
17 disability services, we're trying to
18 embellish them at every one of our campuses,
19 but are they really touching the students who
20 need it most? We should be able to answer
21 that for you, and by golly, we're gonna.

22 ASSEMBLYWOMAN SIMON: Thank you. I
23 appreciate it.

24 CHANCELLOR ZIMPHER: Thank you.

1 ASSEMBLYWOMAN SIMON: That's all.

2 CHAIRMAN FARRELL: Senator?

3 CHAIRWOMAN YOUNG: Yes. Senator Leroy
4 Comrie.

5 CHANCELLOR ZIMPHER: Senator, may I
6 say that our dear president of our Student
7 Assembly may have to go to class or go to the
8 board meeting because he's a trustee at SUNY,
9 and we've got to release him. I just want to
10 thank him before he left.

11 Thank you, Marc.

12 MR. COHEN: Thank you all.

13 CHAIRWOMAN YOUNG: Thank you for
14 coming.

15 (Applause.)

16 SENATOR COMRIE: Thank you, Marc, as
17 well. Thank you, Chancellor.

18 I just wanted to ask you,
19 Chancellor -- I also wanted to share my
20 concerns about the Excelsior program. I hope
21 that we can make it the program that the
22 Governor truly wants it to be, which is to
23 create educational opportunities for all,
24 especially part-time students.

1 I represent Queens and, you know,
2 Southeast Queens, and a lot of my students
3 are going to school part-time and they're
4 trying to work, trying to maintain an income
5 and lifestyle. Most of them are parents as
6 well, and they need to make sure that they're
7 included in any opportunity programs as well.
8 And hopefully the Excelsior can be expanded
9 to include part-time students.

10 And in that regard, I'm concerned
11 about the other educational opportunity
12 programs that are already existing in -- such
13 as EOP, the SEEK program, College Discovery,
14 and the Liberty Partnership program. And
15 from what I've seen in the budget, that some
16 of those programs are not fully funded or
17 funded at the rates that they need to be at
18 to make sure that all students can take
19 advantage of it.

20 And I hope that we can all work
21 together to make sure that those programs are
22 fully funded, because in the city most of our
23 students are part-time, as you know, and even
24 many of our SUNY students now are part-time

1 as well. So I hope that they can be included
2 in the discussion, to be included in any
3 opportunity for funding as well. Because the
4 more students that we can include, the better
5 we -- mostly, that they can actually graduate
6 will be better for the economy all the way
7 around. And better for SUNY as well, making
8 sure that we're inclusive as well.

9 So I hope that we can find a way to
10 have that discussion. I don't want to be
11 repetitive, but it clearly -- you know,
12 expanding the opportunities with the
13 Excelsior program is something that's
14 critical to my community.

15 CHANCELLOR ZIMPHER: Well, I
16 appreciate, Senator -- I'm no stranger to the
17 part-time TAP discussion. I know it has
18 profound financial implications. But we do
19 hear repeatedly that many students would
20 benefit from that. And we're counting on you
21 to help us carry EOP and other opportunity
22 programs across the finish line. So we are
23 totally in sync here, Senator.

24 SENATOR COMRIE: Well, I hope that you

1 can give us the numbers as well for what
2 those fully funded programs would look like,
3 and also to make sure that the staff in those
4 programs are retained also, because it's
5 important that we keep our -- the HEOP and
6 the SEEK and College Discovery programs.

7 CHANCELLOR ZIMPHER: Indeed.

8 SENATOR COMRIE: Thank you.

9 CHANCELLOR ZIMPHER: Thank you.

10 SENATOR COMRIE: Thank you, Madam
11 Chair.

12 CHAIRMAN FARRELL: Thank you, Senator.
13 Assemblyman Levine {sic}.

14 ASSEMBLYMAN LAVINE: Thanks,
15 Dr. Zimpher.

16 It's not Levine. Lavine is much more
17 refined, I'm sure.

18 (Laughter; discussion off the record.)

19 ASSEMBLYMAN LAVINE: First, this is
20 the last opportunity you're going to have to
21 appear before us, and I think we all believe
22 that the people of the State of New York, the
23 people of State of Ohio, and the people of
24 the State of Wisconsin who believe in public

1 education owe you a profound debt of
2 gratitude.

3 Now, I have a question for you. And
4 it's a minor question, it's in response to
5 something that you said. You mentioned that
6 there's a Smart Track program that discloses
7 debt, tuition debt. Does that program -- and
8 you mentioned that it's -- 45 percent of our
9 kids from SUNY come out of SUNY with no debt.

10 CHANCELLOR ZIMPHER: Right.

11 ASSEMBLYMAN LAVINE: But does that
12 Smart Track program take into consideration
13 debt load that families assume to pay for
14 tuition? Does it take into consideration
15 families that mortgage their property or
16 re-mortgage their property or draw down on
17 their own pensions if they have the capacity
18 to do that? Is that program so sophisticated
19 as to take those factors into consideration?

20 CHANCELLOR ZIMPHER: I would say not
21 as much as we might want. Those programs are
22 only as good as people are willing to share
23 the data and then let us massage the data.

24 I've been a proponent of more data on

1 all sides, because I believe that if we know
2 more, we can get better. But as you know,
3 there's a lot of controversy about data
4 sharing and what are the individual privacy
5 rights of students and their families.

6 So it could, it has the framework and
7 the capacity and the infrastructure, but
8 whether a family shares the data -- we can't
9 do the calculus, we can't run the program if
10 we don't have the data. And we can't demand
11 the data.

12 ASSEMBLYMAN LAVINE: Exactly.

13 CHANCELLOR ZIMPHER: So it is what it
14 is.

15 But thank you. It's a step in the
16 direction.

17 ASSEMBLYMAN LAVINE: Again, thank you,
18 and sincere thanks.

19 CHANCELLOR ZIMPHER: Thank you for
20 reading my vitae, I guess.

21 CHAIRMAN FARRELL: Senator?

22 CHAIRWOMAN YOUNG: Do we have any
23 other speakers?

24 Well, I'm sorry. Senator Krueger, who

1 is the ranking member of Finance. She likes
2 to go last.

3 SENATOR KRUEGER: Hi. I'm afraid
4 Cathy Young and I are sharing a cold today.

5 CHANCELLOR ZIMPHER: Oh, I'm sorry.

6 SENATOR KRUEGER: Me too.

7 CHAIRMAN FARRELL: We'll join you
8 soon.

9 (Laughter.)

10 SENATOR KRUEGER: Yeah, we'll go
11 through these, wait for a few days, and then
12 you'll have it.

13 (Laughter.)

14 SENATOR KRUEGER: You mentioned that
15 you project that with the Excelsior
16 scholarship you'll have 80,000 students the
17 first year throughout the SUNY system. So
18 are we assuming 160 in Year 2, and 240 in
19 Year 3? How are we projecting out?

20 VICE CHANCELLOR McLOUGHLIN: We
21 haven't really finished analyzing those
22 numbers. You know, we looked at the
23 first-year impact only.

24 SENATOR KRUEGER: And because of the

1 formulas with TAP and Pell and gap filling --
2 when we talk about the Excelsior scholarship,
3 we're pretty much probably talking about
4 people who are above the TAP eligibility
5 category. Is that correct?

6 VICE CHANCELLOR McLOUGHLIN: When we
7 did the -- ran the 80,000, it wasn't a
8 costing exercise. It just looked at students
9 at that income level and students taking
10 15 credits. So that number could come down
11 as we did the last-dollar-in approach.

12 CHANCELLOR ZIMPHER: Senator, I want
13 to try to remember a statistic I used just
14 yesterday. I'll try. Three hundred thousand
15 students do not, today, effectively,
16 appropriately fill out the free application
17 for federal support called the FAFSA. Three
18 hundred thousand New Yorkers who could fill
19 out that form and create access to federal
20 tuition assistance do not. They leave
21 \$174 million of tuition support on the table.

22 So I'm just saying that if we have
23 this high demand that falls into the
24 Excelsior category, what if on the other end

1 we could get more people FAFSA-eligible so
2 that the demand on the last dollar would be
3 reduced? So we have to work this at several
4 different angles.

5 And yesterday we announced a
6 partnership with our own Capital Region SEFCU
7 to go into as many regions as we can to
8 literally help students and their families
9 fill out that form. Don't underestimate how
10 really important that could be to subsidize,
11 if you will, the Excelsior program. And TAP.

12 SENATOR KRUEGER: Thank you.

13 CHANCELLOR ZIMPHER: I didn't get to
14 say that, so thanks for letting --

15 SENATOR KRUEGER: No, it's helpful.

16 CHANCELLOR ZIMPHER: -- me do it on
17 your nickel. Thank you.

18 SENATOR KRUEGER: And so, in fact, you
19 will have to file for that in order to become
20 eligible for Excelsior. So we are, at a
21 certain level, mandatorily maximizing the
22 federal funding in order to draw down the
23 state funding.

24 CHANCELLOR ZIMPHER: Exactly.

1 SENATOR KRUEGER: So when you
2 calculated the 80,000 students in Year 1,
3 again, TAP, Pell, right? X number of people
4 won't be needing it.

5 CHANCELLOR ZIMPHER: Scholarships.

6 SENATOR KRUEGER: You'll have some
7 percentage of those students drawing down the
8 FAFSA-process funding that right now they
9 might not ever be getting.

10 Is that enough to them not be eligible
11 for Excelsior? Or you assume that will then
12 package in with what they might draw down?

13 CHANCELLOR ZIMPHER: Bring down the
14 demand, but not enough to close the demand.

15 SENATOR KRUEGER: Okay. So you talked
16 about \$60 million in gap filling is one
17 reality for SUNY right now --

18 CHANCELLOR ZIMPHER: Right.

19 SENATOR KRUEGER: -- between the TAP
20 commitment and your commitment to, you know,
21 do no harm. Do you have an estimate of what
22 it will cost you, SUNY, for those Excelsior
23 students Year 1, once we've factored in these
24 other stats we're talking about?

1 CHANCELLOR ZIMPHER: Not yet.

2 VICE CHANCELLOR McLOUGHLIN: Not yet.

3 CHANCELLOR ZIMPHER: We have to model.
4 Just like the Governor's office modeled on a
5 set of assumptions, that's what we need to do
6 now.

7 SENATOR KRUEGER: Okay. Then -- you
8 may have already said you don't have the data
9 yet. Everybody seems to be quite concerned
10 about the 15 credits. Do you know right now
11 in SUNY seniors and community colleges what
12 percentage of students take less than
13 15 credits per semester?

14 CHANCELLOR ZIMPHER: No. Someone
15 knows.

16 SENATOR KRUEGER: Someone knows, but
17 nobody here knows.

18 VICE CHANCELLOR McLOUGHLIN: We can
19 get back to you again.

20 SENATOR KRUEGER: Okay. But I think,
21 based on the conversations we were having
22 already between many of my colleagues and
23 yourself, that you assume we're going to need
24 to move students to 15 credits in order for

1 them to participate.

2 CHANCELLOR ZIMPHER: That's the
3 proposal.

4 SENATOR KRUEGER: And this would be
5 the motivator for them to do so.

6 You also talked, when you referenced
7 the \$60 million it costs you per year to do
8 the gap filling as you raise the tuition --
9 over the last five years, when you raised
10 tuition 1,500 -- is that right, it's 1,500
11 over five years?

12 CHANCELLOR ZIMPHER: Mm-hmm.

13 SENATOR KRUEGER: So I don't know if
14 it's a fair question over five years. So
15 annually, you take \$60 million to fill the
16 gap. How much more did you get from the
17 tuition increases than you had to use to pay
18 for the gap?

19 CHANCELLOR ZIMPHER: Thirty percent.

20 CHIEF OF STAFF HENGSTERMAN: The gap
21 is 30 percent --

22 CHANCELLOR ZIMPHER: Thirty percent of
23 the gap.

24 CHIEF OF STAFF HENGSTERMAN: -- of the

1 new tuition dollars that came in.

2 SENATOR KRUEGER: Got it. And that's
3 been sort of an annual formula?

4 CHANCELLOR ZIMPHER: Right.

5 SENATOR KRUEGER: And you assume that
6 will continue going forward?

7 CHANCELLOR ZIMPHER: Yes.

8 SENATOR KRUEGER: Because there isn't
9 really a way to supplement gap filling with
10 Excelsior.

11 CHANCELLOR ZIMPHER: No.

12 SENATOR KRUEGER: Because it's
13 different populations.

14 CHANCELLOR ZIMPHER: I mean, you could
15 make a proposal to fund that gap. Just
16 saying.

17 SENATOR KRUEGER: Okay. Sorry, just
18 one more question.

19 And you talk about 40 to 60 percent of
20 your students not graduating in six years?

21 CHANCELLOR ZIMPHER: Well, I have to
22 unpack that. The federal government keeps
23 track of our four-year graduation rates and
24 our six-year graduation rates, and they also

1 track the community college graduation rates.

2 So above 60 percent -- I could find
3 the number here quickly -- but it's more like
4 65.7 percent of our baccalaureate students
5 graduate in six years. That number goes down
6 when you go to the four year, to sort of like
7 40 percent. And the point I'm trying to make
8 universally is great, but not good enough.

9 SENATOR KRUEGER: Right. And I share
10 your goal that we should hope for a higher
11 graduation -- faster graduation rate.

12 CHANCELLOR ZIMPER: And we exceed the
13 national average. But again, is that
14 bragging rights?

15 SENATOR KRUEGER: But if you're
16 successful, then you are moving a larger
17 number of students through your programs in a
18 shorter period of time. What is the impact
19 on your faculty-to-student ratio and whether
20 you have adequate full-time faculty or
21 non-adjunct faculty to handle a new
22 population of students? It's not a new
23 population of students, but it's more of them
24 moving through faster.

1 CHANCELLOR ZIMPHER: Right.

2 SENATOR KRUEGER: So it's got to be
3 filling up your capability --

4 CHANCELLOR ZIMPHER: Do we have the
5 capacity to handle success, is one way to put
6 it. And I think we do, because I think we're
7 paying a lot of attention to feeding the
8 front end if we get better at sending
9 students out.

10 It's like a hole in your bucket. If
11 you graduate more students, to keep the
12 investment going for our faculty we need to
13 make sure we have more students coming in,
14 which puts a lot of pressure on strategic
15 enrollment management, which I think we
16 should put pressure on. So we're working
17 really hard at that too.

18 We're working at all ends of
19 continuum, Senators.

20 SENATOR KRUEGER: Thank you very much.

21 CHANCELLOR ZIMPHER: Thank you.

22 SENATOR KRUEGER: Thank you for your
23 service.

24 CHAIRMAN FARRELL: Thank you.

1 CHANCELLOR ZIMPER: Thank you.

2 CHAIRMAN FARRELL: Assemblyman
3 McDonald.

4 ASSEMBLYMAN McDONALD: Thank you,
5 Mr. Chair.

6 And Chancellor, congratulations.

7 CHANCELLOR ZIMPER: Thank you.

8 ASSEMBLYMAN McDONALD: Thank you for
9 your service. I hope the next chapter of
10 your life is as exciting and exhilarating as
11 this chapter's been.

12 CHANCELLOR ZIMPER: It won't be as
13 exciting as these budget hearings.

14 ASSEMBLYMAN McDONALD: Well, you can
15 always come back and sit in the stands, the
16 cheap seats, with the rest of us. How's
17 that?

18 CHANCELLOR ZIMPER: Okay.

19 ASSEMBLYMAN McDONALD: So, a couple of
20 things. And I'm new to the Higher Ed, so
21 I'll make sure I stay within my boundaries
22 here.

23 The whole free college, the Excelsior
24 program, initially I'm like, wow, that's

1 free. And you know my district; I have five
2 cities, so it's low-income, solid middle
3 class. And I was surprised at the reaction
4 from my constituents. A lot of
5 people actually were a little bit frustrated,
6 because not all the children -- students --
7 choose to go to SUNY.

8 As you know, the Capital Region is
9 blessed to have many great universities. And
10 I realize this is outside of your realm, but
11 it's always important to state the fact that
12 there are options for education in the
13 Capital Region and around the state, and we
14 need to be mindful of that.

15 People -- it's funny, there's a sense
16 of some people like, Another free ride?
17 What's that all about? However, I think when
18 Stacey mentioned the figures about tuition
19 and books -- or not tuition, about room and
20 board and books, it kind of leads to --
21 dismisses some of that myth of the free ride,
22 because that's not free at \$15,000 a year, no
23 doubt about that.

24 I'm glad you mentioned about the FAFSA

1 applications. And I think that might help a
2 little bit in the argument of is \$165 million
3 an accurate figure.

4 CHANCELLOR ZIMPHER: Right. Exactly.

5 ASSEMBLYMAN McDONALD: Because one
6 thing -- this administration has been very
7 good about parlaying federal money with state
8 money, and I think that's an important note
9 to keep in mind.

10 I wanted to go to, actually, the
11 community colleges. And as you know, as a
12 former mayor, I dealt with the city and
13 county relations quite regularly. And I
14 think Senator LaValle actually started to
15 speak to it about the third, the third, the
16 third. And, you know, my first year here in
17 the Assembly, I was all about local
18 government and we can't shepherd these costs
19 to the counties. And, you know, our county
20 executives in Albany County and Rensselaer
21 County have been very clear about the
22 financial impact of the community colleges.
23 And when I don't see a significant move
24 towards meeting our third requirement, it

1 kind of concerns me for this reason.

2 The message has been very clear --
3 once again, this is probably out of your
4 realm, but it's worth repeating, the concern
5 that -- there's many concerns that we all
6 have. It's housing, it's education, the
7 whole nine yards. But, you know, in upstate
8 New York it's about property taxes. And, you
9 know, when the county executive of
10 Rensselaer County last week mentioned she had
11 to add another half-million dollars to their
12 budget to support Hudson Valley because the
13 state has not moved their level, I sympathize
14 with her. I agree with her. I don't get
15 embarrassed, I don't get upset. I say
16 "You're absolutely right."

17 And at the same token, I'm like, why
18 aren't we fulfilling our first commitment
19 first before we branch off to another area?
20 That's one of my questions.

21 CHANCELLOR ZIMPHER: Well, I'm sort of
22 thinking I'm glad I'm chancellor, not
23 governor. These are really challenging
24 problems, and balancing out all the needs of

1 our entire community is a tough burden. So I
2 understand your desire to make those
3 statements. But I think you're right, it's a
4 larger issue, one that I -- is a little bit
5 out of my sphere as chancellor, but thank
6 you.

7 ASSEMBLYMAN McDONALD: The Governor
8 states correctly that now more than ever an
9 education is critical, a higher education is
10 critical. I don't disagree with that. And
11 my friend Mr. Ortiz was whispering sweet
12 nothings in my ears here about something that
13 I agree with, and I wanted to ask as well.
14 An education is important.

15 CHANCELLOR ZIMPER: Right.

16 ASSEMBLYMAN McDONALD: A career is
17 even more important. What is the success
18 rate of graduates from the SUNY system in the
19 job market?

20 CHANCELLOR ZIMPER: That is the best
21 question ever to which we do not have solid
22 data. We should know really where every one
23 of our graduates goes. Many go on to
24 advanced degrees, that's important. In our

1 community colleges it's okay if you go to a
2 four-year campus and that's your goal, but
3 for many of our community college students,
4 they want to go directly into a career.

5 So what I can say is that we have
6 framed a new partnership with the New York
7 State Department of Labor, we have SED
8 working on this, we have Labor working on
9 this, we have funded a project within the
10 Rockefeller Institute of Government to answer
11 this question. We can't talk about access,
12 completion, and success if we don't know what
13 the after-college success rate is.

14 So we're getting close. You're spot
15 on with your questions; we just aren't there
16 yet. But we've got two state agencies and
17 the SUNY Rockefeller Institute working on the
18 question.

19 ASSEMBLYMAN McDONALD: Thank you.

20 CHANCELLOR ZIMPER: Thank you.

21 ASSEMBLYMAN McDONALD: And my other --
22 it's just a comment. You talk about
23 \$30 million being added to community
24 colleges, and I remember sitting back with

1 Jim and your staff a couple of years ago,
2 understanding the difficulty of where aid has
3 been to these community colleges over the
4 years.

5 So I agree with the concept of hold
6 harmless, don't do any harm and at that same
7 token make some improvements, because at the
8 end of the day it gets back to my earlier
9 concern about property taxes in the
10 community.

11 Thank you very much.

12 CHANCELLOR ZIMPER: It's really time
13 to examine that community college funding
14 model. We can't really -- it's not going to
15 work going forward. So thank you.

16 CHAIRMAN FARRELL: Thank you.

17 Assemblywoman Malliotakis.

18 ASSEMBLYWOMAN MALLIOTAKIS: Thank you.

19 Good afternoon, I guess.

20 CHANCELLOR ZIMPER: Yeah.

21 ASSEMBLYWOMAN MALLIOTAKIS: I wasn't
22 going to ask the question, but there was an
23 interesting exchange earlier with one of the
24 Senators, and I wanted to add on to that.

1 Thank you for your service. Thank you
2 for your years of service to SUNY and the
3 State of New York. What I'm hearing today is
4 that SUNY needs more money, there seems to be
5 a budget shortfall when it comes to things
6 like the Equal Opportunity Centers, the Small
7 Business Development Centers, some of your
8 childcare services.

9 CHANCELLOR ZIMPHER: Right.

10 ASSEMBLYWOMAN MALLIOTAKIS: Then of
11 course there's the issue of the gap, how do
12 we fund that gap between what TAP gives and
13 what the actual tuition is for certain
14 students. And then there's the minimum wage
15 issue, of course, right? Which the Governor
16 said wasn't going to impact tuition, and I
17 said that it was, I think this time last
18 year. And sure enough, here we are, that
19 SUNY wants to increase tuitions \$250 a year.

20 So there seems to be a funding issue,
21 and obviously there are -- funds are limited
22 in this state. And so you said something
23 interesting earlier about providing the
24 DREAM Act with the free tuition program and

1 that you do support providing free tuition
2 for people who are here illegally. Is that
3 correct?

4 CHANCELLOR ZIMPHER: Yes.

5 ASSEMBLYWOMAN MALLIOTAKIS: Okay. So
6 in comparison with -- we have a student debt
7 limit, or load, I should say, for the average
8 student here in the State of New York of
9 \$36,000. Tuition income eligibility, the
10 threshold, the income eligibility
11 threshold for TAP students has not increased
12 in 17 years, correct? An \$80,000 household
13 income is what it currently is. It has not
14 increased in 17 years. And the Legislature
15 in 2010 cut TAP for graduate students.

16 You're saying of all these things, the
17 priority should be to implement free tuition
18 for individuals who are here illegally?

19 CHIEF OF STAFF HENGSTERMAN: No, that
20 would not be our highest -- that's not, we're
21 not prioritizing. The board did do a
22 resolution in support of the DREAM Act, we
23 are for the DREAM Act, SUNY has -- the past
24 couple of years.

1 But on the budget, in the Governor's
2 budget, we haven't prioritized that.

3 ASSEMBLYWOMAN MALLIOTAKIS: Okay. So
4 did SUNY do a resolution to support restoring
5 TAP for graduate students that was eliminated
6 in 2010? The last six years have they --
7 have they did a resolution supporting that?

8 CHIEF OF STAFF HENGSTERMAN: No.

9 CHANCELLOR ZIMPHER: No.

10 ASSEMBLYWOMAN MALLIOTAKIS: Okay. Has
11 SUNY supported a resolution in the last
12 16 years to increase the household income
13 eligibility for individuals that receive TAP
14 so more of our middle-class families in the
15 state can qualify?

16 CHANCELLOR ZIMPHER: No.

17 ASSEMBLYWOMAN MALLIOTAKIS: Okay. So
18 the DREAM Act is a priority of SUNY, doing a
19 resolution that -- which is fine if that's
20 what their view is. You know, I disagree,
21 and I think it's important to have that on
22 the record. Because we have a lot of
23 problems in this state and obviously, you
24 know, money doesn't grow on trees here. We

1 have to be careful in where we're directing
2 resources.

3 So just for the record, I just want to
4 know what your opinion was on the record.
5 But I -- you know, I would just add that, you
6 know, whatever we can do to help our students
7 who are citizens or legal residents first, I
8 think that should be a priority for all of
9 us.

10 Now, if SUNY were to -- if we were
11 going to do this free tuition program, I
12 would assume that many more individuals will
13 want to go to SUNY schools, right? Just
14 because it's free now. As opposed to going
15 to a private university, where you would have
16 to pay tuition, I would assume that many of
17 the students would say, Okay, I'll go to a
18 SUNY school instead, obviously because it's
19 more affordable.

20 Is that a concern to you at all? I
21 mean, in terms of capacity, what are the
22 average classroom sizes right now, and how
23 will that affect your system?

24 CHANCELLOR ZIMPHER: Well, I think

1 it's fair to say that SUNY has always been
2 attractive to families because it is
3 affordable.

4 ASSEMBLYWOMAN MALLIOTAKIS: Sure.

5 CHANCELLOR ZIMPHER: And I think we
6 also say it's a high-quality opportunity.

7 ASSEMBLYWOMAN MALLIOTAKIS:
8 Absolutely.

9 CHANCELLOR ZIMPHER: So I can't argue
10 with that. I think that's part of why we
11 attract students.

12 We've been asked repeatedly today
13 about our capacity, and while we projected
14 somewhat cautiously on 3 to 5 percent
15 capacity in our community colleges -- maybe
16 as high as 10 percent, less capacity at our
17 comprehensive colleges -- we have promised to
18 give you a review of our capacity to answer
19 that question.

20 ASSEMBLYWOMAN MALLIOTAKIS: And one
21 thing just to note, because in addition to
22 the free tuition proposal, there's also --
23 it's my understanding, from reading the
24 budget language, that there's also a

1 provision in there that would say any
2 university that raises their tuition by \$500
3 or more, students will no longer be eligible
4 for TAP for that university. And that I
5 think is problematic.

6 So first of all, I don't think we
7 should be punishing -- which is beyond your
8 role --

9 CHANCELLOR ZIMPHER: Yeah, it's not
10 our --

11 ASSEMBLYWOMAN MALLIOTAKIS: It's not
12 your role.

13 CHANCELLOR ZIMPHER: No.

14 ASSEMBLYWOMAN MALLIOTAKIS: But just
15 to make a point, because it does affect you
16 if everyone's going to go to SUNY now.

17 The issue is is if we're going to --
18 we shouldn't be punishing a student because
19 the institution raised its tuition. It's
20 nothing to do with the student, it's not
21 their fault, they don't have no control over
22 that. So I think the issue for you would be
23 then if they lose their TAP, now going to a
24 private university, because that institution

1 raised their tuition, then again it's going
2 to be overcrowding, I think, of SUNY --

3 CHANCELLOR ZIMPER: Right. We'll
4 have it at capacity --

5 ASSEMBLYWOMAN MALLIOTAKIS: That's
6 something to be mindful of, I think, as the
7 negotiations continue.

8 Thank you very much for answering my
9 questions.

10 CHANCELLOR ZIMPER: Yeah. Thank you.

11 CHAIRMAN FARRELL: Thank you.
12 Senator?

13 CHAIRWOMAN YOUNG: Yes. Senator
14 LaValle for another question.

15 SENATOR LaVALLE: Yeah.

16 All the bean counters that I know say
17 that this proposal can't come in at
18 \$163 million. So what number are you using
19 as a per-pupil cost, SUNY per-pupil cost?

20 CHANCELLOR ZIMPER: Are we there yet?

21 VICE CHANCELLOR McLOUGHLIN: I don't
22 think we -- I didn't hear the -- what per --

23 CHANCELLOR ZIMPER: Do we have a
24 per-pupil -- well, say it again, Senator.

1 SENATOR LaVALLE: Per-pupil cost.

2 What do you --

3 VICE CHANCELLOR McLOUGHLIN: We're not
4 there yet.

5 SENATOR LaVALLE: You've got to get
6 there very quickly.

7 CHANCELLOR ZIMPHER: Fast.

8 VICE CHANCELLOR McLOUGHLIN: Yup.

9 CHANCELLOR ZIMPHER: All right.

10 SENATOR LaVALLE: You've got to get
11 there because we are in a budget process.

12 CHANCELLOR ZIMPHER: Right.

13 SENATOR LaVALLE: And we've got to be
14 able to find out whether the bean counters
15 outside the Governor's office are wrong or
16 the Governor's folks are right. So --

17 CHANCELLOR ZIMPHER: I really do think
18 we have not factored in more students
19 accessing federal support. I'm going to find
20 a way to factor that in, because to me it's
21 shocking that this many students and that
22 much money from the federal government is not
23 being applied here in New York.

24 SENATOR LaVALLE: So I would say --

1 CHANCELLOR ZIMPHER: Got to do
2 something about that.

3 SENATOR LaVALLE: -- your staff and
4 the Senate and Assembly staffs really should
5 have a number very, very quickly, so that we
6 can have a discussion.

7 CHANCELLOR ZIMPHER: Okay. Our
8 charge. We'll get to work. We are working.

9 SENATOR LaVALLE: And we can
10 accommodate the new students who right now
11 are not completing in four years, and we can
12 accommodate the new growth?

13 CHANCELLOR ZIMPHER: We have that. We
14 have to give you those projections.

15 SENATOR LaVALLE: Okay.

16 CHANCELLOR ZIMPHER: So we've got some
17 assignments based on today's hearing. Thank
18 you.

19 SENATOR LaVALLE: Thank you.

20 CHAIRMAN FARRELL: Thank you very
21 much.

22 One more question, from Deborah Glick.

23 ASSEMBLYWOMAN GLICK: Thank you. And
24 thank you so much, Chancellor, for this

1 rather lengthy questioning period and your
2 attempts to be responsive.

3 The Governor does not include a
4 maintenance of effort. And as you know, in
5 the past I have been resistant to even
6 discussing any tuition increase unless there
7 is a maintenance of effort on the part of the
8 state. So I'm wondering at some point if you
9 can give us year-to-year utility expenses
10 that have gone up across the campuses and
11 some of the other unaccounted-for expenses
12 that a full MOE would have, as both
13 Senator LaValle and I had tried to ensure was
14 available to the systems.

15 CHANCELLOR ZIMPHER: Right.

16 ASSEMBLYWOMAN GLICK: And one closing
17 question.

18 In the past, when tuition has gone
19 up -- we certainly saw this in CUNY; I don't
20 know what the effect was in SUNY. When
21 tuition went up, we saw some students who
22 took time off to make money to come back.
23 Now, a lot of those students come from
24 families that are -- even with their Pell and

1 their TAP, the expenses were not covered and
2 they took time off to take some opportunity
3 to work and then come back.

4 So I'm wondering whether SUNY saw a
5 similar drop, return, drop, return, as
6 tuition grew. And I'm not sure if you can
7 identify that, but it would be helpful for us
8 to know that if we're going to have any
9 discussion of increasing tuition, which I
10 will say here publicly is not, in my view,
11 appropriate without a full maintenance of
12 effort. That is, I think, critical to having
13 some kind of agreement, again with students,
14 their families, that the state is not going
15 to erode its support any further.

16 And frankly, if we're going to see
17 more students perhaps avail themselves of
18 this Excelsior Program, then I think that not
19 having additional operating aid is
20 extraordinarily problematic, not just for the
21 systems -- which, of course, some people
22 might not care about -- but I think the
23 quality of the education available to all the
24 students, those who were there before and

1 those who may be coming, is undermined if we
2 do not ensure that you have -- and I think
3 that's what the Senator was getting at when
4 he was asking how much does it cost to
5 actually educate a student. Without
6 increased operating aid and without a
7 maintenance of effort, we are asking you to
8 do back flips on a very thin board.

9 CHANCELLOR ZIMPHER: We appreciate
10 your support of maintenance of effort. We
11 agree with you. And go for it.

12 (Laughter.)

13 ASSEMBLYWOMAN GLICK: Thank you.

14 CHANCELLOR ZIMPHER: Thank you.

15 CHAIRMAN FARRELL: Thank you very
16 much.

17 Just one question. This budget has a
18 \$5 million cut in the Education Opportunity
19 Centers. What do you think the cuts will do?
20 What damage will it do?

21 CHANCELLOR ZIMPHER: Delivery of
22 services, I think we're --

23 CHAIRMAN FARRELL: No, not the EOCs,
24 the Educational Opportunity --

1 CHANCELLOR ZIMPHER: Yes, to the
2 Educational Opportunity Programs.

3 There's no question about it, it
4 reduces our ability to serve, and we already
5 have this incredible demand that we can't
6 accommodate. So increasing the availability
7 of EOP, as a signature program of this
8 Legislature and this state -- I think it's
9 one of the things we should be most proud of.
10 And it just has to be advocated for every
11 year. And we appreciate the support that you
12 give us.

13 And might I say as well, I personally
14 appreciate the support you have given me
15 today. I will miss you. And I have enjoyed
16 my tenure here. Thank you very much.

17 CHAIRMAN FARRELL: I would say thank
18 you for your tenure. Thank you.

19 CHAIRWOMAN YOUNG: Thank you very
20 much. We appreciate everything.

21 CHANCELLOR ZIMPHER: Thank you all.

22 CHAIRMAN FARRELL: Thank you.

23 CHANCELLOR ZIMPHER: Thank you.

24 CHAIRMAN FARRELL: Next is the 10:30

1 City University of New York time. Chancellor
2 James Milliken. Chancellor Milliken.

3 My coach says good morning, but I'll
4 say good afternoon. And I apologize for my
5 pronunciation of your name.

6 CHANCELLOR MILLIKEN: Thank you,
7 Mr. Chairman. I appreciate it.

8 I'm always delighted to follow my
9 colleague Chancellor Zimpher. I too will
10 miss her; she's been a great colleague and a
11 leader of higher education in New York. And
12 every year she takes some of the toughest
13 questions from you before I appear, so I'll
14 miss that also.

15 So good afternoon to Chairs Young and
16 Farrell, LaValle and Glick, members of the
17 Finance and Ways and Means Committees, and
18 staff. I am, as I think you know, James B.
19 Milliken. I am the chancellor of the City
20 University of New York. A number of my
21 colleagues are with me, seated behind me, and
22 some may join me when I find the questioning
23 particularly difficult.

24 I will not be joined by our students,

1 because our students will appear later in the
2 day. And you will see at that point, I
3 think, a demonstration of the incredible
4 caliber of the students at CUNY when you meet
5 the chair of our student government, Chika
6 Onyejiukwa, and the vice chair, Hercules
7 Reid, who will be here to present testimony.
8 And so I know you will enjoy that.

9 So I appreciate the opportunity to
10 appear to talk to you today about the goals
11 and priorities of the City University of
12 New York and to address your questions. This
13 is an especially meaningful time for this
14 conversation, I believe, and you've covered
15 many of the reasons why it's especially
16 important already this morning.

17 But there are a number of positive
18 developments, I believe, that augur well for
19 our students, for the city we serve and the
20 state we serve. And despite all the
21 challenges for higher education across the
22 country, I believe the Governor has staked
23 out a position of national leadership for
24 New York's public universities. And that,

1 together with the demonstrated commitment,
2 over the years, of this Legislature to higher
3 education, leads me to be optimistic about
4 the future of the nation's largest urban
5 university.

6 I know you're well aware of CUNY's
7 historic mission -- to provide a broadly
8 accessible, affordable, high-quality
9 education to all New Yorkers, but especially
10 those, over the years, from low-income and
11 underrepresented groups and immigrant
12 populations, so that they will enjoy the
13 lifetime of benefits that a college degree
14 provides. Nothing is more important to the
15 economic strength of our state than a
16 talented, competitive workforce to attract
17 investment and good jobs.

18 And we could not have received
19 stronger proof of the impact of our mission
20 than a remarkable study released last week by
21 a group of respected economists that measured
22 which universities do the best job of
23 providing upward mobility to their
24 lower-income students. We were gratified by

1 the compelling evidence of CUNY's success and
2 exceptional national ranking. And I'll
3 summarize it with only one sentence from the
4 New York Times on Sunday: "The new data
5 shows, for example, that the City University
6 of New York system propelled almost six times
7 as many low-income students into the middle
8 class and beyond as all eight Ivy League
9 campuses, plus Duke, M.I.T., Stanford and
10 Chicago, combined."

11 It is a remarkable record of
12 achievement, and it's something, I think, in
13 which we can all take great pride, the
14 history and the current success, in a study
15 that looked at 30 million students across
16 this country, and movement from the lowest
17 quintile of income into the upper quintiles
18 of income.

19 The study validates the importance of
20 the investment in public higher education and
21 CUNY in particular, which is why I'm
22 gratified by the strong support provided to
23 CUNY in Governor Cuomo's Executive Budget.
24 The Governor's budget offers significant new

1 support for public higher education and
2 represents a commitment to our students and
3 this state.

4 Affordable access to high-quality
5 education is the cornerstone of public higher
6 education. And as I have said repeatedly
7 over the last couple of weeks, this goal has
8 been advanced boldly this year by the
9 Excelsior Scholarship Program. It's a
10 powerful and welcomed initiative that will
11 put a high-quality education within reach of
12 even more middle-income students in New York.
13 In addition to addressing cost, it promotes
14 timely completion, which is one of our
15 highest priorities. It underscores the
16 importance of higher education in creating
17 unparalleled opportunities for New Yorkers
18 and in advancing the prosperity of our state.

19 The attention this initiative has
20 received locally and more broadly says to
21 many students and their families that college
22 is possible, and the importance of that
23 message cannot be overstated. And I hope,
24 when we have a chance to talk later, I can

1 say a little bit more about some of the
2 research that's been done on that very issue,
3 about the importance of communicating the
4 message that college is possible.

5 We also appreciated the Governor's
6 support for the passage of the DREAM Act,
7 which will extend financial aid and other
8 benefits to CUNY's many outstanding
9 undocumented students. This has been a high
10 priority for CUNY's Board of Trustees.

11 We're grateful for the Governor's
12 commitment to the state's predictable tuition
13 plan, which will help ensure financial
14 stability for the university, allow families
15 to plan ahead, and provide important funding
16 for academic programs and student services.
17 There is no better use of state and city
18 investment and tuition than to attract and
19 retain the high-quality faculty that serve
20 our students.

21 As we look ahead, the demands of a
22 challenging economy require that we update
23 and strengthen our programs and strategies to
24 better serve our students, the city, and the

1 state. We start by offering the
2 highest-quality education. We're also
3 committed to increasing academic advising and
4 the other supports that will help our
5 students graduate on time and have the
6 experiences they need to launch their careers
7 when they leave CUNY.

8 We intend to increase CUNY's
9 graduation rates significantly so that more
10 students will benefit from the much higher
11 career achievement that diplomas allow. We
12 will work to ensure that more students
13 graduating from the city's high schools will
14 be prepared to succeed in college-level
15 studies. And we will give students greater
16 workplace experience and networks to improve
17 prospects for building promising careers.

18 We're reengineering our business
19 processes to ensure a more efficient and
20 effective administration, delivering better
21 services to our colleges, our students, our
22 faculty and staff, saving tens of millions of
23 dollars a year which will be devoted to the
24 classroom and student success. Our goal is

1 to promote financial transparency and
2 accountability, and to give New Yorkers
3 confidence that their taxpayer dollars will
4 produce exceptional returns.

5 We're gratified that the Executive
6 Budget proposal includes \$36 million to fully
7 fund projected fringe benefit cost increases.
8 As you know, these are non-discretionary
9 expenses essential to support the faculty and
10 staff that serve CUNY.

11 Renewal of the predictable tuition
12 plan, which was sought this year by the CUNY
13 Board of Trustees, will enable the university
14 to invest in retaining and attracting
15 faculty, as it did over the five years of the
16 predictable tuition plan when we hired almost
17 a thousand new faculty.

18 Even with the increases contemplated
19 in our budget request and the Executive
20 Budget, CUNY's in-state tuition will continue
21 to be well below the average for public
22 universities in the country and, when
23 combined with Pell and TAP and other
24 programs, keep college affordable to our

1 residents.

2 For our community colleges, the
3 Executive Budget recommends an overall
4 increase of \$4 million. Base aid remains
5 flat per FTE, but overall support is expected
6 to grow because of the Excelsior Scholarship
7 initiative growth in enrollment. The Board
8 of Trustees has requested a \$250 per FTE
9 increase in community college state base aid
10 to try to regain the position lost during the
11 great recession. The University has
12 committed to freezing community college
13 tuition for the second straight year at
14 current rates if our funding request from the
15 state and the city will allow us to.

16 With regard to the capital budget,
17 this was a very good year. We're especially
18 grateful for the \$284 million for critical
19 maintenance in the Executive Budget. It is a
20 necessary and much appreciated investment in
21 facilities that are very well used. The same
22 is true of an \$80 million match for our
23 community colleges. These are both
24 significant increases that will help us do

1 necessary upgrading, rehabilitating, and
2 maintenance in our facilities.

3 Our campuses are open seven days a
4 week, with over 270,000 degree-seeking
5 students and over 250,000 continuing
6 education and professional students. There
7 are fifty-some-thousand more CUNY students
8 using our facilities today than there were a
9 decade ago. In other words, the equivalent
10 of a university larger than, say, the
11 University of Michigan has been added to the
12 CUNY system in our existing facilities.

13 So our request does include additional
14 funding for new buildings. And several of
15 the highest priorities are at Brooklyn
16 College, Hunter, Medgar Evers, College of
17 Staten Island, and York. Many of these are
18 facilities that would improve science and
19 health professions, essential for providing
20 career paths for our students in a thriving
21 industry in New York, and also help meet the
22 medical, science and technology needs of the
23 state.

24 So once again, we appreciate the

1 Governor's Executive Budget, particularly the
2 Excelsior Scholarship, which will open doors
3 to many more students. We're grateful for
4 the support of this Legislature and for the
5 programs and investments that you have made
6 to support the City University of New York,
7 which is, and I believe was recently
8 demonstrated again, a remarkable engine of
9 social and economic mobility for the State of
10 New York.

11 I look forward to addressing your
12 questions. I will be joined by two of my
13 colleagues for that: Matt Sapienza, who is
14 the chief financial officer of the
15 university, and Chris Rosa, the interim chief
16 student affairs officer for the university.

17 CHAIRMAN FARRELL: Thank you.

18 Assemblywoman Glick.

19 ASSEMBLYWOMAN GLICK: Hi. Welcome,
20 Chancellor. As you say, you have the benefit
21 of coming after the SUNY panel, but there are
22 still some questions.

23 In your testimony you seemed pleased
24 with the return to a rational tuition, but it

1 doesn't include a maintenance of effort. So
2 I'm wondering whether the university believes
3 that it can maintain all of the gains that
4 you believe you've had if you wind up with an
5 increase in tuition but no additional support
6 for operating aid. And if at the end of the
7 day there's even a diminishment but that's
8 filled by tuition increases, what does that
9 do for the students, what does that do for
10 the university system?

11 CHANCELLOR MILLIKEN: We do support
12 the predictable tuition reinstatement. We
13 developed a four-year financing plan that we
14 presented to our board at the time that they
15 considered our budget request. It includes a
16 number of elements. It includes predictable
17 tuition, it includes an increase in
18 investment by both the state and the city, it
19 includes an increase in private fundraising,
20 and it includes an administrative
21 efficiencies plan to reduce our costs by
22 \$75 million over four years and reinvest in
23 the classroom and in student support.

24 So we look at this as a combination of

1 I guess all five of those elements that are
2 necessary to allow us to accomplish what
3 we're doing and allow us to achieve our goals
4 for the City University in the future, which
5 include dramatically increasing our
6 graduation rates, offering more internship
7 and experiential learning programs,
8 developing additional programs that help
9 students become college-ready and then
10 getting them through remediation into college
11 if they're not ready.

12 So we have an ambitious set of plans.
13 I would say to you that we would welcome the
14 support from all and expect that we should
15 get support from all five of those areas,
16 including additional support from the state.

17 This happens to be, if you combine
18 operating and capital, one of the best
19 Executive Budgets for CUNY in some time. And
20 we're appreciative for that additional
21 investment.

22 ASSEMBLYWOMAN GLICK: From what I have
23 been told, CUNY is really bursting at the
24 seams, which is a reflection of your success

1 and the desire of New Yorkers to get an
2 education to advance themselves, their
3 family, and so forth.

4 If you were to see some general
5 increase -- and the numbers I've seen suggest
6 that somewhere in the neighborhood of, you
7 know, 30,000, 35,000 students would be
8 eligible for this program. That's how they
9 back into this rather seemingly low number.
10 How many students do you believe you can
11 absorb physically on your campuses should
12 they all decide to take up this challenge and
13 apply to the City University, thereby perhaps
14 for many of them saving the cost of room and
15 board if they were to reside at home? So
16 this program could very well wind up
17 targeting mostly the City University. What's
18 your capacity?

19 CHANCELLOR MILLIKEN: So I'm going to
20 unbundle that a little and address sort of
21 what I see as three elements to it.

22 The first is I'm not sure about the
23 assumption of how many new students, both in
24 our community colleges and senior colleges,

1 we would see as a result of the program.
2 We're working with the state, we are working
3 internally to try to model what the expected
4 increases would be.

5 We also have a group working
6 internally to look at these very capacity
7 issues, which of our 24 colleges -- or, more
8 importantly, which of our community colleges
9 and senior colleges would have capacity,
10 which would have difficulty serving more
11 students at this point because they are
12 bursting at the seams, so that we can try to
13 manage the growth with places where we might
14 have physical capacity.

15 The third thing I'd say is we have a
16 very ambitious plan to increase the online
17 offerings. We've doubled the number of
18 online programs in the last five years.
19 We'll more than double them in the next five
20 years, I believe. We have 10 percent of our
21 students taking online courses now. We think
22 that number will get up closer to half in the
23 next five years.

24 Part of I think CUNY's ability to

1 expand in the future will be based on
2 effective use of technology and online
3 courses to supplement the physical delivery
4 of courses, as it is in many places in the
5 country where capacity is a challenge.

6 ASSEMBLYWOMAN GLICK: I'm glad that
7 you sort of moved into the notion of online
8 classes. There is someone who is being
9 touted as a potential advisor to the new
10 administration in Washington. And I'm always
11 entertained when somebody who has gained the
12 benefit of a bachelor's and a master's says
13 college in the coming years will be obsolete.

14 And I'm wondering whether you have any
15 thoughts about the importance of what is
16 still a traditional college-based education
17 versus whatever it is may be suggested. And
18 I would point out the new administration's
19 cabinet reflects people who don't have a
20 particularly deep commitment to advanced
21 degrees. So I'm wondering what your thoughts
22 are about the future, the importance of, and
23 the continuing importance of college.

24 CHANCELLOR MILLIKEN: So by college

1 you mean the traditional experience of
2 physical delivery of college courses?

3 ASSEMBLYWOMAN GLICK: Degree
4 granting -- degree granting --

5 CHANCELLOR MILLIKEN: Oh, I think --
6 if we're taking it one step up and saying
7 both physical and online, but simply
8 different means of delivery of a traditional
9 college education leading to a degree, I
10 think it's more essential than ever. It is
11 absolutely more essential than ever.

12 You heard Chancellor Zimpher early in
13 her testimony; the numbers in New York are
14 similar to those across the country. We're
15 at least 20 percent short of the number of
16 degrees we need for the jobs that are being
17 created in the market. So we're maybe at
18 40-some percent with college education and
19 we're going to need 60-some percent almost
20 immediately to meet the requirements of the
21 workforce.

22 So I believe it's more important than
23 it's ever been. We're in a knowledge economy
24 where the coin of the realm is an education,

1 a community college education, a senior
2 college, graduate -- and certificates are
3 increasingly important as either a supplement
4 to or a substitute for, I think most likely a
5 supplement to, a traditional college
6 education. So I believe it's more important
7 than it's ever been.

8 ASSEMBLYWOMAN GLICK: What do you
9 think the impact will be if you have a large
10 number of students take advantage of this
11 Excelsior program but the tuition that is
12 associated with it is fixed at this year's
13 tuition level? Which is what the program
14 calls for. It does not envision any future
15 growth for those students who take advantage
16 of it now.

17 CHANCELLOR MILLIKEN: What's the
18 impact of that?

19 ASSEMBLYWOMAN GLICK: Right. I mean,
20 what gap do you have if you -- and this goes
21 to a question that had been asked of the SUNY
22 chancellor in terms of what does it actually
23 cost to teach someone, what are the expenses.
24 You have a tuition that probably doesn't meet

1 all of the costs as it is, and then if you
2 have a new cohort of 10,000, 15,000 students
3 who come in and are covered with the current
4 tuition -- regardless of whether you get to
5 increase it by 250 going forward -- but they
6 are fixed at this point for four years. And
7 you may have an opportunity to increase
8 tuition in the coming years, but not for this
9 cohort. What does that do for you?

10 CHANCELLOR MILLIKEN: So again, we're
11 modeling what we expect the increases to be,
12 what we think the impacts will be, so I can't
13 go into any detail.

14 But conceptually, tuition doesn't
15 cover the cost of education at any public
16 university, and it certainly doesn't at CUNY.

17 So to the extent that a certain number
18 of students are eligible for a program that
19 holds constant their tuition at today's
20 rates, that will increase the level of
21 investment that would need to be paid on a
22 per-student basis for a college education.
23 So it would have some effect.

24 But I would say to you even with an

1 increase of \$250 per student that is
2 projected under the predictable tuition plan,
3 there will still be a significant gap -- and
4 I frankly hope there always will be -- where
5 the state is making an investment and the
6 city making an investment in our public
7 education and paying a fair part of the
8 share.

9 As you know well, across the country
10 this number has been going down as a share of
11 the total, and the tuition number has been
12 going up. New York has done a better job
13 than most places of keeping tuition at both
14 CUNY and SUNY more affordable and done a
15 better job than most places at providing a
16 need-based financial aid program for the
17 state.

18 ASSEMBLYWOMAN GLICK: The last round
19 of rational tuition was a five-year plan,
20 over the course of which tuition went up
21 \$1,500. Many of your students -- because
22 I've been on the subway, I see the ads
23 indicating how low the debt load for your
24 students are. But the question that comes to

1 mind is that there are, in fact, students who
2 wind up dropping out for a period, coming
3 back, they go to work, they come back, they
4 go to work, they come back.

5 Do you have any figures over that
6 five-year period that indicates or has
7 tracked which students left, did they come
8 back, what was the loss of your census, and
9 did it change the demographics of the City
10 University?

11 CHANCELLOR MILLIKEN: Now, you asked
12 me part of this question last year, the
13 second part of it, so I'll start with that
14 one and hope that I give a consistent
15 response.

16 During the five years of the
17 predictable tuition period, our data show
18 that CUNY became more diverse during that
19 period -- more underrepresented minorities as
20 a portion of the total student population.
21 Our own survey data shows that they were
22 lower-income over that same period as well.

23 Now, the data released over the last
24 week, 30 million students, is a richer data

1 set, and we'll be looking at that because I'm
2 not sure it's entirely consistent with our
3 survey data, which was the best that we had
4 at the time. But I will say I don't think
5 that -- those may be in conflict, but what
6 that may suggest is the difference is not
7 great on the student profile at the end of
8 that period from the beginning.

9 I don't know the answer to your
10 first -- to the first part of that question.
11 But when I get back I will ask it, about what
12 data we have on students sitting out and
13 coming back. It would be an interesting
14 research project for us. I'd like to know
15 more about that.

16 ASSEMBLYWOMAN GLICK: Finally, we know
17 that you have a robust Opportunity Program in
18 a number of ways. And while we have tried to
19 advance that -- and in the past, with a
20 little bit of buy-in from the Governor, we
21 were able to build on that. This year, the
22 budget seems to take a step back and we're
23 going to be back in a situation where we'll
24 be backfilling as opposed to advancing.

1 might impact graduation rates and
2 persistence.

3 CHANCELLOR MILLIKEN: Absolutely. We
4 hope those services do increase persistence
5 and graduation rates, and we think we have
6 pretty good evidence that they do.

7 ASSEMBLYWOMAN GLICK: Thank you.

8 CHAIRMAN FARRELL: Senator?

9 CHAIRWOMAN YOUNG: Thank you very
10 much.

11 The Assemblywoman asked many of the
12 questions I was going to ask, so I'll turn
13 the microphone over to Senator Diane Savino
14 as vice chair.

15 SENATOR SAVINO: Thank you, Senator
16 Young.

17 Again, thank you, Chancellor.
18 Assemblywoman Glick did ask many of the
19 questions I was going to ask, too, so I won't
20 repeat them for the sake of time.

21 I do have a question about my favorite
22 subject. You and I have been on it --

23 CHANCELLOR MILLIKEN: You want me just
24 to start in on the answer?

1 (Laughter.)

2 SENATOR SAVINO: -- the Murphy
3 Institute. If you could tell us where we are
4 with the creation of Murphy as a separate
5 school from the School of Professional
6 Studies and the progress that we're making
7 there. It's very important for those of
8 us -- I would like to get to the point where
9 it's no longer a legislative add and it's a
10 fully funded school of CUNY. So if you could
11 give us an update.

12 CHANCELLOR MILLIKEN: So New York City
13 should be the place where labor studies is
14 the best in the country. I've always
15 believed that. I've been very proud of the
16 work that the Murphy Institute has done over
17 the years. And I have, from the day I
18 arrived, been interested in how we elevate
19 the work that they do and are seen around the
20 country as the leader in research, in policy
21 studies, in education relating to the field
22 of labor.

23 I have committed and we are in the
24 process of developing the governance

1 documents now that will go to our board to
2 transition Murphy from an institute to a
3 school. And we have -- the provost at the
4 university has been leading our discussions
5 with the director and the board of Murphy. A
6 week or two does not go by when I get an
7 update on where we are. And it has taken
8 longer than we had expected, but I can assure
9 you it's being done.

10 And we will continue to invest in the
11 new Murphy School, and we share the goal that
12 it be viewed as a leader in the nation in
13 labor studies. And so I thank you for your
14 continuing support. I know this Legislature
15 that supported it, as has the city. And we
16 appreciate that support.

17 SENATOR SAVINO: Thank you. But you
18 can't give me a -- there's no estimated date
19 for when it will be completed? Do you have a
20 an idea?

21 CHANCELLOR MILLIKEN: Our plan is to
22 make sure that this is approved by the Board
23 of Trustees this semester.

24 SENATOR SAVINO: Okay. That's good.

1 You may not be aware, but we have one of our
2 graduates sitting right here in front of me,
3 Senator Alcantara. She graduated from the
4 Murphy Institute. So it's as important to
5 her as it is to me and other members of the
6 Senate.

7 CHANCELLOR MILLIKEN: So I will now
8 have two people here watching me to make
9 sure --

10 SENATOR SAVINO: Absolutely.

11 CHANCELLOR MILLIKEN: So thank you. I
12 appreciate the teamwork.

13 SENATOR SAVINO: Thank you. Thank
14 you, Chancellor.

15 At that point I'll cede the rest of my
16 time. Thank you.

17 CHAIRMAN FARRELL: Thank you.

18 Assemblyman Lupinacci.

19 ASSEMBLYMAN LUPINACCI: Good
20 afternoon. I just had just a few follow-up
21 questions.

22 Going over the past few years of the
23 CUNY budget, which area of the budget, the
24 total budget, have you seen the largest

1 increase in terms of spending?

2 CHANCELLOR MILLIKEN: I'm sorry, which
3 categories of the --

4 ASSEMBLYMAN LUPINACCI: Of the budget,
5 of the overall budget. Like are there
6 certain areas you've seen a larger increase
7 than others in terms of where you've been
8 spending more money over the past few years?

9 CHANCELLOR MILLIKEN: Well, as is the
10 case with every public university that I know
11 of, over 80 percent of our budget goes for
12 personnel, for faculty and staff. I mean,
13 we're in a knowledge and a people business,
14 and so that's clearly where most of the
15 funding goes. And I don't expect that to
16 change. Even with the advent of online
17 education, I would say, which is a
18 labor-intensive effort.

19 ASSEMBLYMAN LUPINACCI: And I guess,
20 you know, the follow-up question to that
21 is -- because I asked this to the Chancellor
22 from SUNY also -- is in terms of remedial
23 classes. Have you seen a large uptick in
24 spending in that area? And how has the

1 program been going? Because I know we've
2 spoken in past years about remedial classes
3 and the skills that students are entering
4 into college with, and I'm sure that will be
5 a topic that we speak about with our
6 commissioner in a little while from
7 education.

8 Just if you can give us a little
9 backdrop in terms of spending on it and how
10 the programs are going.

11 CHANCELLOR MILLIKEN: Right. So we've
12 spent the last year on a high-level remedial
13 education task force, with a series of
14 recommendations that we are now implementing.
15 And part of it, I believe, will drive down
16 the cost of remediation today.

17 But the main reason we're doing this
18 is to take advantage of the research-based
19 best practices that we have learned more
20 about from around the country -- and some we
21 have developed ourselves with our own
22 faculty -- to make sure that students are
23 more effectively getting through remediation.

24 The biggest problem with remediation,

1 if I might say, is not the cost. The biggest
2 problem is the failure to advance students
3 through it to credit bearing courses. So in
4 many cases they spend money to try to become
5 prepared for college and don't get there.
6 Chancellor Zimpher mentioned a program
7 developed by the Carnegie Foundation called
8 Quantways, which is something that we use at
9 CUNY as well, and Statways, which is
10 quantitative reasoning at -- it is a
11 research-based, effective way of providing
12 mathematics preparation for college for
13 students.

14 The sooner we can get students not
15 only into remediation but also into
16 credit-bearing courses, so they're making
17 some progress at the same time they might be
18 addressing remedial needs, is important.
19 Expanding programs like CUNY MATH Start,
20 which we know offers great results in moving
21 people through math remedial education, which
22 is the greatest challenge for most remedial
23 students, and getting them into credit-
24 bearing courses.

1 So I believe through the adoption of
2 these various strategies we will drive the
3 costs of remediation down. But even more
4 importantly, in my view, we will
5 significantly increase the number of students
6 who effectively emerge from remediation and
7 are on the path to getting a college degree.

8 ASSEMBLYMAN LUPINACCI: Excellent.
9 And just one final question. If both the
10 DREAM Act and the Excelsior Scholarship
11 Program were to go into effect, are there any
12 estimates that you have at CUNY in terms of
13 how many new students will be coming in or
14 how many would be affected?

15 CHANCELLOR MILLIKEN: Well, again, on
16 the Excelsior, I do not know the answer to
17 that today. We are -- again, we're modeling
18 it. There are a number of variables. We do
19 hope that it results in an increase in
20 interest and not just people moving into the
21 program who are already at CUNY.

22 But with regard to undocumented
23 students, the number is probably between
24 6,000 and 7,000 students across CUNY.

1 ASSEMBLYMAN LUPINACCI: Thank you.

2 CHANCELLOR MILLIKEN: And I will say
3 as a footnote, by the way, CUNY is the
4 largest recipient in the nation of private
5 scholarship funds dedicated to this purpose,
6 to providing financial aid for undocumented
7 students, private funds raised nationwide.
8 We have, I think, over 400 students now that
9 are receiving private funds for that purpose.

10 ASSEMBLYMAN LUPINACCI: Thank you very
11 much.

12 CHAIRMAN FARRELL: Thank you.

13 Senator?

14 CHAIRWOMAN YOUNG: Yes. Senator Toby
15 Stavisky, who is the ranking member on the
16 Higher Education Committee.

17 SENATOR STAVISKY: Thank you,
18 Chancellor.

19 And we welcome his two colleagues,
20 Mr. Sapienza and my long-time friend
21 Dr. Chris Rosa. And we congratulate Dr. Rosa
22 on his promotion.

23 I'm delighted that you mentioned in
24 your opening remarks the New York Times story

1 on the study involving income mobility of
2 graduates. And I think it's important to
3 mention that Queensboro Community College
4 ranked 8th out of 690 community colleges
5 throughout the country in overall student
6 mobility. And to me, that is the argument
7 for the DREAM Act, or one of the best
8 arguments for the DREAM Act.

9 But I have a number of questions. I
10 asked the chancellor, How many students do
11 you anticipate being eligible for the
12 Excelsior program? Do you have a number on
13 that?

14 CHANCELLOR MILLIKEN: I don't think we
15 do at this point. We've got a team of people
16 working with Vice Chancellor Sapienza and
17 people in our enrollment admissions programs
18 to try to estimate what that number is, but
19 we don't know it.

20 SENATOR STAVISKY: Thank you. You'll
21 get us the number when you --

22 CHANCELLOR MILLIKEN: Be happy to get
23 it for you.

24 SENATOR STAVISKY: Okay. There have

1 been issues raised in terms of the operating
2 aid funding for the City University of
3 New York. What percentage comes from the
4 state -- for the community colleges from the
5 state and from the city?

6 CHANCELLOR MILLIKEN: So for the
7 community colleges, if we're looking at it
8 the way we traditionally have, which is
9 tuition funding, city funding, state funding,
10 we would say that about 25 percent comes from
11 the state, about 35 percent comes from the
12 city, and most of the rest from tuition,
13 about 40 percent from tuition.

14 But if you look at this another way,
15 which I would suggest is perhaps a fairer way
16 to think about this, much of that tuition
17 burden is funded by TAP, which is provided by
18 the state. I mean, there's a very
19 significant, as you know, number of CUNY
20 students who are getting TAP funding.

21 So if you build TAP in as a part of
22 the state's contribution, then the state's at
23 over 37 percent and the city is a little over
24 35 percent, and tuition's about 27.5,

1 28 percent. So to me, that's a way of
2 looking at, fully loaded, what the state's
3 investment is.

4 SENATOR STAVISKY: I've asked this
5 question each year, and I'll ask it again.
6 What's happening to the ratio between the
7 full-time and the part-time faculty?

8 CHANCELLOR MILLIKEN: As I think you
9 know, the numbers of part-time faculty are
10 probably almost double the number of
11 full-time faculty.

12 It has long been a high priority of
13 this institution to increase the numbers of
14 full-time faculty. As I mentioned, that was
15 a priority during the period of predictable
16 tuition previously when we hired over 900,
17 just under a thousand new full-time faculty.
18 My colleague might be able to say what the
19 trend is, but since I've been here I haven't
20 seen much difference in the proportion of the
21 faculty.

22 CUNY CFO SAPIENZA: Senator Stavisky,
23 the ratio currently of full-time to part-time
24 faculty is for every one full-time faculty,

1 we have 1.66 part-time faculty. So about
2 1 2/3 part-time faculty for every full-time
3 faculty.

4 As the chancellor mentioned earlier,
5 as part of the predictable tuition policy
6 that started in 2011, we added almost 1,000
7 new full-time faculty lines, which was a
8 tremendous benefit for our campuses, for our
9 students. But over that time as well,
10 enrollment increased too. We added about
11 13,000 students over that time period. And I
12 know, rightly so, there were people that were
13 concerned that the predictable tuition policy
14 would result in a reduced enrollment for
15 CUNY, but we actually went the other way. We
16 added 13,000 students.

17 So we're adding full-time faculty.
18 We're trying to keep pace with enrollment.
19 And we certainly want to improve those
20 ratios.

21 SENATOR STAVISKY: Thank you. One
22 last question.

23 Chancellor, you mentioned the fact
24 that CUNY is the largest recipient of

1 scholarship aid, particularly for
2 undocumented students. But if the 10 percent
3 charge is imposed on -- and presumably a lot
4 of this goes to the various -- either the
5 CUNY Foundation or the college foundations --
6 what's going to happen if they have to pay
7 the 10 percent tithe? Because some of these
8 scholarships are dedicated, they're
9 earmarked. And don't -- you know, the
10 student is going to suffer. They're going to
11 lose out on the 10 percent, I'm concerned.

12 But how would you respond to that
13 issue?

14 CHANCELLOR MILLIKEN: Well, first of
15 all, I'd say with regard to the DREAM Act,
16 just to take this up, this is a separate
17 foundation, the DREAM U.S., that provides the
18 funding, not a CUNY foundation.

19 The second thing I would say is that,
20 probably the number-one fundraising priority
21 for every one of our colleges is student
22 financial aid. And so a significant amount
23 of the revenue that comes in each year is
24 dedicated to that purpose.

1 I think the details would have to be
2 worked out, but my assumption today is that
3 that would not challenge -- that over
4 10 percent is provided from our foundations
5 today for student scholarship funding, and
6 that would continue into the future.

7 Now, if -- of course, as you
8 intimated, if a gift is given for a
9 professorship or an academic program, that's
10 a contractual agreement with a donor. And
11 those are sacrosanct.

12 SENATOR STAVISKY: That's why I asked
13 the question. Because if there's a gift to
14 one of the foundations from a donor, to take
15 10 percent out, to me, would be a hardship.

16 CHANCELLOR MILLIKEN: My sense is that
17 overall, we would have -- it wouldn't be much
18 of an issue to have 10 percent provided for
19 student aid. It couldn't be from individual
20 gifts that were provided for a different
21 purpose.

22 SENATOR STAVISKY: Thank you.

23 CHAIRWOMAN YOUNG: Thank you.

24 CHAIRMAN FARRELL: Thank you.

1 Assemblywoman Glick.

2 ASSEMBLYWOMAN GLICK: Just a couple of
3 points.

4 The budget seems to envision the sale
5 of a Hunter Fine Arts Building. I'm not sure
6 where that's located. And I'm wondering
7 whether you're aware of any appraisal of that
8 property. And it does seem to envision the
9 sale of that building for what I think they
10 valued it at as \$60 million, to offset, you
11 know, state support.

12 So are you going to sell the building?
13 Have you had an appraisal? And how long
14 would you envision -- if you are looking to
15 sell it, how long do you think that real
16 estate deal would take? And if it took
17 substantial time based on perhaps a ULURP --
18 a uniform land use review process -- through
19 the City Council, what would that mean if you
20 didn't get -- since the budget has to be done
21 by April 1st, if there is this assumption
22 that there's some money that you'll be
23 getting from this and you don't get it, what
24 happens?

1 CHANCELLOR MILLIKEN: You know, my
2 reading of it was not that it was required,
3 sale of the building, but was more
4 conditional. That if the building was sold,
5 the resources would be invested in CUNY's
6 budget.

7 But I'm going to -- my colleague has
8 spent more time analyzing the budget than I
9 have.

10 CUNY CFO SAPIENZA: Yes, Assemblywoman
11 Glick, I agree with the chancellor's review
12 of that, that the language that was in the
13 bill was conditional that if the building was
14 sold, that resources from the proceeds of the
15 sale would be then used for CUNY's senior
16 college operating budget. But it was
17 conditional if the building is sold.

18 ASSEMBLYWOMAN GLICK: And do you have
19 plans to sell the building?

20 CUNY CFO SAPIENZA: The building is
21 not technically for sale right now. And you
22 know, in terms of the number that you've
23 mentioned earlier about \$60 million, you
24 know, I'm not aware of a formal appraisal.

1 But the building is certainly worth more than
2 \$60 million, the property is worth more than
3 \$60 million. But that I think was just a
4 stake in the ground that was put there in the
5 budget, and it doesn't necessarily mean that
6 that's the value of the building.

7 ASSEMBLYWOMAN GLICK: Sixty million
8 seems awfully close to what has been hanging
9 out as a request for the Hunter Science
10 Building. Does that --

11 CUNY CFO SAPIENZA: I think the
12 request for the Hunter Science Building is --
13 it's significantly more than the 60 million.

14 ASSEMBLYWOMAN GLICK: But for the next
15 stage. So is this some suggestion by the
16 Executive that perhaps you should be
17 proceeding with the sale of that property?

18 CUNY CFO SAPIENZA: I don't believe
19 that they're tied in. But I think those are
20 questions that you'd have to ask folks in the
21 Executive.

22 ASSEMBLYWOMAN GLICK: Thank you.

23 CHAIRMAN FARRELL: Thank you.

24 Senator?

1 SENATOR KRUEGER: Senator Toby
2 Stavisky.

3 SENATOR STAVISKY: I already did, but
4 I have one follow-up question.

5 (Cross-talk.)

6 SENATOR STAVISKY: I have one
7 follow-up question on the sale of the
8 building. Who would get the proceeds from
9 the sale?

10 CHANCELLOR MILLIKEN: I don't know
11 that it's clear. I think it says CUNY senior
12 colleges.

13 CUNY CFO SAPIENZA: Right. The
14 language in the budget --

15 SENATOR STAVISKY: Newspaper reports
16 have indicated that it would go to the state.

17 CUNY CFO SAPIENZA: I think those are
18 things that would have to be worked out, in
19 terms of the ownership of the building and
20 who gets the proceeds.

21 But as the chancellor mentioned, what
22 the budget calls for is that \$60 million of
23 the proceeds would be used to support CUNY's
24 senior college operating costs, which would

1 be a positive thing for the university.

2 SENATOR STAVISKY: Thank you.

3 SENATOR KRUEGER: I'm sorry, Senator
4 Alcantara, I apologize for skipping over you.

5 SENATOR ALCANTARA: Thank you,
6 Senator.

7 I want to congratulate you,
8 Chancellor, for being a supporter and a
9 champion of the DREAM Act. My question is in
10 terms of diversity. Since 1998,
11 Dominican-Americans represent the largest
12 ethnic group -- national -- at CUNY. And
13 there has been an overall increase in student
14 enrollment at CUNY, but the percentage of
15 Dominican students' enrollment at CUNY has
16 gone down. What is CUNY doing to address
17 this, since Dominican students are the
18 largest group in the New York City public
19 educational system?

20 CHANCELLOR MILLIKEN: So thank you for
21 continuing this conversation with me that we
22 have started before.

23 But this is -- it is -- as you know,
24 we are trying to get a better handle on

1 disaggregating the data on the growth of all
2 populations. The Latino population generally
3 has increased at CUNY over the last five
4 years, significantly.

5 We are working on a number of ways to
6 try to address the needs of the Dominican
7 community, and particularly the expansion of
8 programs, which you're aware of and have been
9 a big part of the discussions around, at CUNY
10 in the Heights and other facilities in the
11 neighborhood, to increase the opportunities
12 for degree programs. Our partner
13 institutions also -- the BMCC, degree
14 programs and continuing education adult
15 programs. And we have made a concerted
16 effort to increase the number of degree
17 programs there and at other locations.

18 One of the things that we are going to
19 try to do, in part because of our constraints
20 on physical space in the future, is try to
21 partner with more institutions throughout the
22 city so that we can do a better job of
23 expanding access throughout New York even
24 where we don't have an existing CUNY physical

1 presence today. Part of that would be more
2 recruitment -- high school students,
3 expanding our programs that are Early College
4 and College Now, to get Dominican and other
5 students in the high school prepared for
6 college and get college credit under their
7 belt before they attend.

8 So a number of strategies which I'm
9 very pleased about which we will be
10 increasing in the next few years.

11 SENATOR ALCANTARA: And I also see
12 that both Dominican and Puerto Ricans
13 constitute, like I said, the largest group at
14 CUNY, but yet our enrollment in graduate
15 schools is 10 percent and 12 percent,
16 respectively. What is the university going
17 to do to address those issues?

18 CHANCELLOR MILLIKEN: So there is, in
19 fact, a concerted effort at the Graduate
20 Center to increase the numbers of
21 underrepresented populations in our graduate
22 programs. And they are making progress.
23 There's much more to be done. But this is
24 something that we -- we realize similarly, we

1 realize that while our comparison to
2 institutions nationally looks pretty good,
3 it's not good enough for CUNY in terms of the
4 representation in our faculty.

5 So we spent a good deal of time with
6 our Board of Trustees last week looking at
7 the numbers, the progress, and the proposals
8 that we have in place to try, with a number
9 of different strategies, to increase the
10 ranks in the faculty of underrepresented
11 populations, as well as in our graduate
12 programs.

13 SENATOR ALCANTARA: Great. And my
14 last question, in terms of faculty -- senator
15 Stavisky touched upon it -- What is CUNY's
16 plan to increase the number of full-time
17 positions in the system? Because right now
18 we hear stories of part-time professors or
19 non-tenure track professors that have to
20 travel between two and three colleges, and
21 they are earning salaries that are below the
22 poverty line, sometimes without any access to
23 healthcare or services. I believe that if
24 CUNY wants to be this model and we want to be

1 the school for labor, we need to lead by
2 example, making sure that we provide benefits
3 for our part-time faculties and for our
4 non-tenure-track faculty.

5 CHANCELLOR MILLIKEN: I agree with
6 you. And I think we all agree that it is an
7 important priority for CUNY to increase both
8 the number of full-time faculty and the
9 proportion that they represent of total
10 faculty.

11 When we had available resources, under
12 the predictable tuition policy, as we
13 mentioned, we hired just under a thousand new
14 full-time faculty. This becomes a priority
15 for us for investment. As we talk about, as
16 I responded to Chair Glick earlier, the
17 various kinds of revenues that we hope to
18 increase -- both private, state, city --
19 tuition and the reallocation of funds over
20 the next few years, investment in faculty
21 will be among the highest priorities that we
22 have for the use of those funds.

23 SENATOR ALCANTARA: Thank you.

24 CHAIRWOMAN YOUNG: Thank you, Senator

1 Alcantara.

2 And I'd like to point out, it's very
3 important to let the audience know that
4 Senator John Bonacic has just joined us.

5 Thank you.

6 CHAIRMAN FARRELL: Deborah Glick.

7 ASSEMBLYWOMAN GLICK: One thing I
8 would like to explore briefly which has been
9 not alone with CUNY, but certainly we've seen
10 it in the State University and I believe in
11 private institutions as well, a drop in the
12 number of students who are pursuing education
13 courses and graduate programs in order to
14 become teachers.

15 And I'm wondering if there has been
16 any internal discussion about how to address
17 this. I know that there are folks who are
18 participating in a Teach New York consortium
19 to review how to improve and encourage more
20 students to pursue this.

21 But, you know, for most of my years
22 here, there was a certain level of teacher
23 education that was a very important component
24 of all of our colleges, and there has been a

1 drop-off. Some of that perhaps has been the
2 result of the political class blaming
3 teachers for everything. And then why would
4 you, when you're not actually in charge of
5 poverty issues, why would you then pursue it?

6 But are there other factors involved
7 that you have been discussing internally
8 about the drop-off in pursuing graduate
9 teaching degrees in order to become certified
10 teachers in New York State?

11 CHANCELLOR MILLIKEN: So some of that,
12 I believe, that we're seeing at CUNY is
13 related to increased competition from other
14 institutions that are competing in new ways
15 on price. And so I think we've seen some
16 decline in our graduate programs.

17 But we are concerned about that, and
18 we have a working group addressing that. And
19 we have identified a number of strategies to
20 help our students better prepare for tests,
21 to help them, to support them in their work
22 as education students.

23 You know, CUNY supplies -- I think
24 it's roughly 40 percent of the teachers in

1 New York City. This is a virtuous cycle that
2 we have. We get 60-some percent of the
3 New York City high school graduates who go on
4 to college, and we return 40 percent of their
5 teachers. And so we have a stake in every
6 step of this cycle. And so we're very
7 concerned about that. We want to make sure
8 we have excellent students going into
9 teaching and that we are doing everything we
10 can to prepare them to be successful when
11 they're there.

12 But the provost has pulled together a
13 working group on this very purpose.

14 ASSEMBLYWOMAN GLICK: Thank you.

15 CHAIRMAN FARRELL: Senator?

16 CHAIRWOMAN YOUNG: Thank you.

17 Next we have Senator Velmanette
18 Montgomery.

19 SENATOR MONTGOMERY: Thank you, Madam
20 Chair.

21 And hello, Chancellor. And I want to
22 start by complimenting you and the CUNY
23 faculty, especially for the Youth Leadership
24 Program that is run, where I've had any

1 number of your students intern in my office
2 in the district. And as a matter of fact, I
3 recently hired one of your students who
4 graduated from Brooklyn College.

5 CHANCELLOR MILLIKEN: Thank you.

6 SENATOR MONTGOMERY: So I'm very
7 pleased with that program. And of course a
8 number of the students have been hired by
9 other members of the state. So it's a good
10 way for us to mentor and also for them to see
11 how this business works.

12 You mentioned the Early College
13 Program, and so I just wanted to ask you a
14 question about that. I consider this one of
15 the Opportunity Programs, as part of the
16 opportunity system that we have. And it was
17 put in place a few years ago by the Regents
18 and State Ed commissioner, and it seemed to
19 have made a tremendous difference in students
20 who may not have ordinarily considered
21 college or been able to afford it
22 immediately, to have a experience that
23 projects them into college.

24 And so I'm just wondering how you are

1 working with that to hopefully expand it. I
2 know a couple of the high schools in my
3 district that have participated in it, the
4 school graduation rate has improved
5 dramatically. The curriculum is very
6 different, the number of students who manage
7 to get into school and to eventually graduate
8 from the college that they enter. And it's
9 also really important for parents of students
10 who really could not otherwise afford -- even
11 though it's limited to maybe two years or a
12 few credits, it's a tremendous help for
13 parents who would not be able to afford
14 college immediately for their children.

15 So I care a lot about that, and I'm
16 just wondering where you are with it and how
17 much of that is reflected in this current
18 budget to make it possible for you to expand
19 it and do more.

20 CHANCELLOR MILLIKEN: So thank you for
21 that question. It has expanded significantly
22 during the three years I've been here. We're
23 proud of the program. We do think it helps
24 build a familiarity and a sort of pattern of

1 success that will serve students well,
2 encouraging them to go to college and then
3 succeed there.

4 Now, I mentioned earlier that we are
5 engaged in a series of strategies that we
6 hope will significantly increase the
7 readiness and preparation of students and
8 have them be on a path, when they get to
9 CUNY, to succeed. Early College is one of
10 the key strategies, College Now, the new CUNY
11 Tutor Corps to send our students into middle
12 and high schools to role model and work with
13 students, particularly in math and computer
14 science.

15 Other programs that we are putting in
16 place so we can strengthen the tie between
17 the public schools in New York and CUNY, that
18 we can send role models into the classroom to
19 show how they can be successful, that they
20 can get college credit for free under their
21 belt before they leave high school, and put
22 them on a path to graduating on time. These
23 are all very important strategies that are
24 part, I think, of what will allow us to get

1 to the ultimate goal of getting people
2 college degrees in a timely way and having
3 them enjoy the benefits of that.

4 SENATOR MONTGOMERY: Yes, I appreciate
5 that. And I just want to say that I'm a huge
6 believer in the pipeline process, so to the
7 extent that we can begin to connect the
8 different levels, it's going to make it much
9 more possible for more of the students,
10 especially those difficult students -- or
11 students who have the most difficulty in the
12 system, to be able to connect.

13 And so I appreciate this part of the
14 pipeline. And I'm looking forward to
15 strengthening that at every level. So I
16 appreciate your interest in it, and support
17 of it. And hopefully it doesn't get lost, as
18 too many things that are really good, do.
19 I'm looking forward to your continuing to be
20 supportive of it. So thank you very much.

21 CHANCELLOR MILLIKEN: Thank you very
22 much.

23 Chris, do you want to say anything
24 more about that, or did I --

1 INTERIM VICE CHANCELLOR ROSA: Only
2 that it's -- thank you, Chancellor.

3 Senator, it's really proven -- having
4 those college credits under their belt for
5 those students has been a real important
6 kick-start to a pattern of academic momentum
7 that's really increased retention and
8 ultimately student outcomes. So thank you
9 again for your interest and your leadership
10 on it.

11 SENATOR MONTGOMERY: Absolutely.
12 Thank you.

13 CHAIRWOMAN YOUNG: Thank you very
14 much.

15 Our next speaker is Senator John
16 Bonacic.

17 SENATOR BONACIC: First of all, good
18 afternoon. Thank you for being here. I'd
19 like to just share a couple of things on --
20 {inaudible; mic off}. First of all, our
21 chair, Cathy Young, is feeling terrible, and
22 I see from this list that we're only on
23 Speaker Number 2 and this started at 9:30.
24 So, Cathy, you're in for a long day, I can

1 see that.

2 The second thing, when she says I'm
3 important, the people at this table that work
4 on the Education Committee, and have served,
5 have much more institutional knowledge than I
6 do.

7 So having said that, I don't mean to
8 repeat what some other speakers might have
9 said at 9:30 in the morning. But I have
10 reservations about the free tuition. I think
11 there are many reasons for this. I have
12 New Paltz and I have Delhi, upstate SUNY
13 colleges. And I've spoken to the people of
14 my institutions, and what I'm concerned about
15 is fairness in helping middle-class families.
16 We give a billion dollars now in TAP aid.
17 And so if we're going to -- and we want to
18 help middle-class families and poor families.
19 But fairness, always fairness.

20 And so I'm thinking, you know, the
21 federal government has a work-and-forgive
22 program to make sure that if we go down this
23 path and we give free tuition, there should
24 be a work requirement if they want the debt

1 forgiven, like the federal government does:
2 Stay in New York, work in New York, and the
3 longer you're here, the diminished debt. So
4 to me, that would be not a bad concept.

5 Now, I have a grandson and I have a
6 daughter. And I went to maybe five or six
7 private and four-year colleges not in the
8 SUNY system. And I wish my grandson went to
9 a SUNY school, just for the horrendous cost.
10 He picked a school in Pennsylvania. It was
11 about \$55,000 a year. That's after taxes, my
12 daughter has to pay, after taxes, to come up
13 with \$55,000 if there's no student aid.

14 Okay?

15 But I had seen about five or six
16 colleges; I went with him. And I tell you
17 what I see developing. These colleges are
18 building "Empire resorts" to entice students
19 to come to these private and independent
20 colleges at high tuition rates. And yeah,
21 you're going to get an education. But
22 everything is spectacular. The gym, the
23 swimming pool, the spas, the racing tracks,
24 the buildings, everything.

1 public higher education is one of the great
2 values in America for some of the reasons
3 that you stated.

4 About the work requirement, I would
5 simply cite a couple of statistics that would
6 lead me to believe that this may not be as
7 much of a concern when you're thinking about
8 investing in students who are going to CUNY.
9 Five years after they leave CUNY, 92 percent
10 of our students are either working or
11 pursuing a further degree. Over 85 percent
12 of them are doing it in New York City.

13 So we're not educating people and
14 sending them elsewhere, we're educating them,
15 they're getting jobs, and they're doing it
16 locally. So I think that just speaks to the
17 investment that you're making.

18 SENATOR BONACIC: Yeah. What I'm
19 worried about is the magnet of students
20 coming from other states into New York to
21 qualify to get the free education, and maybe
22 they go back to where they came from, that's
23 all.

24 CHANCELLOR MILLIKEN: That's an issue

1 that would be important to you in terms of
2 residency requirements for in-state tuition,
3 for TAP, for -- in addition to Excelsior.

4 So ...

5 SENATOR BONACIC: Thank you.

6 CHAIRWOMAN YOUNG: Thank you, Senator
7 Bonacic.

8 Next, Senator Krueger.

9 SENATOR KRUEGER: Thank you.

10 Good afternoon.

11 CHANCELLOR MILLIKEN: Hi.

12 SENATOR KRUEGER: So I actually -- I
13 mean, you were listening when we were talking
14 to the SUNY people. I think Excelsior is
15 probably less of a relevant discussion with
16 CUNY.

17 Even though it doesn't sound like you
18 have numbers either, as SUNY didn't, on what
19 number of students you think it would impact,
20 I would assume, given the demographics of the
21 city and the population who goes to CUNY,
22 we're not going to see 80,000 students
23 suddenly eligible for Excelsior the first
24 year because, one, you have a much poorer

1 population of students than the SUNY system,
2 and so they're the TAP/Pell crowd, so to
3 speak, but not necessarily those who would
4 then need additional money for tuition beyond
5 that.

6 But you also have a larger number of
7 students who have to work while going to
8 school because of their demographics and the
9 realities that they have families and
10 children to care for. And they're not your
11 18-year-olds living on a college campus going
12 to the dorm, for example.

13 So am I right to assume that when you
14 do your calculations on the impact of the
15 Excelsior program, you're not necessarily
16 projecting a big impact on your university?

17 CHANCELLOR MILLIKEN: Yes. I think
18 for the reasons that you suggested, we think
19 our numbers will be less than will be
20 expected at SUNY.

21 SENATOR KRUEGER: But you also talked
22 about dealing with the growth in student
23 population -- because you've just been having
24 that, year in, year out -- by expanding your

1 online programs.

2 I'm very nervous about expansion of
3 online, so I'd like you to delve into that a
4 little bit more. One, there's different
5 kinds of online programs. There's online
6 programs where you can see the TV commercials
7 or see the advertisements, even though
8 they're not supposed to really be legal in
9 the State of New York, for these universities
10 that don't actually exist except virtually,
11 and they have incredibly high drop-out rates
12 of the students who sign up for the classes.

13 And there's online that you just watch
14 a video, and there's online that is
15 immediately interactive between a professor
16 and the student.

17 So tell me what your vision of
18 expansion of online means.

19 CHANCELLOR MILLIKEN: Sure. So the
20 first thing I would say is that I'm not the
21 spokesperson for all online programs, any
22 more than for all physical-delivery academic
23 programs. I am an advocate for CUNY's. And
24 our programs have been judged to be among the

1 best in the country. Last year we had the
2 number-one baccalaureate program in New York
3 online, and it was No. 11 in the nation, I
4 think, a bachelor's degree program.

5 In my view, the only way that this
6 works is if the same talented faculty that
7 are in our classrooms are creating the
8 courses and teaching them online. So the
9 brand promise, if you will, the commitment
10 for CUNY, is that these are our faculty, our
11 courses and degree programs, and our quality.
12 And that, I feel fine about putting our
13 imprimatur on.

14 And I think that there's increasing
15 evidence that it will be an increasingly
16 important part of meeting the gap, the
17 education gap in this country. And I think
18 CUNY needs to be a part of that. I think we
19 should and we will expand our student
20 population. But part of that demand, I
21 think, is going to have to be met with online
22 delivery. Not fully online programs,
23 necessarily. The students that I mentioned,
24 10 percent taking an online course now and

1 projected that it will reach 50 percent in
2 five years, those are people who are maybe
3 taking one or two courses, supplementing.

4 I want our students to leave prepared
5 to continue their education throughout their
6 lives. And the research today demonstrates
7 that students who graduate now are going to
8 change careers many times over the first 10
9 to 15 years of their life out of college.
10 And they're going to have to retool. And
11 they're going to have to get new skills to be
12 able to get a promotion or change careers.

13 I want them to do it at CUNY. I don't
14 want them going elsewhere. I want them to be
15 familiar with our offerings and want the
16 quality that we offer.

17 One of the other areas that we are
18 committed to doing is expanding our ePermit
19 program, which now provides the opportunity
20 for students at any CUNY college to take a
21 course at a different college and use it
22 towards their graduation at their home
23 campus. This may be one way that we can
24 address some of the capacity issues. It

1 won't be the total answer, but I think that
2 it provides an opportunity for us, one, in
3 terms of capacity and, two, in terms of
4 students who may want -- may not be able to
5 get the course that they need at their home
6 campus, may want something offered at another
7 campus, and there's no reason why we
8 shouldn't be able to accommodate them.

9 So for the first time, this year we
10 put the total course catalog for all of CUNY
11 online for our students to be able to look at
12 it and see if there were courses across the
13 entire university that they want to take.

14 SENATOR KRUEGER: And then you talked
15 about, I guess in answering a colleague's
16 question about expansion of graduate
17 programs -- and you referenced the Graduate
18 Center, which is in my district.

19 So my understanding was the Graduate
20 Center had actually decreased the number of
21 students it was accepting, put a fairly
22 strict limit on each department taking new
23 students every year. So is there some change
24 that's being anticipated that would actually

1 increase the number of graduate student slots
2 available?

3 CHANCELLOR MILLIKEN: Well, in terms
4 of increasing the number of graduate
5 students, both at the Graduate Center and at
6 colleges across CUNY, we're looking at
7 expanding master's programs, and that would
8 increase the numbers of graduate students.
9 In particular, an area that I think is
10 particularly promising is the professional
11 master's programs in some of the science and
12 technology fields.

13 But my response here was about
14 increasing the diversity in our graduate
15 programs and that we have developed
16 strategies for that, as well as increasing
17 the diversity in our undergraduate programs
18 at our most selective senior college
19 programs. One of the initiatives that we're
20 undertaking now is to expand the Macaulay
21 Honors program so that we can bring more
22 community college transfer students,
23 high-performing students who started at
24 community college into that marquee honors

1 program at CUNY, which we think will have the
2 effect of increasing the diversity of that
3 honors program.

4 SENATOR KRUEGER: And then in
5 follow-up to a question that was answered
6 earlier that despite the efforts, the ratio
7 of adjunct part-time professors to full-time
8 professors continues to be, in my opinion, a
9 serious problem -- and I think the number was
10 one to 1.66, is that -- so, close to 2 to 1.

11 I am told there's some research, but I
12 haven't seen it, that there is far more grade
13 inflation among adjunct professors' classes,
14 because the adjuncts need to keep the job and
15 so they give higher grades to be a more
16 popular teacher. And I get it, if I'm an
17 adjunct who's running between three campuses
18 to try to hold together barely enough money
19 to pay the rent on whatever it is that I get
20 for three classes a semester.

21 But I'm just wondering, is there
22 research from CUNY that shows that? Or have
23 you seen any research like that?

24 CHANCELLOR MILLIKEN: I don't know.

1 And no.

2 But there are many other reasons for
3 increasing the number of full-time faculty.
4 Full-time faculty are able to advise students
5 and spend more time in the academic
6 community. In fact, one of the tasks we have
7 now is to try to understand how we can free
8 up more time for our full-time faculty to
9 spend on academic advising for students,
10 which I think is one of the great benefits
11 that we would have.

12 So there are a lot of reasons to do
13 it. I hadn't heard that one. I don't know
14 about the research, but I'll ask about it.

15 SENATOR KRUEGER: I guess I would ask
16 you -- I would assume, in your system, it
17 wouldn't be that hard to do runs on the
18 averages and median grades from different
19 kinds of professors in different colleges,
20 but holding it to apples and apples, not
21 bananas and grapefruit, I understand that.

22 But the reason I ask is not to be
23 critical of adjuncts, because that's not my
24 intent, but to make the point that we are

1 potentially -- because we are failing to
2 deliver the ratio of full-time faculty who in
3 fact then do student advising, et cetera, et
4 cetera, that we may in fact be lowering the
5 standards of what a degree from CUNY means if
6 everybody is in a rush to make sure you don't
7 drop out, make sure you get done soon.

8 Right? That's the message very much in the
9 Excelsior scholarship incentive.

10 So let's get them through quickly, but
11 I also want them to come through with a
12 quality education and not end up in a
13 situation where we were so excited about
14 increasing the rate at which they graduate
15 and filling more slots -- because everybody
16 can watch a computer video in their own
17 home -- and a grade-inflation scenario.

18 Because again, to highlight, I guess,
19 Senator Bonacic's point, we can compete with
20 all those incredibly expensive private
21 universities, but we need to make sure that
22 we aren't trapping ourselves into a lower
23 standard of expectations from our students --
24 not because of any fault of the students, but

1 because we were -- what is the -- the mouse
2 on the wheel, what's that expression? Right,
3 we were so rushing to keep the wheel going
4 that we didn't actually stop and ask some of
5 the right questions about the quality of the
6 education.

7 So thank you very much, Chancellor.

8 CHANCELLOR MILLIKEN: Thank you.

9 CHAIRWOMAN YOUNG: Thank you.

10 CHAIRMAN FARRELL: Just one question.

11 The budget includes about \$401 million this
12 year in critical maintenance or capital
13 funding for the CUNY system. What are the
14 CUNY major capital needs right now?

15 CHANCELLOR MILLIKEN: Our major
16 capital needs in terms of the funding that's
17 provided for critical maintenance?

18 CHAIRMAN FARRELL: Yeah, the in and
19 out. What would be covered and what else is
20 it?

21 CHANCELLOR MILLIKEN: So I will be
22 happy to make sure you have a copy of this
23 book (indicating), which has a five-year plan
24 in it for addressing the critical maintenance

1 priorities across the system.

2 I can assure you that that money will
3 be extremely well used and is very necessary
4 at each of our colleges, and the priorities
5 are laid out in this document.

6 CHAIRMAN FARRELL: Thank you.

7 CHANCELLOR MILLIKEN: Thank you,
8 Mr. Chairman.

9 CHAIRMAN FARRELL: Thank you very
10 much.

11 ASSEMBLYWOMAN GLICK: Thank you.

12 SENATOR KRUEGER: Thank you.

13 CHAIRWOMAN YOUNG: Thank you.

14 CHANCELLOR MILLIKEN: Thank you.

15 CHAIRMAN FARRELL: See you next year.

16 CHANCELLOR MILLIKEN: Thank you.

17 CHAIRMAN FARRELL: 11:30 a.m., New
18 York State Education Department, MaryEllen
19 Elia, commissioner.

20 COMMISSIONER ELIA: Good afternoon.

21 CHAIRMAN FARRELL: Good afternoon.

22 CHAIRWOMAN YOUNG: Hi, Commissioner.

23 COMMISSIONER ELIA: So, Chairs Young,
24 Farrell, LaValle and Glick, and members of

1 the Senate and Assembly here today, my name
2 is MaryEllen Elia, and I'm the New York State
3 Commissioner of Education.

4 I'm joined today by Deputy
5 Commissioner for the Office of Higher
6 Education John D'Agati, Deputy Commissioner
7 for the Office of Professions Doug Lentivech,
8 and Deputy Commissioner for the Office of
9 Adult Career and Continuing Education
10 Services Kevin Smith.

11 You have my full testimony before you.
12 And I know you have many more people in this
13 room who are anxious to speak to you as well,
14 so for their sake and yours, I will be brief.

15 The Regents' priorities in higher
16 education are laser-focused on equity,
17 quality, and access to postsecondary
18 education opportunities, particularly for
19 underrepresented students. Because we know
20 from the multiple indicators, as you can see
21 on Slides 2 through 4, college completion
22 leads to better employment opportunities and
23 higher income.

24 On Slide 5, the Regents recommend an

1 indicates and includes enactment of the New
2 York State Dreamers Act. The Regents and the
3 department have long been advocates for this
4 important legislation, which is highlighted
5 on Slide 12. We're glad to see this proposal
6 is in the budget, and we are hopeful that
7 this is the year when the Dreamers Act is
8 finally signed into law and young New Yorkers
9 are no longer punished for decisions that
10 they ultimately had no control over.

11 As you negotiate this budget, please
12 remember that our workforce and the workforce
13 pipeline are the state's most important
14 infrastructure and our best economic
15 development program. A state-of-the-art
16 workforce pipeline does not depend only on
17 traditional college pathways. As you can see
18 on Slide 13, the Regents are requesting a
19 \$10 million investment in Bridge Programs
20 which will enable out-of-school kids and
21 adults to obtain essential, basic skills.

22 On Slides 15 to 20, we provide you
23 with updates on the work of the Office of
24 Professions. And I want to bring particular

1 attention to the e-licensing on Slide 18.

2 In 2009, the Legislature approved a
3 15 percent registration fee increase so we
4 could replace a 35-year-old COBOL-based
5 licensing structure and enhance our customer
6 experience. And we again thank you for your
7 bipartisan efforts to make these resources
8 available to the department.

9 For several years, we actively
10 explored with other agencies a statewide
11 licensing solution. But due to the complex
12 licensing and credentialing needs, we have
13 concluded that a custom-built system is
14 really the only solution. The department has
15 begun to develop and roll out online license
16 applications, but this is only the very
17 beginning of the work that needs to be done.

18 We are requesting authority to spend
19 up to \$4.3 million in funds that we have on
20 hand in the professions account to develop
21 that system. Unfortunately, it was not
22 included in the proposed budget.

23 This action would have no fiscal
24 impact to the state. It would simply

1 increase our spending authority to use
2 existing resources. The failure to get this
3 spending authority has been a significant
4 barrier in our efforts to serve our
5 constituents. We request that you allow us
6 to utilize these existing resources to build
7 a system that licensed professionals deserve.

8 On Slide 21, we highlight another
9 significant barrier faced by the department
10 as we seek to better serve your constituents.
11 The department is in dire need of resources.
12 In too many program offices, there's only one
13 person performing critical tasks. I've heard
14 from many of you about constituents that need
15 assistance accelerating applications,
16 licenses, or certifications. We want to be
17 able to better and more quickly provide
18 services to New Yorkers, but too many of
19 those offices are at a breaking point.

20 In the past few years, the department
21 has taken on several new responsibilities,
22 including implementing new licensed
23 professions, establishing new teacher and
24 leader registration requirements, and

1 conducting audits related to the Enough is
2 Enough initiative. No new resources have
3 accompanied any of these responsibilities
4 and, quite simply, it's no longer
5 sustainable.

6 There are additional no-cost actions
7 you could take which would help us on this
8 front. For example, consider our request for
9 institution accreditation on Slide 22. The
10 department is, as far as we know, the only
11 state education agency in the United States
12 authorized by the United States Department of
13 Education to accredit institutions of higher
14 education. However, we receive no dedicated
15 resources to conduct this work, and we have
16 in the past requested spending authority to
17 charge and spend fees to support
18 accreditation services.

19 There are currently 19 institutions of
20 higher education in New York accredited by
21 the Regents, like the Cold Spring Harbor
22 Laboratory, the Gerstner School at
23 Sloan-Kettering, and we know that others are
24 interested in pursuing accreditation through

1 the board. It would cost the state nothing
2 to allow the department to charge a modest
3 fee for institutions and use those revenues
4 to support that function.

5 Again, that no-cost action would allow
6 us to continue to accredit institutions that
7 would otherwise have to pay much higher fees
8 to another outside accreditation agency.
9 Absent a fix in this area, it will be very
10 difficult to continue to provide this
11 service.

12 Before I take your questions, I want
13 to again thank you for the opportunity to
14 discuss our priorities with you, and we look
15 forward to working with you this year in our
16 shared goals, and I look forward to your
17 discussion.

18 CHAIRMAN FARRELL: Thank you very
19 much.

20 Assemblywoman Glick, Chairperson
21 Glick.

22 ASSEMBLYWOMAN GLICK: It's great to
23 see you, Commissioner.

24 COMMISSIONER ELIA: Good afternoon.

1 ASSEMBLYWOMAN GLICK: We worked very
2 hard to ensure that you could, for the
3 purpose of improving service to the
4 professions, increase license fees. That was
5 supported by the professions with the
6 understanding that they would at some point
7 be given better -- quicker service. Better
8 is not -- you always give excellent service.
9 But this would help to streamline your
10 processes.

11 Have you been given any explanation as
12 to why the funds which were raised with a
13 specific purpose in mind, which would help to
14 streamline your operations, have not yet been
15 released by the Division of Budget?

16 COMMISSIONER ELIA: Well, remember
17 we've been working for several years on what
18 might be an opportunity to have a system that
19 in fact could be used in other places across
20 the state. But because of the uniqueness of
21 the system that needs to be developed -- for
22 instance, a hunting license and seeking a
23 hunting license is very different than the
24 licensure of a physician.

1 ASSEMBLYWOMAN GLICK: We would hope.

2 COMMISSIONER ELIA: And I'm pointing
3 out to two very different positions. But I
4 think it's important to know that we have
5 moved forward ourselves to putting online the
6 registration, the beginning registration, but
7 there's much behind the scenes that needs to
8 be developed. Doug Lentivech could give you
9 some additional information on that.

10 But I want to point out to you that we
11 are very interested in efficiencies, because
12 we understand -- we want to be more efficient
13 at the department, and as these systems get
14 put online, everything about it becomes more
15 efficient. We've worked years to try to come
16 up with a way that we can do that with
17 others, but ours is unique, we believe. And
18 in those discussions with the other agencies,
19 we realize that -- and I think they
20 realize -- that it's not something that can
21 be done within the context of other
22 licensing.

23 So Doug?

24 DEPUTY COMMISSIONER LENTIVECH: Sure.

1 Thank you, Commissioner.

2 Thank you for the question,
3 Assemblywoman. This has been a long, long
4 process of getting to where we are today, as
5 you know. And right now we're engaged in
6 getting all our professions at least to the
7 point where they can apply online with the
8 first part of their application, and we're
9 very excited about that. But that's a small
10 part of the project that we engaged upon with
11 the Executive, and we've been engaging on it
12 for my entire time, I think, here at State
13 Ed.

14 And what we hope to do is to develop
15 an e-licensing system so that all our systems
16 talk together so we don't really need to have
17 a lot of clerical work, moving papers back
18 and forth, and we can spend the agency's time
19 on the more difficult questions, the question
20 of comparability of programs and things like
21 that.

22 We think we have a plan that gets us
23 there, but I think the point is that it's
24 going to take a little bit of money that we

1 have to do that.

2 ASSEMBLYWOMAN GLICK: But those
3 resources have already been received from the
4 various professions that, as I recall, were
5 very -- it was a modest increase that hadn't
6 been changed in many, many years. And so the
7 resources exist, you're just not authorized
8 at this point to spend them, and that's what
9 you're asking for; right?

10 COMMISSIONER ELIA: Yes.

11 ASSEMBLYWOMAN GLICK: Thank you.

12 We had some earlier conversation with
13 the SUNY and CUNY system, particularly CUNY,
14 around the issue of the drop-off in teachers,
15 teacher graduate students. And I think there
16 are many factors. In some parts of the
17 state, there just aren't jobs. The tax cap
18 limits the jobs people -- if you're in a
19 small town and you see that a couple of
20 teachers have been let go, you might not be
21 encouraged to spend four to five years
22 pursuing that as a profession.

23 But it has had an impact. And I know
24 you have some material in here. Could you

1 just speak to where you're headed in hopes of
2 ensuring that as we have retirements across
3 the state, that we actually have sufficient
4 numbers of teachers in the coming years?

5 COMMISSIONER ELIA: Well, I'm glad you
6 brought that up. I think it's a very
7 important issue. And from the perspective of
8 what we can do to ensure that we have quality
9 teachers in front of our classrooms, it has
10 to be the all-consuming question.

11 I don't think there's anyone that
12 would doubt the importance of a quality
13 teacher in making sure that students meet
14 success. There's been a number of things
15 done, and I want to put it into context. You
16 alluded to the issue of when teachers have
17 been laid off in a district, in a community,
18 in an area around the state. And I can go
19 back into the 2009 through 2013, '14 years,
20 when in fact we had massive layoffs across
21 the state because of decreasing funds.

22 All of those things affected the
23 mindset of people who are going into college
24 and deciding what their major is going to be.

1 And so people I think were less apt to think
2 about teaching, if that was the case and they
3 saw that, and it was covered very heavily in
4 the press.

5 One of the other things that was
6 mentioned in some of the earlier conversation
7 was that we have vilified teachers nationally
8 in the press, and that has caused people to
9 say, Why would I go into a profession that is
10 so difficult to have people be considered
11 actual professionals?

12 We think that there's a number of
13 things that need to be done. And I'm
14 co-chairing, with Chancellor Zimpher, the
15 Teach New York agenda. And those factors
16 have been laid out, and we have discussions
17 and roundtable groups -- and some of you, in
18 fact, are involved in that.

19 The big issue, we believe, is that we
20 have to shift the focus on support for
21 teachers who are in the programs themselves.

22 We recently had an edTPA committee
23 that met for a number of months made up of
24 practitioners, both in the K-12 system and in

1 the colleges and university systems. And as
2 we received the recommendations -- and I
3 know, Chair Glick, you were at that
4 meeting -- it really is important for us to
5 look at all of the factors that are involved
6 in the certification process now. And we're
7 doing that. We believe there should be some
8 changes in assessments. We're doing that.

9 We also know that to be a successful
10 teacher in our schools, they have to have
11 experiences during their college prep
12 programs where they actually are in schools.
13 And so the recommendation came from that
14 committee to expand the teacher opportunities
15 in schools with teachers in our classrooms.

16 But then they have to have teachers
17 identified in the classroom who are leaders
18 in curriculum and understanding and great
19 teachers themselves, to help those new
20 teachers become better. That in and of
21 itself is important. And we have, over the
22 last several years, had a decrease in the
23 number of teachers that are willing to take
24 student teachers. So we need to address

1 those issues.

2 There are a number of factors we think
3 are important. We'll be looking very closely
4 at the recommendations from the edTPA
5 committee, and from Teach New York, to
6 address those issues. We are asking
7 specifically for \$800,000 in new funding to
8 double the number of teacher certification
9 exam vouchers. We have had testimony from
10 across the state -- and in fact, there are
11 people that go into teaching and at the end
12 of the four years they're stressed out on
13 finances, and we are asking them then to
14 complete these assessments, and the
15 assessment fees are going to be, we hope,
16 through having additional vouchers, be
17 dropped for a number of individuals.

18 And we are also asking for a \$160,000
19 increase in the Albert Shanker grant. This
20 gives us the opportunity to actually work on
21 making teaching the profession that it should
22 be, with the kinds of respect that comes with
23 that. And teachers that are going through
24 the teacher certification, and then to become

1 master teachers, is all part of that.

2 We're also working very closely with
3 teachers -- the unions, specifically -- on
4 ways that we can support teachers in the
5 profession and that they can become teacher
6 leaders in their school.

7 All of those things contribute to the
8 issue of what makes me want to become a
9 teacher.

10 ASSEMBLYWOMAN GLICK: Thank you very
11 much.

12 I know that I will be having a meeting
13 with some of your staff later this week to
14 discuss the issue around the Tuition
15 Assistance Program and how campuses are
16 supposed to make certain that students who
17 are receiving financial aid move through to
18 completion. I just want to say here --
19 (clearing throat). Excuse me. I hope that
20 the wind has not been blowing from that side
21 to this.

22 (Laughter.)

23 ASSEMBLYWOMAN GLICK: But I do want to
24 say that one of the concerns I have is if you

1 are not a student on financial aid and you
2 have taken your general ed courses and you
3 start to take what you think is your major,
4 but because of friends or you take a course
5 and all of a sudden you realize that you
6 really don't want to be a history major but
7 you want to be a physics major, that you can
8 do that without anybody looking over your
9 shoulder.

10 And I am concerned that whether it's
11 regulations or whether it is something that
12 we have to change in statute, that we, in
13 working with the HESC, which will administer
14 TAP, that we ensure that we don't have a
15 two-tier system where someone whose exposure
16 to the wide range of options of professions
17 is not stymied in pursuing that course of
18 study because they change horses in
19 midstream.

20 There are lots of people who have
21 started in one direction and realized, maybe
22 because they never had the opportunity to see
23 something else, that they want to go in a
24 different direction. And I just want to be

1 certain that we are not penalizing TAP
2 recipients from pursuing that, or
3 discouraging their campuses because of
4 required recordkeeping and, if it isn't
5 properly maintained, that they wind up being
6 in a situation where they're either fined or
7 the resources are clawed back.

8 And this is an issue that arose on one
9 campus, but I have since learned it's in
10 numerous campuses. So I just want to find
11 out if, off the top of any of the heads
12 sitting in front of me, whether they think
13 it's issues with regulations or is it
14 statutory direction that we should be
15 addressing.

16 COMMISSIONER ELIA: Well, I will pass
17 this to John D'Agati in just a moment. But
18 let me point out that most people who go to
19 college go into college not really certain of
20 what they want to do. My experience is that
21 students very often change not only one time,
22 but maybe two or three times. I had that
23 experience with my own children, and I can
24 tell you that their friends were equally like

1 that. And in many cases, that is an
2 important part of the process of becoming an
3 adult, trying things and then realizing you
4 want to do something else.

5 We had that issue come up. We're very
6 anxious to speak with you about it. I can
7 have John give you some more specifics. But
8 we don't think that that in fact, the TAP
9 program, should be excluded from supporting
10 some of the changes that come in students'
11 lives.

12 DEPUTY COMMISSIONER D'AGATI: I would
13 echo what the commissioner just said. We
14 want to provide as much flexibility as
15 possible.

16 And to your point, some of it is
17 statutory, some of it is regulatory, and we
18 could work through how we can provide
19 additional flexibility. We have some ideas
20 that we can certainly discuss with you.

21 ASSEMBLYWOMAN GLICK: Well, that's
22 good to hear.

23 Do you think that -- we're going to be
24 embarking perhaps, perhaps, on a new

1 scholarship program, and that's a 15-credit
2 load per year. And since the department
3 deals with kids who are at risk and have gone
4 through various programs -- CSTEP and Liberty
5 Partnership and so forth -- do you have any
6 thoughts, since TAP is viewed as full-time at
7 12 credits and this is 15 credits, do you
8 have any thoughts about -- from your
9 experience dealing particularly with at-risk
10 youngsters?

11 COMMISSIONER ELIA: So prior to me
12 coming up, I think we heard some questions
13 specifically related to part-time students
14 and accessing TAP. I think that for many of
15 our students who are at risk whose families
16 are living at or slightly above the poverty
17 level, and they're in school, that idea that
18 they have to be full-time has been disruptive
19 for them and very often causes them not to
20 stay.

21 But let me point out what I think may
22 be the possibilities of the new Excelsior
23 program. You know, we have -- we've put
24 ourselves in silos in education for many

1 years. We think of ourselves as a P-12, and
2 then we think of a two-year, then we think
3 beyond that another two-year, and then post
4 that, we think of up to 20. So wouldn't this
5 be exciting if we could think about how we
6 could, at various times in a student's
7 education, provide opportunities for them?

8 We have slides that I think are
9 powerful to look at the importance of
10 students having access to higher level
11 coursework while they are in high school. We
12 currently have dual-enrollment programs
13 across the state, in this country. We have
14 Advanced Placement, we have International
15 Baccalaureate, we have our programs for Early
16 College High School, we have our P-TECH
17 programs. If there's one thing that all of
18 those programs tell us, it's that they're
19 successful.

20 There are specific studies that have
21 been done on students who have been exposed
22 to higher-level coursework before they left
23 high school. Number one, many students don't
24 really get it that they can do that level of

1 work. They take that, they know they have to
2 work harder. I myself have been very
3 involved in those programs, and I will tell
4 you that students themselves, the position,
5 the way they see themselves in the context of
6 what can I do, can I be successful -- they
7 get pumped up when in fact they get into one
8 of those programs and they realize that they
9 are seeing this material from a level that's
10 a higher level.

11 And therefore, 26 percent of the
12 students who have had exposure -- not
13 necessarily getting, on an AP exam, a 3, 4,
14 or 5, but taking that course -- are more apt
15 to graduate in four years from a university
16 or college. They go to college, they
17 understand they have to be more serious about
18 it, they develop better study skills, they're
19 exposed to higher levels of reading and
20 higher levels of anticipation of their work.

21 And so we believe that there are
22 possibilities here where we should take
23 ourselves out of those silos and start to
24 build the program where the Excelsior

1 Scholarship that's provided a portion of
2 that, could be provided at the high school
3 level -- and we have multiple programs in
4 that now.

5 And so you would then be taking some
6 of the pressures off of our colleges and
7 universities in space, in terms of the staff
8 that they'd need to be able to handle the new
9 students coming in under the new scholarship
10 program. All of this could be done in making
11 our high schools more efficient, more focused
12 on higher-level coursework, at the same time
13 moving forward in that 12 to 14 to 16 level.

14 So ultimately, where we would be would
15 be providing, equitably across the state,
16 opportunities for students to take
17 higher-level coursework. Which we know from
18 all the programming and the studies is a very
19 important part of moving forward
20 academically.

21 ASSEMBLYWOMAN GLICK: Thank you very,
22 very much, Commissioner.

23 COMMISSIONER ELIA: Are you in favor
24 of getting rid of those silos?

1 ASSEMBLYWOMAN GLICK: I believe that
2 communication and collaboration is not only a
3 positive thing, but a small-D democratic way
4 to operate.

5 COMMISSIONER ELIA: Thank you. I do
6 too.

7 CHAIRMAN FARRELL: Senator?

8 CHAIRWOMAN YOUNG: Thank you very
9 much.

10 And we've been joined by Senator Todd
11 Kaminsky and Senator Robert Ortt.

12 And our next speaker is Senator Toby
13 Stavisky.

14 CHAIRMAN FARRELL: Excuse me. We've
15 been also joined by Assemblywoman Earlene
16 Hooper.

17 SENATOR STAVISKY: Thank you,
18 Commissioner, for your testimony today. I
19 get a feeling I heard this last year.

20 COMMISSIONER ELIA: Pardon me?

21 SENATOR STAVISKY: I said I have a
22 feeling of déjà vu, where I heard a lot of
23 this same testimony last year.

24 COMMISSIONER ELIA: From me?

1 SENATOR STAVISKY: Yes.

2 COMMISSIONER ELIA: You're right.

3 SENATOR STAVISKY: Shows you I was
4 paying attention.

5 And to follow up on Assemblywoman
6 Glick's questions about the increase in fees
7 for licensure, I asked that question last
8 year. And I asked if that money had been
9 reappropriated. And what you're telling us
10 is that it has been reappropriated, but it's
11 being held up by the Division of the Budget.
12 Am I --

13 COMMISSIONER ELIA: Yes.

14 SENATOR STAVISKY: I also asked last
15 year about licensure requirements and the
16 speed with which you're able to accomplish
17 the renewal of the various 50-some-odd
18 professions. Has that improved at all?

19 COMMISSIONER ELIA: I'm going to ask
20 Doug Lentivech to give you -- I think we have
21 some specifics on it.

22 DEPUTY COMMISSIONER LENTIVECH: Yes.
23 With what we have available, we're moving in
24 a lot of different initiatives.

1 And I think right now -- 10 years ago
2 we were a very paper-dominated organization
3 in terms of -- most places were. We right
4 now, while we do not have the electronic
5 system that we would love to have, we convert
6 things electronically immediately, so we work
7 in the electronic environment we need to.
8 And we see that that has really increased our
9 ability to initially license people.

10 And our online registration, everybody
11 is able to reregister online. You know,
12 every three years you reregister. Everybody
13 is able to do that. And that's taken
14 advantage of by in the 90 -- the upper
15 90 percent of people do that. So they just
16 do that overnight. It's a changing world.

17 And we do need the licensing platform
18 we're talking about. That will change things
19 radically. But we haven't sat still either.

20 COMMISSIONER ELIA: And if I can point
21 to Slide 16, there's one number I think you
22 can remember, because it really caught my
23 attention.

24 We have taken in more than a million

1 emails and telephone inquiries in 2016. So,
2 I mean, just the demands on staff is they're
3 doing everything -- responding to emails and
4 telephone inquiries are absolutely critical.
5 Our professionals across the State of
6 New York, and people interested in getting in
7 the professions, deserve to have responses
8 when they have questions. But those are some
9 of the constraints.

10 SENATOR STAVISKY: And after the
11 hearing, and probably for another six months
12 or so, Commissioner Lentivech and I had a
13 number of email conversations -- you know,
14 email and telephone conversations --

15 COMMISSIONER ELIA: So you were
16 included in the million.

17 SENATOR STAVISKY: (Laughing.) Well,
18 no, I think I jacked up that number because
19 there were repeated conversations.

20 But I was concerned about one aspect,
21 and I mentioned it last year, that an
22 individual -- and we allegedly have a nursing
23 shortage -- was trying to get accredited from
24 a Philippine university, where she had a

1 bachelor's degree in nursing. And I went
2 online -- I guess maybe that's another one of
3 your hits online -- a number of times, and
4 not only checked out the university -- it was
5 a legitimate one with a hospital attached,
6 this is not one of the scams.

7 And you require this organization,
8 called CGFNS, to handle the accreditation or
9 the acceptance of foreign licensures. And
10 you indicated that the student didn't have to
11 do this. I've discovered that they do have
12 to go through this one particular
13 organization.

14 My first question is, was there a
15 competitive bidding in selecting this group?

16 DEPUTY COMMISSIONER LENTIVECH: I
17 think the short answer is that the only group
18 that exists out there currently to do it is
19 CGFNS.

20 SENATOR STAVISKY: That's what I
21 assumed.

22 DEPUTY COMMISSIONER LENTIVECH: And
23 they do not have to use them. They have to
24 use -- they have to try to get us the

1 documents that are real documents from the
2 school. It's very difficult for us as a
3 department to do that and to go all the other
4 places, so we try to have people use an
5 organization like CGFNS that does it.

6 They are the only ones that do it
7 right now, but in the last -- since we spoke
8 last year at this very hearing, we've been
9 trying to get other organizations interested
10 in doing this so there are more organizations
11 to make it easier for us to get this.

12 We've also -- we have in place a
13 policy that if somebody isn't getting results
14 within six month's period of time, we will
15 then take control of it and start to reach
16 out and try to make the effort to reach out
17 to those schools themselves directly and do
18 that. And that's what we do in any case when
19 it reaches a six-month period.

20 We would do it initially if we had to.
21 The thing is is that it would be a disservice
22 to the student not to use one of these
23 organizations that have actually boots on the
24 ground in the Philippines or in various

1 communities.

2 It's one of the struggles we have of
3 getting direct source verification from
4 schools that -- the school is good, we know
5 the school -- we realize the school might be
6 good. To realize that particular student has
7 credentials from there starts to be another
8 level of inquiry that's difficult for us to
9 do, one that we would hope that e-licensing
10 might change the playing field on that as
11 well.

12 SENATOR STAVISKY: You know that I
13 represent a district of many immigrants, and
14 this is a particular issue for many of the
15 people who were not educated in the
16 United States but who are coming here to live
17 and have a green card and all of that.

18 However, that's not what your website
19 says. It says you've got to use this
20 organization. And they charge \$390 to do it
21 online. And if there's no response within
22 one year, you've got to reapply. And it's
23 another, I think, \$160 or something.

24 I know my time is up, but the

1 individual I'm talking about, all she did --
2 all she received back was they mailed you a
3 package with her transcript and diploma. It
4 took them 11 months to do it -- this was last
5 year -- and cost her almost \$400. And I
6 think that's an area that needs further --
7 and also your website says you've got to use
8 this group, and I'm concerned.

9 And what bothers me even more is the
10 exam that's given by Pearson. Was Pearson
11 selected with competitive bids?

12 DEPUTY COMMISSIONER LENTIVECH: For
13 the nursing examination?

14 SENATOR STAVISKY: Yes.

15 DEPUTY COMMISSIONER LENTIVECH: That
16 is the nationwide exam. We use a nationwide
17 exam. It isn't a New York competitive-bid
18 organization.

19 As far as the website, I think you'll
20 find that that's a link that doesn't exist
21 anymore. After I spoke to you last year, I
22 directed some changes --

23 SENATOR STAVISKY: There were changes,
24 I agree.

1 DEPUTY COMMISSIONER LENTIVECH: And
2 we're changing it, and I think that you got a
3 link that doesn't exist anymore. Because we
4 do share your view on this.

5 SENATOR STAVISKY: Because I did it on
6 January 23rd, which was just I think Friday.
7 Or Saturday, whenever.

8 DEPUTY COMMISSIONER LENTIVECH:
9 Unfortunately, there are so many links -- if
10 you get so many links, you'll find a link
11 that probably disagrees there, unfortunately,
12 as we clean it up, but ...

13 SENATOR STAVISKY: Thank you.

14 CHAIRWOMAN YOUNG: Thank you, Senator.
15 We've been joined by Senator Phil Boyle.

16 ASSEMBLYMAN OAKS: Commissioner, just
17 a couple of questions.

18 When Chancellor Zimpher was here, we
19 talked a little bit about college readiness
20 and doing a better job, you know, while in
21 school so that when we send our kids on to
22 college, that they're better prepared. We
23 mentioned the issue -- as we've discussed, I
24 think, a couple of times in recent years --

1 of having something to actually identify
2 early on enough, at the high school level,
3 kids who might be targeted for going to
4 college but not really being prepared, and
5 coming up with something that we could agree
6 on as a diagnostic tool to get us there to
7 identify those kids and try to do that
8 remedial work before they get to college.

9 Any progress on that? And I know she
10 said we aren't there. But is that something
11 that you think we can get to going forward?

12 COMMISSIONER ELIA: Well, I do think
13 we can. And we in fact have had some
14 progress. We have a group of superintendents
15 in a group, they work with college
16 presidents, and we're looking with them to do
17 a pilot in their districts, because many of
18 the students from their districts go to those
19 corresponding schools. It's a group called
20 LIRACHE. And they're going to be piloting,
21 in their schools, a 10th or 11th grade
22 screening assessment that would allow them
23 then to know that a student particularly
24 needs work in mathematics or ELA to be able

1 to do well on that initial screening.

2 We're also working with Chancellor
3 Zimpher and Chancellor Milliken to make sure
4 that if there are agreeable assessments that
5 a student would have already taken -- so let
6 me give you an example. An assessment, an
7 Advanced Placement course in English Language
8 Arts they may have taken in 11th grade, and
9 they had a specific grade on that, that that
10 could waive then the requirement for them to
11 take the screening test for the English
12 Language Arts, on the anticipation that since
13 they passed that test, that they would be
14 fine with the other.

15 So we're looking for ways that we can
16 do it in both modes, if you will. One mode,
17 can we screen earlier so students in high
18 school can have what they need? And the
19 other is, after they've taken an assessment,
20 can we use that assessment and get a sign-off
21 from the university system?

22 Every one of our colleges and
23 universities has kind of a different approach
24 on this, and that's one of the things that

1 requires then everybody thinking, Well, am I
2 willing to give up the rules that I have,
3 because they all are different.

4 ASSEMBLYMAN OAKS: Are any of those
5 that you're working on -- you mentioned
6 superintendents. Are those large schools,
7 urban, rural? Or do you have kind of a
8 cross-section?

9 COMMISSIONER ELIA: Those particular
10 districts are small and they are -- they're
11 in the Long Island area, so they are
12 providing and interacting with schools on
13 Long Island that a high percentage of their
14 students attend.

15 ASSEMBLYMAN OAKS: Just one more
16 question. You talked about kids doing better
17 who get exposed to the tougher courses, even
18 if they don't necessarily succeed highly on
19 those.

20 Do you see that as being a
21 possibility, as well as exposing kids more to
22 various occupations or fields of study? My
23 sense would be if kids have some of those you
24 know, opportunities -- gee, that's something

1 I do like, or something I don't like -- I
2 think either of those are good, so that
3 you're -- as you're seeking for what you
4 might want to do. But if you're exposed to
5 those, may give a reason to be a bit more
6 serious about your study, because you see
7 that how I do here may be connected to do I
8 make it to the field I might be interested
9 in.

10 COMMISSIONER ELIA: So I think it's
11 important for us to understand that we do
12 have models like that, where it is showing
13 exactly that same result that we see when
14 kids take higher-level coursework. The
15 example that I can give is P-TECH. In
16 P-TECH, students are exposed to a career and
17 an academic focus as they go through,
18 starting in 9th grade or 10th grade, and then
19 going through to ultimately an associate
20 degree.

21 And the reality is -- it's on your
22 slides, on page 11. But the data on this is
23 that those students, many of them at high
24 risk, who probably never thought of

1 themselves as moving forward and being able
2 to get a certificate and/or an associate
3 degree by the time they finish this program,
4 actually are very successful and moving into,
5 then, higher-level coursework going on to a
6 university, or going right into a field, a
7 career that was part of the preparation.

8 And then they can always, of course,
9 go on. Chancellor Milliken mentioned the
10 point that when students leave CUNY, he wants
11 them to be able to think about what they
12 might want to do as they change jobs multiple
13 times in their careers.

14 ASSEMBLYMAN OAKS: Certainly, just in
15 closing, a couple of the programs -- the same
16 program, which is the Summer Advanced
17 Manufacturing Program that's been done in the
18 Rochester area and the Finger Lakes, those
19 types of things I think are excellent, even
20 if they're short exposures to that.

21 So I'm interested, as I'm sure many
22 others are, the more experiences we can give
23 during their high school career, maybe even
24 during their middle school career and as they

1 go on to higher training, to be able to
2 inspire kids to move toward the fields of
3 work that they might like and also where
4 openings might be.

5 COMMISSIONER ELIA: So I would
6 anticipate that we will be bringing some
7 changes to the Regents in the regulations
8 relating to middle school curriculum as well
9 as high school curriculum. Middle school
10 right now, I recently had a meeting with
11 several superintendents who are very excited
12 about the opportunities of shifting some of
13 the middle school curriculum to make it more
14 relevant to and connected to careers that
15 they might have exposure with in high school.

16 ASSEMBLYMAN OAKS: Thank you.

17 SENATOR KRUEGER: Thank you.

18 Our next speaker is Senator Todd
19 Kaminsky.

20 SENATOR KAMINSKY: Good afternoon,
21 Commissioner. How are you?

22 COMMISSIONER ELIA: Hi, Todd.

23 SENATOR KAMINSKY: I just would like
24 to talk to you about entry into secondary

1 education, which obviously obtaining a high
2 school diploma is necessary for. I've had
3 the occasion to host a forum and talk to
4 parents from all over, although mostly
5 concentrated on Long Island, who have
6 children who -- many of whom show the ability
7 to be able to achieve on the next level,
8 whether in a trade school, the military, or a
9 college, but, because of the strict
10 requirements, are unable to get a high school
11 diploma. The CDOS that they get does not
12 grant them access to many of the places
13 they'd like to go.

14 And it's just a very heartbreaking
15 thing to talk to parents and students, many
16 of whom are in honors classes, have perfect
17 attendance, have teachers that tell you that
18 they are better than 95 percent of other
19 students, but, because of perhaps a learning
20 disability or a language issue or other
21 outlying circumstances, are kind of trapped.

22 And I talk to parents with 20-year-old
23 children who either have to stay in school
24 with people much younger than them,

1 continuing to take tests that they're not
2 getting decent grades on, or go on government
3 assistance.

4 And it's very tough, and you and I
5 have spoken on this before, but I would be
6 very interested to know what the state's
7 plans are going forward, whether you've
8 considered project-based assessments, have
9 looked at what some other states are doing,
10 and where things are at this current time.

11 COMMISSIONER ELIA: Well, as you well
12 know, we made some changes. In fact, we've
13 had several conversations on this to point
14 out the number of issues that, since I've
15 been the commissioner, we've made shifts on.

16 And some of those allow for the
17 specific example you just mentioned relating
18 to students who are in Regents-level classes,
19 have been in Regents-level classes, for
20 whatever reason are having difficulty passing
21 the required Regents. And we have the
22 ability for a superintendent to do a
23 superintendent's waiver on that particular
24 issue. So actually as a result of our

1 discussion and parents' discussions with me,
2 we've moved in that direction and allowed
3 that to occur.

4 And so this is one of those things
5 that we clearly want to address with all of
6 our students. But one of the things that I
7 think is extremely important, the CDOS
8 credential, although we had not in the past
9 done the kind of work that needs to be done
10 to make civil service and the military very
11 aware of exactly what levels and skills the
12 students are certified in, we've started
13 doing that now and have had some very
14 positive conversations with civil service and
15 with the military. So we are moving in that
16 agenda.

17 We also are looking at making sure
18 that in fact students have alternatives. And
19 those alternatives might require that they
20 stay in school a little bit longer, but that
21 they get to the point where they have the
22 ability to earn a diploma.

23 So those things are all on our page
24 and, you know, we'd be happy to make sure

1 that you're kept in the loop as we make those
2 shifts.

3 SENATOR KAMINSKY: I really appreciate
4 that. And I also appreciate your past and
5 continuing openness to discuss this.

6 What I would just like to keep in the
7 forefront is that in my mind, and I believe
8 in yours and hopefully in your department's,
9 there should always be a clock that's
10 ticking, because there are parents who are
11 always looking to June saying, Will I have a
12 child who graduates or not? And, you know,
13 every year I feel that we have a chance to
14 open the door a little bit wider to let more
15 students in.

16 This February 7th I'm going to be
17 hosting another forum with several Regents.
18 I think we're going to have a good crowd
19 there. I'd love to be able to report back to
20 you on what I'm hearing from the larger
21 community about what's going on with diploma
22 options. I know that your efforts with the
23 CDOS are appreciated; hopefully we could
24 redouble that. And I know parents are very

1 excited, as well as teachers and
2 administrators, including superintendents,
3 that I talk to about project-based
4 assessments, as a way of saying over the
5 course of a year a student has demonstrated
6 sufficient rigor that a diploma is merited,
7 although in one area we know that the student
8 can't get a certain -- a higher mark on a
9 test, it's time to try something else.

10 COMMISSIONER ELIA: And as you know,
11 we've expanded the opportunities for the 4+1,
12 which is a career and technical program that
13 can be used in lieu of a Regents exam, and so
14 that does open it up. And one of those
15 options is the CDOS, which is a
16 performance-based program.

17 So I think we have looked at it and
18 we're opening it up. And I would agree with
19 you that we need to continue to do that. So
20 any feedback you want to give us from those
21 parents -- of course, generally the
22 parents -- a number of these parents are
23 people that we meet with regularly as well.

24 SENATOR KAMINSKY: Sure, I appreciate

1 it.

2 And then if I could just close by just
3 saying the following. I appreciate the need
4 to have made a high school diploma mean
5 something more than it used to. And I get
6 that people have to understand that
7 sufficient rigor has gone into it.

8 My experience, having looked at this
9 and been going over this for two years now,
10 is that the pendulum has just swung a little
11 bit too far the other way, and there are a
12 lot of good kids who deserve to go on who are
13 not. I've heard everything you've said, and
14 I hope you we can continue to work on easing
15 that up a little bit and striking the right
16 balance.

17 COMMISSIONER ELIA: Yeah, I've been
18 working on it for years.

19 SENATOR KAMINSKY: Thank you.

20 COMMISSIONER ELIA: Thank you.

21 CHAIRWOMAN YOUNG: Anyone else?

22 ASSEMBLYWOMAN GLICK: We want to thank
23 you.

24 CHAIRWOMAN YOUNG: Yes, thank you very

1 much, Commissioner. We appreciate you coming
2 today, and everyone, and look forward to
3 seeing you soon.

4 COMMISSIONER ELIA: I think I'm
5 scheduled to come back on the 14th, so I will
6 see many of you then. Thank you.

7 (Discussion off the record.)

8 ASSEMBLYWOMAN GLICK: And our 12:30
9 witness, from the New York State Higher
10 Education Services Corporation, the executive
11 vice president, Elsa Magee.

12 Thank you for being here, and we'll be
13 with you in two seconds.

14 (Pause.)

15 ASSEMBLYWOMAN GLICK: Anytime you're
16 ready, I think we are all ears.

17 (Discussion off the record.)

18 ACTING PRESIDENT MAGEE: Can you hear
19 me now?

20 ASSEMBLYWOMAN GLICK: Yes, we can.
21 You're on the air.

22 ACTING PRESIDENT MAGEE: Good
23 afternoon, Chairwoman Young, Chairwoman
24 Glick, and members of the Senate and

1 Assembly. Thank you for the opportunity to
2 speak today about the Governor's 2017-2018
3 Executive Budget recommendations that impact
4 the New York State Higher Education Services
5 Corporation. I'm Elsa Magee, executive vice
6 president and acting president of HESC.

7 HESC administers New York State's
8 generous Tuition Assistance Program and more
9 than 20 other state student financial aid
10 programs that provide college access and help
11 to ease college costs for New York State
12 residents. Collectively, these programs
13 provide over \$1 billion in financial aid
14 awards to support the college costs of more
15 than 370,000 students at public and private
16 colleges. This includes roughly \$650 million
17 for students attending public colleges, and
18 over \$300 million for students attending a
19 private college.

20 Governor Cuomo's 2017-2018 Executive
21 Budget continues full support for all
22 existing state grant and scholarship
23 programs, reintroduces the DREAM Act, and
24 proposes bold new actions to further

1 alleviate financial barriers to obtaining a
2 college degree in New York State.

3 The Executive Budget includes the
4 Excelsior scholarship to make college
5 tuition-free for New York's middle-class
6 families at all SUNY and CUNY two- and
7 four-year colleges. This proposal enables
8 students from households with incomes of up
9 to \$125,000 to attend a public college
10 tuition-free, ensuring that all New York
11 State students have access to a quality
12 education and the skills needed to succeed in
13 today's global economy.

14 To reduce the total cost of earning a
15 degree, recipients must be on-track to
16 complete their degrees in two years, for
17 those pursuing an associate degree, or four
18 years, for those pursuing their
19 baccalaureate. This program effectively
20 leverages our very generous Tuition
21 Assistance Program, coupled with other aid
22 sources, to cover tuition for over 200,000
23 students.

24 To stem the surging rise in tuition

1 costs, the Governor has also proposed actions
2 to make all colleges in New York State
3 accountable for the cost of getting a degree
4 at their institutions. Beginning in
5 2018-2019, only colleges that maintain annual
6 tuition rate increases below \$500, or the
7 three-year average of the Higher Education
8 Price Index, whichever is greater, will be
9 eligible to participate in TAP.

10 Colleges whose annual tuition increase
11 exceeds the threshold would be ineligible to
12 receive TAP for students newly entering their
13 campuses. No existing students would be
14 impacted by this proposal.

15 The Governor has been a champion for
16 students seeking a college education every
17 year since taking office, increasing state
18 support for higher education by \$1 billion
19 since 2012. Under his leadership, New York
20 has implemented an unprecedented number of
21 new student financial aid programs and
22 initiatives, including the STEM Incentive
23 Program, the New York State Get on Your Feet
24 Loan Forgiveness Program, the Masters in

1 Education Teacher Incentive Scholarship, and
2 the New York State standard financial aid
3 award letter. His recommendations for higher
4 education programs continue to pave a path to
5 an affordable and high-quality college
6 education.

7 The 2017-2018 Executive Budget enables
8 HESC to continue administering an array of
9 programs and services that support the
10 attainment of a college degree for all
11 New York State students. On behalf of
12 Governor Cuomo, HESC is pleased to play a
13 vital role in providing New York State
14 students with a gateway to a successful
15 college career.

16 Thank you, and I'd be glad to answer
17 any questions.

18 ASSEMBLYWOMAN GLICK: Thank you very
19 much. I actually have several questions.

20 First of all, you are potentially
21 faced with a new program, the Excelsior
22 program. And by the Executive's estimate, it
23 seems that they are envisioning about 30,000,
24 35,000 students being eligible for this. Do

1 you have the capacity to administer such a
2 new, large program?

3 ACTING PRESIDENT MAGEE: Yes, we would
4 be -- HESC is ready and able to implement a
5 new program for the Excelsior scholarship,
6 yes.

7 ASSEMBLYWOMAN GLICK: You indicated in
8 your testimony that this determination by the
9 Executive that any school that increases its
10 tuition by more than \$500 or the three-year
11 running HEPI index would be ineligible for
12 either Bundy Aid or TAP. You said no
13 existing students would be impacted by this
14 proposal, but what about students going
15 forward?

16 ACTING PRESIDENT MAGEE: The
17 taxpayer -- what we call the tuition
18 accountability program would be to encourage
19 colleges to limit their costs so that they
20 can limit the tuition increases, which is a
21 benefit to students and families across the
22 state.

23 ASSEMBLYWOMAN GLICK: Well, I
24 understand that, and that's certainly

1 laudable. We -- I'm just curious about the
2 notion that TAP is capped out at \$5,165
3 currently. It has always been an eligibility
4 that follows the student, so students who
5 receive TAP never have their ambitions or
6 opportunities imposed upon by the state. The
7 state says if you're income-eligible and you
8 maintain your certain grade level, you can go
9 to College A, B, C, D, whatever.

10 This is implying that we would say,
11 you know what, you can go to A, B, and C, but
12 we don't want you to go to D or E -- even
13 though, regardless of the tuition, all we
14 would be spending is the \$5,165, regardless
15 of where they go, and in many instances mark
16 down their tuition for students who are
17 TAP-eligible.

18 So I'm just trying to understand why
19 in this year there is a determination to
20 change the basic rule of TAP, which is that
21 if you're eligible, you get the dollars, and
22 you spend them where you and your family want
23 you to go. And it may be that you want to go
24 to a school that's relatively close to home,

1 and there's no public university in that
2 region.

3 Why would we be today, all of a
4 sudden, changing a basic tenet of TAP,
5 especially when it does not change what the
6 TAP award would be to any one student? So
7 that if some school, because of lower
8 enrollment and the need to charge \$550 more,
9 then all of a sudden that school -- and all
10 of the students who wanted to go to the
11 school -- are penalized? Is this an attempt
12 to drive certain schools out of business?

13 ACTING PRESIDENT MAGEE: No, this is
14 not about competition or to drive private
15 schools or any other school out of business.
16 It's about college affordability. And this
17 is the Governor's attempt to try to rein in
18 the exorbitant growth in college tuition
19 rates. So colleges can choose to behave,
20 students can choose to attend a college, but
21 the colleges -- we're trying to spur them to
22 consider the rates at which they're
23 increasing tuition, so that students can
24 really afford to go there as well.

1 spend, so these are the eligibility
2 requirements, and therefore we're going to
3 pay for your whole thing, we're going to pay
4 for it all?

5 TAP doesn't pay for it all. TAP, for
6 many families who are making \$60,000,
7 \$70,000, what's that average? I know that
8 there are lots of variables -- how many kids
9 may be going to school and so on -- but what
10 is the average award that some family gets if
11 they're in that \$60,000 or \$70,000 area?

12 ACTING PRESIDENT MAGEE: I think once
13 we get to \$60,000 to \$70,000 for TAP, they
14 would be at the minimum, \$500. So there
15 would be a large tuition gap that needs to be
16 filled for those students, which the
17 Excelsior scholarship would then be able to
18 fill.

19 ASSEMBLYWOMAN GLICK: So for all the
20 students, regardless of -- because this has
21 been pitched as students -- we're raising
22 sort of the TAP top number from 80, first to
23 100 and then 125.

24 So for any of those families who are

1 saying I'm only getting about a thousand
2 dollars worth of TAP, everybody's going to be
3 made whole all the way down the line?

4 ACTING PRESIDENT MAGEE: Yes. But you
5 have to understand that tuition gap starts at
6 a much lower income level, so you're really
7 helping students from incomes probably
8 ranging from \$35,000 to \$40,000.

9 ASSEMBLYWOMAN GLICK: Right. But
10 we're going to, with -- because the numbers
11 I've seen refer to this as like 32,000
12 students. Aren't there a lot more students
13 who are receiving TAP?

14 ACTING PRESIDENT MAGEE: The program
15 considers that, yes. We have very generous
16 state financial aid programs that currently
17 students are recipients of. But then we're
18 also encouraging on-time completion. The
19 difference between TAP and the Excelsior
20 scholarship is that we're encouraging a
21 change in behavior, on-time completion.

22 Right now, for the TAP program, we
23 receive 30,000 applications a year from
24 students who have actually exhausted their

1 eligibility because they're taking
2 12 credits. For those remaining years, that
3 means someone who's pursuing an associate's
4 degree is applying for a fourth year of TAP,
5 and someone who's pursuing a bachelor's
6 degree is applying for a fifth year of TAP,
7 for which they're not eligible. So they
8 don't have a degree, and they don't even have
9 TAP to continue paying their tuition.

10 ASSEMBLYWOMAN GLICK: I appreciate
11 that, so I'm just trying to understand.
12 Right now you may have students who are --
13 maybe they're taking 12, that's a baseline,
14 but many of those students may be taking
15 15 credits. That's -- the eligibility is at
16 12, but they may be taking 15.

17 And they are -- I'm trying to
18 understand. This program is prospective, is
19 that correct? Meaning that if you're
20 currently receiving TAP and you're in your
21 junior year, will you be eligible for
22 Excelsior?

23 ACTING PRESIDENT MAGEE: You will. If
24 you are on track to complete in four years,

1 you will be eligible, yes.

2 ASSEMBLYWOMAN GLICK: Okay, so here's
3 where I don't understand how the numbers add
4 up. If we have -- how many kids are getting
5 TAP in general?

6 ACTING PRESIDENT MAGEE: Roughly
7 350,000.

8 ASSEMBLYWOMAN GLICK: Right. So let's
9 say that, just for argument's sake, half of
10 them, 175,000, are above the -- they're in
11 that middle range of \$50,000 to \$70,000.
12 They're getting \$1,000, \$1,500 now. We're
13 going to give them free tuition up to 6475 or
14 whatever it is --

15 ACTING PRESIDENT MAGEE: 6470.

16 ASSEMBLYWOMAN GLICK: That gap is now
17 going to be filled. It's going to be filled
18 for all those students, plus anyone going
19 forward is going to be eligible -- who were
20 never eligible before in that 80,000 to
21 100,000. So that's going to be the full ride
22 of 6450.

23 So I just don't understand how the
24 numbers add up, is my problem, because I see

1 that in the first year it goes up to
2 \$100,000, and that presumably is the 32,000
3 that you're anticipating. So I just don't
4 see how that number plus everyone who is only
5 getting a small portion of their tuition
6 being paid, how that -- how the numbers work.

7 ACTING PRESIDENT MAGEE: Again, it's
8 an on-time completion program. Right now at
9 our community colleges, I believe the number
10 is about 10 percent or fewer than 10 percent
11 of students earn their two-year degrees in
12 two years.

13 So again, when you consider that the
14 students must be -- the students who are
15 currently in school must be on time and on
16 track to complete or else they would not be
17 eligible. So there's a number of students.
18 But again, the purpose for the program is to
19 encourage a change in behavior. So we don't
20 want to continue to see less than 10 percent
21 of community college students graduating on
22 time and incurring that additional debt to
23 get a two-year degree or a four-year degree.

24 ASSEMBLYWOMAN GLICK: So all of the

1 moms and dads across New York State sit down
2 Junior and say, By God, you can go, we don't
3 have to struggle anymore, you're going to
4 take enough credits, you're going to do your
5 work, and you're going to finish on time?
6 Then the numbers don't work, right?

7 ACTING PRESIDENT MAGEE: If that's --
8 that's what we hope to get to, but that's not
9 where we are currently.

10 ASSEMBLYWOMAN GLICK: But that's the
11 behavior modification we are looking for.

12 ACTING PRESIDENT MAGEE: Yes.

13 ASSEMBLYWOMAN GLICK: And if we get
14 that all of a sudden, then maybe the numbers
15 don't work.

16 ACTING PRESIDENT MAGEE: But again, as
17 you bring new students in, you're bringing
18 new students who would be eligible for TAP,
19 and again would have their full tuition
20 covered between TAP and other sources of
21 financial aid as well. So the Excelsior
22 scholarship won't pick up necessarily a
23 hundred percent of the cost as you bring in
24 new enrollments.

1 ASSEMBLYWOMAN GLICK: Right, it only
2 picks it up for those who are at the higher
3 income levels, because they're not eligible
4 for anything else. So this actually provides
5 for that cohort a full ride, whereas we will
6 see a decreasing cost for Excelsior as
7 more -- as you go down the scale. But you
8 still have -- you're still going to make
9 everybody whole. Right?

10 ACTING PRESIDENT MAGEE: Mm-hmm. But
11 again, those at the higher income levels also
12 have the ability to get merit-based aid.
13 It's not just need-based aid that's in the
14 equation. So we want them to take advantage
15 of all free aid that's available to them and
16 not leave money on the table.

17 ASSEMBLYWOMAN GLICK: Right, everybody
18 has to be a genius and get what they can.
19 Great.

20 Now, I am asking you this not because
21 this was on -- necessarily on my list, but I
22 was asked over Twitter a question, and it was
23 for students who predate the 2014 Get on Your
24 Feet Loan Forgiveness Program. How are we

1 going to start this new sort of free program
2 when you have students who have really, in
3 their view, done everything right, but have
4 huge amount of loans and are the ones who --
5 they've -- they're out, and they are not --
6 they need some help too? So they're asking
7 me, how can you start like free for some
8 students when I just am going to have this
9 burden and I need access to this other
10 program? Is there any talk about expanding,
11 improving, helping others who are perhaps, at
12 some income level, struggling with their
13 debt, that their loan forgiveness would -- is
14 there any thought about assisting earlier
15 students from the year or two before?

16 ACTING PRESIDENT MAGEE: Again, our
17 agency does not set the policy on what that
18 initial date is, but that is something that
19 there could be discussions between the
20 Legislature and the Governor.

21 ASSEMBLYWOMAN GLICK: Thank you.

22 CHAIRWOMAN YOUNG: Thank you,
23 Assemblywoman.

24 And welcome, Executive Vice President

1 Magee. We're so happy to have you here
2 today.

3 I wanted to explore quite a few
4 things, but Assemblywoman Glick had asked you
5 about capacity issues, and you just said yes,
6 absolutely, or something to that effect. But
7 how do you know that? What is the projected
8 increase of students on our campuses -- and I
9 asked this question earlier of Chancellor
10 Zimpher. But right now we have a lot of
11 infrastructure needs, we literally have some
12 buildings on campuses and infrastructure
13 falling apart.

14 So I was wondering if you could
15 explain that a little bit more to us as to
16 how you know what the capacity will get to,
17 number one, and how you come to the figure of
18 163 -- or how does the Governor come to the
19 figure of a \$163 million cost for this
20 program?

21 ACTING PRESIDENT MAGEE: I believe the
22 question that she asked of me was whether as
23 an agency we can administer the program for
24 the number of students, and yes, we

1 administer -- actually, for this program, for
2 students who are TAP recipients, they would
3 not need to complete another application. So
4 it would be very simple, just add a question
5 if they're interested in applying for the
6 Excelsior scholarship.

7 So administratively, from our agency,
8 we can certainly implement this new program,
9 and it's a very worthwhile program.

10 CHAIRWOMAN YOUNG: If you're
11 administering the program, my question is
12 then you need to know what the actual influx
13 of students is going to be. And I have to
14 imagine that it's going to be quite large.
15 Anytime anything is billed as being free,
16 there's a lot of -- understandably, a lot of
17 interest in that program.

18 And so I was just wondering, are there
19 studies going on, is there some kind of
20 quantitative analysis that has been done to
21 educate the Legislature about how many
22 students this actually entails? And that's
23 related to cost, of course, and that will
24 dovetail into that. But we've got a lot of

1 decisions to make between now and March 31st,
2 and there seems to be a sparsity of actual
3 details on this. So I was hoping that you
4 could enlighten the Legislature about those
5 issues.

6 ACTING PRESIDENT MAGEE: I understand
7 that there are conversations underway with
8 staff, but I would again be glad to sit down,
9 you know, at any time with members to go
10 through the numbers in specific detail.

11 But again, the factors that drive the
12 cost are again that we provide very generous
13 tuition support to students. We always have.
14 Through the TAP program, we provide
15 \$1 billion in tuition awards to students. So
16 \$1 billion is already going out the door for
17 students to support college costs.

18 Then, as the Governor has with this
19 program, as we do with all of our other
20 programs, we require that students do not
21 leave any free money on the table before they
22 go the last mile through this program. So
23 students are taking advantage not only of
24 state financial aid, but they're also looking

1 at other scholarships that they're eligible
2 to receive before we say, okay, now you have
3 this much that's remaining.

4 And it's the shrinking of the total
5 outstanding balance by taking advantage of
6 financial aid that some students are not
7 applying for. I think it was Chancellor
8 Zimpher who also mentioned the last
9 statistics that I saw, that 25 percent of
10 households that would be eligible for
11 financial aid do not complete the FAFSA.

12 So this is encouraging many changes in
13 behavior that drive people to get financial
14 aid that's already available to them that
15 they're just not utilizing. So that, all
16 coupled together, will help to shrink down
17 the total size of the cost of the degree.

18 CHAIRWOMAN YOUNG: Thank you.

19 We're welcoming Jim Malatras from the
20 Governor's office. So thank you for coming
21 today, Jim. We appreciate it.

22 MR. MALATRAS: Thank you, Senator.
23 I'm looking for new internship opportunities
24 that I heard HESC was offering, so ...

1 CHAIRWOMAN YOUNG: I'm sorry?

2 MR. MALATRAS: HESC was offering new
3 internship opportunities, so I'm here today.

4 (Laughter.)

5 CHAIRWOMAN YOUNG: You make a great
6 entrance for sure. So thank you for that.

7 Maybe, Jim, you could add to that
8 question. Did you hear it?

9 MR. MALATRAS: I did not hear the
10 question, Senator, I'm sorry.

11 CHAIRWOMAN YOUNG: So I had a question
12 about capacity issues. And, you know,
13 obviously, if a program is offered for free,
14 there's going to be a great deal of interest
15 in it. And right now on campuses, we have --
16 you know, the Senate and the Assembly both
17 put forward five-year capital plans for the
18 SUNY system. We passed it in 2015, the
19 Governor vetoed it. Literally, we have
20 buildings that are falling down in some of
21 our campuses. So we have a lot of
22 infrastructure needs.

23 So I'm just wondering how the Governor
24 came up with the figures of how this program

1 will be utilized, what is the capacity, and
2 how you address some of the infrastructure
3 needs. And the fact that the TAP gap is a
4 major strain on the SUNY budgets. They'll
5 have to make up those costs somehow. So I
6 believe that SUNY has been underfunded over
7 the past several years, so there are a lot of
8 questions about how we can afford this and
9 what it will actually cost.

10 MR. MALATRAS: Thank you, Senator, for
11 allowing me to sit here today. There's a lot
12 of questions in that.

13 The first part is -- I'll get to the
14 capital piece in a second -- free tuition, in
15 the Governor's mind, doesn't mean the
16 cheapening of higher education. Just because
17 it's now a free offering of tuition means you
18 still have to meet admissions requirements,
19 GPA requirements, and the like.

20 There are capacity issues in some
21 schools; they're not allowing kids in now.
22 If there are not capacity issues, they'll let
23 them in. That's not going to change the
24 schools or put pressure on the schools to

1 allow more kids.

2 On the capital side, I think we've
3 done a lot in this budget, and Robert Mujica,
4 the budget director, can speak more to that.
5 But that plus SUNY 2020 and other programs on
6 the capital side, we've been trying to build
7 that capacity at our SUNY and CUNY campuses.

8 On the numbers of how we got to what
9 we got, I know there's been a lot of
10 questions -- is 163 the right number, not the
11 right number? It's an as-of-right program,
12 right? So more kids come, they get accepted
13 to the schools, they get offered; they'll be
14 accepted and the state will pay for it, under
15 our proposal. There's not a lot -- we think
16 our number is right because we do the TAP
17 gap, Pell gap, this is the last mile, as we
18 call it, program.

19 But there's not a lot to go on, you're
20 right. Historically there's only two states,
21 Oregon and Tennessee, that offer free
22 tuition, and that's for community colleges.
23 No state does four years plus two years.
24 They saw an increase of about 25 percent of

1 enrollment. We build in about 10 percent,
2 because they also don't have a robust TAP
3 program like the State of New York already
4 has, which allows many kids to go to school
5 tuition-free already. So we've built in
6 about a 10 percent cushion. Is that
7 11 percent, 15 percent, 8 percent? We don't
8 know. We'll have to adjust based on that.

9 But on capacity, we don't think free
10 means cheap. We think free means giving kids
11 more access to higher education, more
12 opportunities to go to college, because it's
13 no longer -- it's a necessity, it's not
14 something that you can go without any longer.
15 And we'll have to adjust if there's now
16 capital needs. In addition, we'll have to
17 adjust as that goes along too.

18 But we've done a robust capital
19 program in this year's budget also for SUNY
20 and CUNY.

21 CHAIRWOMAN YOUNG: Well, thank you for
22 that answer. And I would point out that SUNY
23 actually asked for \$800 million in capital
24 over the next five years. I know the

1 Governor's proposal has \$500 million
2 included. So there's quite a shortfall there
3 as to fulfilling the capital needs of the
4 campuses.

5 So one of the concerns I have is that
6 it seems that the community colleges are cut
7 under the Governor's proposal, and
8 Chancellor Zimpher, when she testified
9 earlier, told us that, well, if they're over
10 capacity in the SUNY system, a lot of those
11 students would just go to community colleges.
12 And I'm just curious about that fact, because
13 how can they sustain an influx of new
14 students if their funding is cut?

15 MR. MALATRAS: It's interesting on the
16 community college side, because you get an
17 education every day doing this. Community
18 college funding is actually down, not as a
19 result of state cuts, but as an enrollment
20 decline. Right? So some of the -- many of
21 our community colleges are seeing declining
22 enrollment, so they could build more capacity
23 under this program.

24 What we've tried to do on the funding

1 side for community colleges, which is a
2 little different, in this year's budget we
3 include the Job Linkage Program still, which
4 is to take some of that delta of decline,
5 even though they're not eligible for that
6 money because the students have gone down,
7 the enrollment has gone down. We're taking,
8 I believe, \$5 million of that and saying
9 we'll still give that to community colleges
10 if you meet certain performance metrics -- I
11 think it's \$3 million for SUNY, \$2 million
12 for CUNY.

13 So the funding piece on the community
14 college side, you're actually seeing
15 declining enrollment. Hopefully under the
16 Excelsior scholarship, that this helps build
17 some capacity back, back in our community
18 colleges, which will help with the funding
19 side. Because as Chancellor Zimpher likes to
20 say, more butts in the seats means it's
21 better for the schools. So we hope it helps
22 to build the capacity, actually.

23 CHAIRWOMAN YOUNG: Thank you.

24 Another issue of concern is the

1 opportunity programs, and the Governor cut
2 those in his Executive proposal. But there's
3 a great possibility that we may have other
4 opportunity program students that may need
5 that assistance. So already we're denying
6 these services to a large number of students
7 in the state, under the Governor's construct.
8 And on top of it, what do we do about the
9 additional students that may be eligible?

10 MR. MALATRAS: Thank you, Senator.

11 I think on the opportunity programs,
12 we are at significant levels. We think the
13 opportunity programs are very important. I
14 think the part we took out this year was the
15 legislative add from last year, even though
16 we've kept previous legislative adds built
17 in.

18 So of course we'll work with the
19 Legislature. The Assembly and the Senate
20 have been advocates on the opportunity side,
21 and we've done a lot ourselves on providing
22 new pathways of opportunity for many
23 students, including our disadvantaged
24 students. The Early College High School

1 program, for one, has been extended in this
2 budget, which is exactly the type of pipeline
3 we are supposed to be creating for some of
4 these disadvantaged kids, where you're in
5 high school and you're also getting a free
6 college degree with a job at the end of it.
7 We've increased that funding.

8 So there's other funding pots that
9 we've done on, quote, unquote, opportunity
10 programs. I think the ones you're
11 specifically referring to are the legislative
12 adds that we've cut. But this is the
13 beginning of the budget cycle, and we'd love
14 to work with the Legislature on that.

15 CHAIRWOMAN YOUNG: Thank you.

16 But we will agree that there may be
17 more students who may need opportunity
18 programs under the Excelsior program;
19 correct?

20 MR. MALATRAS: I think any way you can
21 give more tools to any students in their
22 toolbox is important. I think Chancellor
23 Zimpher and even Chancellor Milliken have
24 mentioned this in previous testimonies -- I

1 don't know if it was this year -- some
2 students don't even fill out their FAFSA
3 forms; right? They don't even fill out the
4 forms to give them financial assistance to
5 let them go to college at a reduced cost.
6 Even on that level, we need to give those
7 tools to kids. So the more ways we can
8 enhance a student's performance throughout a
9 college career, we'll work on doing that.

10 CHAIRWOMAN YOUNG: Thank you.

11 So again, you know, I guess -- do you
12 have some kind of report or study that you
13 did to come up with the figure of
14 \$163 million? Is that something that you
15 could share with us?

16 MR. MALATRAS: I think our budget
17 office has worked with both finance offices
18 of the Senate and the Assembly. We'd be glad
19 to share how we came down -- I think they
20 went line by line. And we've also included
21 our assumptions. Like I said, we built in
22 like a 10 percent increase based on Oregon
23 and Tennessee, which saw double an increase.
24 But that's largely because they don't have

1 TAP.

2 So we walked -- I think we've walked
3 our finance teams through those assumptions.
4 Is it totally right, totally wrong? We don't
5 know. Will there be more enrollment growth,
6 less enrollment growth? We don't know. But
7 as-of-right program, it could be a little
8 more expensive.

9 But yes, those numbers have been
10 shared and we'll be glad to give any office
11 or member the information also.

12 CHAIRWOMAN YOUNG: Thank you.

13 I think there are a lot of questions
14 as to how the program actually will operate.
15 So, first of all, is there a residency
16 requirement, or will people be moving to
17 New York State to take advantage of free
18 college tuition? Which, as you know, is a
19 major concern.

20 I know the Governor's been concerned
21 over tax hikes over the past several years,
22 and reducing the tax burden in New York. And
23 I think there's some concern about people
24 moving here -- because certainly, if this is

1 the first state in the country to offer free
2 college tuition, I have to imagine that that
3 would be very attractive to other people,
4 especially because of the excellence of our
5 higher education institutions that we have
6 here in New York.

7 So don't you think that that would
8 attract other people, on the backs of the
9 taxpayers of our state? And how would you
10 address that?

11 MR. MALATRAS: I'll say this. The
12 program works like other financial assistance
13 programs. You have to be a resident, but
14 that takes a year to become a resident,
15 right? So it's not as if tomorrow you can
16 walk into the State of New York, you get free
17 tuition. It follows like TAP and other sort
18 of financial aid programs.

19 The second piece is the State
20 University system and the City of New York
21 system already is a tremendous bargain for
22 people. We get people coming from other
23 states who pay the out-of-state tuition;
24 sometimes they become residents after the

1 year and they go in-state.

2 Our tuition, compared to our sister
3 public systems in Pennsylvania or other
4 places, it's much more inexpensive already.
5 So it's a bargain to go to school for \$6400
6 on the four-year side or \$4300 or \$4400 on
7 the community college side already. This
8 added benefit I don't think is going to be a
9 tipping point.

10 We follow the same residency
11 requirements, you have to be a resident for a
12 year in order to qualify for all the
13 financial aids, right? It won't work if you
14 get the Excelsior program but you can't get
15 TAP, right, because this is the last-mile
16 program. And at the end, we love to have
17 more people coming into New York, seeing the
18 great things in the State of New York, the
19 quality education. Hopefully they stay here
20 because we're doing soup-to-nuts economic
21 development, education to economic
22 development.

23 But I think the program works like
24 other similar financial assistance programs.

1 You don't see -- we were concerned about that
2 too. You don't see the, quote, unquote,
3 gaming of the system now under the financial
4 assistance programs. What you do see is
5 people want to come here to a Stony Brook or
6 a UB or a Buffalo or a Potsdam or an Oswego
7 or a Hunter College because the tuition is
8 low, the faculty is excellent, and we have
9 quality education across the state.

10 CHAIRWOMAN YOUNG: I will tell you
11 many of my classmates, when I was growing up
12 and graduated with, they wanted to go to
13 another state system. They would go there
14 for a year and, you know, maybe goof off or
15 work, and then they could qualify for lower
16 tuition rates. So I don't think that that's
17 unheard of.

18 Is there any residency requirement
19 after a student graduates?

20 MR. MALATRAS: There is not, under
21 this program, like other financial assistance
22 programs. We as a policy matter thought it
23 was important to offer up, broadly, the
24 access points. And if people after

1 graduating, as a New York State resident for
2 all of their lives, wanted to go to Europe
3 for two years and come back, we didn't want
4 to limit, under this program, access to the
5 students that go.

6 There have been other scholarship
7 programs that exist -- the STEM program --
8 obviously that do require a residency
9 requirement. But in this case we think it
10 was important to cast a broad net to allow
11 people to have the chance to take advantage
12 of the program.

13 CHAIRWOMAN YOUNG: Is there any
14 academic requirements associated with the
15 Excelsior program?

16 MR. MALATRAS: There are not. But
17 it's like other academic financial aid, it's
18 largely based on one's income. But the
19 schools offer, you know, other assistance for
20 other -- you know, textbooks and room and
21 board. There's GPA requirements for other
22 scholarship programs that we're not changing,
23 but there's none in this program.

24 You have to be -- you can't get

1 admitted, though. Stony Brook's not going to
2 lower their admissions requirements just
3 because of this program. There can be robust
4 admissions requirements still. And you have
5 to maintain a certain GPA to maintain -- you
6 have to stay in school, right? This doesn't
7 say you can go to college tuition-free, get
8 zeros across the board for a year, and remain
9 in the program. If you're not qualifying to
10 remain in school under the current rules,
11 you're no longer a student at the school.

12 CHAIRWOMAN YOUNG: Thank you.

13 Do you think that there's a
14 misunderstanding out there with the public
15 that they think this is totally free?
16 Because obviously room and board and other
17 fees are not included under this proposal.
18 And I'm not really sure right now what the
19 room and board is at various campuses, but
20 it's still thousands of dollars, probably at
21 least \$6,000 or \$7,000.

22 MR. MALATRAS: What we thought -- yes,
23 room and board at SUNY is about \$12,500.
24 Don't quote me on that.

1 What we thought was important here
2 is -- there are a couple of good things.
3 One, to highlight the fact that New York
4 State already has a very robust Tuition
5 Assistance Program that's almost unparalleled
6 to other states. The TAP program is second
7 to none.

8 We do have a last-mile program where
9 kids are not meeting that financial need
10 tuition-wise, so they're either going to
11 school a little bit longer or taking a job
12 where they can't complete -- and that's
13 driving debt. So we wanted to lower the
14 debt, yes, but we also wanted to have
15 students to still have some skin in the game
16 too. Right? Tuition-free doesn't mean you
17 can go get a free degree and that's it. You
18 have to earn your degree, and there are other
19 costs associated with going to a SUNY or CUNY
20 school, as a motivating factor to graduate
21 kids on time.

22 And I know there's been some
23 discussion, if I may, on the credits. It's
24 written into the rule -- we want it to be

1 full-time, because we want the completion
2 rates to go up, right? Four-year completion
3 rates at SUNY, in our public systems right
4 now, are about 39 percent, four-years
5 graduation rates. Two-year graduation rates
6 are about 9 percent at our community
7 colleges. We want to elevate and raise the
8 graduation rates. We want to get the kids in
9 on time, we want to graduate them so they
10 lower their debt, lower their overall costs.

11 But there are provisions in our bill I
12 think that could be worked on. I think
13 Chairperson Glick has raised some concerns.
14 For instance, there's a stepping-out
15 provision. If there's a family emergency or
16 a family need where you have to step out of
17 the program for a year, we don't penalize
18 you. The clock starts again when you come
19 back in.

20 There's also, in the law, wiggle room
21 for -- because that may be 15 credits,
22 15 credits. So you take 18 credits one
23 semester, and 12 credits another semester.
24 There's ways of working that out to be

1 full-time. But if there's other ideas on
2 that, too, we want to work on those ideas
3 with you. The important part for us was
4 full-time, complete on time, as opposed to
5 languishing in our programs longer.

6 So thank you for listening.

7 CHAIRWOMAN YOUNG: So thank you for
8 that.

9 What would occur if a student changed
10 his or her major? Because oftentimes that
11 requires extra time. And also there are
12 instances, unfortunately -- and I don't know
13 how common they are, but my own nephew had to
14 go to school an extra year at a SUNY college
15 because he was misadvised on which courses to
16 take. So what would happen in those
17 instances?

18 MR. MALATRAS: The eligibility is for
19 four years for four-year schools and two
20 years for two-year colleges.

21 You must know about my college
22 experience. I changed majors probably 96
23 times. I graduated in three years, still --
24 took a little work there.

1 But no, it would be limited out, so
2 you would get a tuition cost.

3 There are other programs, though, that
4 we are exploring too, where if there's a
5 problem on the advising side or on the
6 college side itself, where the student is
7 held harmless. UB's program, Finish in Four,
8 is a very interesting program to us, and I
9 think many of you must know about it, where
10 it is -- if they can't offer you the
11 coursework or there is a problem with
12 advisement, the school will hold you harmless
13 on the incentive that you are offered to
14 finish your college, because you may be a
15 half a semester past four years.

16 So we can explore those types of
17 things too. But this is timed out to four
18 years and two years as a benefit.

19 CHAIRWOMAN YOUNG: I only changed my
20 major three times, so you're way ahead of me.

21 But, you know, I remember semesters
22 where I was taking 21 credits. What if a
23 student wanted to take more than just the
24 basic 15 credits per semester?

1 MR. MALATRAS: Nothing stops, under
2 this. It would still be tuition-free. I
3 mean, yeah, I averaged about 20. So it would
4 still be tuition-free. You wouldn't need the
5 extra year in some level, right?

6 I graduated in three years, so you'd
7 lose the room-and-board year and paying for
8 the fees and things. So that was how I saved
9 dollars for myself.

10 CHAIRWOMAN YOUNG: So let's switch to
11 the independent colleges.

12 And you know my district very well,
13 Jim, and I am very fortunate, I represent
14 three private colleges.

15 One is Houghton College, a private
16 institution founded in 1883. They have been
17 coed since Day 1.

18 I have St. Bonaventure University, of
19 which I'm a proud alumni. I actually went to
20 SUNY Fredonia for two years before I changed
21 my major and went to St. Bonaventure, a
22 strong focus on Franciscanism and diversity
23 programs, founded in 1858.

24 Then Alfred University, which you're

1 aware of, because we have a state-school
2 component of that through the Ceramics
3 College. I just want to read you a couple of
4 facts about Alfred University. They were
5 founded in 1836. They have been a coed
6 institution, both genders, since its
7 inception at that time.

8 And even before the Civil War, and
9 certainly before other institutions in
10 New York State and the nation,
11 Alfred University admitted African-Americans
12 and Native Americans. So they've been way
13 above the curve, ahead of the curve.

14 And most of their students -- for
15 example, in 2016, 80 percent of their
16 incoming first-year students came from
17 families with an adjusted gross income of
18 less than \$130,000. They aren't serving
19 elite students, they are serving everyday
20 New Yorkers. And over the past 10 years, an
21 average of 83 percent of the first-year
22 students have come from families, as I said,
23 below \$130,000. So they're doing their part.

24 And right now, by the way, 26.5

1 percent of all students at Alfred University
2 have identified themselves as minority
3 students.

4 So I'm very concerned, because these
5 three institutions, two in Allegany County,
6 the second-poorest county in the state, and
7 one in Cattaraugus County, which is the
8 third-poorest in the state -- they are not
9 only major drivers of knowledge and
10 education, cultural opportunities, collegiate
11 sports, but also economic factors. They are
12 major employers in rural parts of the state
13 that are suffering already from lack of jobs.

14 So my question is -- and I believe
15 that we'll hear testimony later today from
16 the independent colleges -- that they believe
17 that the Excelsior program jeopardizes them
18 and puts them at a real disadvantage. And
19 when you pile on top of it the restriction of
20 the Bundy Aid, the penalty that's included in
21 the Governor's budget, basically it's
22 untenable to them and a major cause of
23 concern. If any of those colleges or any of
24 the other independent colleges go out of

1 business anywhere in the state, it's going to
2 be a major loss to our state.

3 So I was hoping that you could address
4 that, because I am deeply concerned about the
5 position that the independent colleges are
6 put in.

7 MR. MALATRAS: Thank you, Senator.
8 It's the old adage, one side says the
9 proposal is too hot, and the other side says
10 the proposal is too cold. \$163 million can't
11 possibly cover enough to pay for these kids;
12 on the other side, \$163 million is going to
13 tip the entire system over, is sort of what
14 we're battling with. So we think we're sort
15 of right.

16 I think under the Governor's previous
17 six budgets, this being his seventh, and what
18 you've passed in your budgets, we're
19 extremely happy about having a broad array of
20 choices for students in this state, privates
21 and publics. In our budget this year, with
22 HECap, Bundy Aid and TAP, \$400 million
23 already go to our private institutions of
24 state incentives, which is not an

1 insignificant amount of money. I believe
2 except for Texas, the State of New York
3 provides more public financial assistance to
4 private and independent universities in the
5 nation. Right now, about 90,000 kids get
6 TAP, state-subsidized tuition, to go to
7 private schools.

8 That doesn't change. None of that
9 changes, we're not changing it. We have some
10 new requirements on tuition increases. The
11 industry, the higher education world, is
12 changing rapidly. I don't want to speak to
13 that today. I think some of the schools that
14 you're referring to have faced financial
15 issues for a long time now, and they should
16 speak to that. I don't want to speak to
17 their financial issues.

18 This is an incentive program. We
19 wanted to maximize our dollars to elevate the
20 opportunities for as many kids as possible to
21 get a college education. And the way we
22 could do that was on the public school side.
23 When the average tuition for a SUNY school is
24 \$6400 and the average tuition for a private

1 school is \$34,000, we simply can't make up
2 that delta on the state side, nor should we.

3 But if students do want -- and there's
4 a lot of students that want to go to private
5 schools, we will continue the TAP program.
6 That's a robust -- it's about \$300 million
7 that goes to kids to go to private schools
8 now. Bundy Aid and HECap, that's a very
9 generous thing. But we wanted to maximize
10 the opportunities. And to make that work for
11 a \$125,000 level, it was focused on public
12 higher education, which was the SUNY and CUNY
13 systems.

14 The competition sort of is already
15 there, though, right? There are students
16 that want to go for the lower-tuition public
17 school option now, and there's some kids that
18 want to go to a private school, and either
19 the scholarships and other things don't work
20 or they do. And that's their choice. And we
21 don't want to hurt that choice. There are
22 other economic factors at play.

23 But I don't think this proposal is the
24 tipping point for those schools, and the

1 Governor and I think the Legislature should
2 be very proud of the fact that, you know,
3 close to a half a billion dollars a year is
4 going towards helping the private and
5 independent system now.

6 CHAIRWOMAN YOUNG: Right. And I
7 commend this Legislature, the Senate and the
8 Assembly. We have invested heavily in
9 college affordability programs, notably TAP,
10 for example. And in the Senate, we have
11 passed several packages of bills, under
12 Senator LaValle's leadership as chair of the
13 Higher Education Committee, to enhance
14 college affordability. So there are a lot of
15 proposals out there. And certainly the
16 Senate is very focused on that issue, because
17 we understand what families go through.

18 I think to say that, you know, kind of
19 dismissively that the \$163 million isn't
20 going to put any of these colleges over the
21 edge, I think, you know, really -- I would
22 hope that, you know, we would have further
23 discussions about that so that the Governor
24 and you can fully understand the situations

1 that these colleges are in.

2 So, you know, we look forward to
3 working with you along these lines, and I'm
4 sure we'll be hearing more testimony today.
5 So I want to thank you for your time, and
6 then I'll cede it over to Chairman Farrell.

7 MR. MALATRAS: Thank you, Senator.

8 CHAIRMAN FARRELL: Thank you.

9 Assemblywoman Simon.

10 ASSEMBLYWOMAN SIMON: Yes, thank you.

11 Yes, Ms. Magee, I have a question to
12 follow up on the hearing we had in November,
13 where we asked about the loan forgiveness
14 program, the Get on Your Feet loan
15 forgiveness program. And you were kind
16 enough to send some additional information
17 with regard to the number of people who had
18 applied but were rejected. And it appears
19 that about 2,000 people had applied, about
20 84 percent of them because they had graduated
21 prior to 2014.

22 I'm wondering if you have any further
23 data with regard to what that span of time
24 is. Like if -- they could have graduated in

1 1990 or they could have graduated in 2012,
2 for example. Do you have any sense of the
3 sort of time frames within which those people
4 graduated who were not eligible?

5 And then, secondarily, any ideas about
6 expanding that? Because I'm quite sure that
7 loan forgiveness is going to continue to be a
8 big issue. And I think it's a very important
9 policy issue that we need to work on. And
10 I'd appreciate it if you could address that
11 issue. And if not you, maybe Mr. Malatras,
12 you could.

13 ACTING PRESIDENT MAGEE: Just
14 factually, as far -- we can provide you the
15 data as to students up to a period of time
16 who applied, what year they actually
17 graduated from high school. But we've
18 changed our application so that if someone
19 checks that they actually graduated prior to
20 the eligible year, we won't see the
21 application at all. But we can get you our
22 experience up until the time that we were
23 continuing to accept applications from
24 borrowers who had already graduated prior to

1 2014.

2 MR. MALATRAS: Assemblywoman, we'll
3 work -- this program is something the
4 Governor proposed several years ago. I think
5 we're one of the only states in the nation to
6 offer 100 percent loan forgiveness to kids
7 coming out of college for two years, to let
8 them -- and to get on your feet just
9 literally, so you're not accumulating other
10 debt because you're paying off your student
11 loans. If there are ways to grant more
12 access to students, we'd be glad to work with
13 your office on this. We think this is a
14 national program that could really help a lot
15 more kids. So however we can work with you
16 on that, we would.

17 ASSEMBLYWOMAN SIMON: Yeah, I think
18 it's a great idea. I'm very happy that
19 New York is doing it. I'm just concerned
20 that we're not doing as much of it as we
21 could do. And so, you know, I wanted to
22 explore that further.

23 And then the other question I have is
24 about some of the features of the Excelsior

1 program, and in particular this issue about
2 15 credits. I'm curious what source or what
3 study was done to determine that this would
4 make sense, to increase the minimum credit
5 load to 15.

6 MR. MALATRAS: Some of it was 15
7 credits or 30 credits a year gets you to full
8 completion. So it's 120 credits for the SUNY
9 or CUNY system, which means you can graduate
10 in four years. That's how we got the math.

11 On the study, if you look at Inside
12 Higher Education or the Chronicle, which is
13 sort of the signature place where higher ed
14 looks for thought ideas, study after study
15 shows the more credits you take -- if you're
16 taking full-time credits, you will complete
17 on time, you will finish college, and you
18 will do better, as opposed to less. So we
19 can provide that to your office.

20 So academic studies have shown the
21 more you can incentivize completion on time,
22 the better kids do while they're going to
23 school and the higher grades they get, and
24 they actually do complete. And 15 was just

1 because it's 30 credits a year to get you to
2 120 in order to graduate in four years.

3 ASSEMBLYWOMAN SIMON: So we talked
4 earlier -- I think it was Senator Young asked
5 about the students stepping out and coming
6 back or the fact that somebody might take a
7 course during the winter break, for example,
8 and get 30 credits overall. And you've
9 indicated a willingness to be flexible about
10 that.

11 Another question that I have asked
12 previously and is a great concern to me is
13 our students with disabilities. And that is
14 that, as I gave an example earlier, I
15 graduated in less than four years. I
16 graduated in three-years plus because I
17 could, because I could read fast. And there
18 are lots of students for whom they can't go
19 through any faster. If they double up and
20 they -- you know, in order to get this
21 benefit of tuition assistance, they take
22 15 credits, they're going to end up either
23 dropping back in terms of their grade point
24 average or maybe dropping out or, you know,

1 having to drop a course and then losing that
2 funding.

3 So there are -- not every student,
4 certainly, but there are certainly students
5 who would need a reduced course load as a
6 reasonable accommodation. And I have a very
7 real concern that students like that could be
8 made ineligible because of their disability,
9 which I think would not be something that you
10 would want to do. And I'm curious what
11 thought has been given to that and how that
12 would be implemented.

13 MR. MALATRAS: What we built into the
14 program, and it may not be the perfect
15 language yet, is this hardship exemption for
16 just these cases. You don't want to
17 disadvantage kids that may have needs that
18 are different than the typical student -- I
19 don't mean pejoratively.

20 The question for us becomes, which
21 we'll have to work with the SUNY and CUNY
22 systems on, and we can get your ideas on it,
23 is how do you actually implement such a
24 hardship waiver or exception in a program,

1 campus by campus. Is that a -- as a policy,
2 how does that work? But we do have a
3 recognition that there are students that may
4 need enhanced services or more time on a
5 case-by-case basis, and how do you address
6 that. We address it in our proposal broadly,
7 but how that gets implemented -- you know, we
8 need to work with the systems. And there's
9 probably more we could do there, yes. That
10 was something that the Governor recognized as
11 a concern too, and something we'd like to
12 work with the Legislature on.

13 ASSEMBLYWOMAN SIMON: There's some
14 pretty strong disability services offices
15 that normally would handle that kind of thing
16 and would probably be very -- would have a
17 lot of the data that you would be seeking, I
18 would think.

19 Thank you.

20 CHAIRMAN FARRELL: Senator?

21 CHAIRWOMAN YOUNG: Yes, next we have
22 Senator Diane Savino.

23 SENATOR SAVINO: Thank you, Senator
24 Young.

1 Thank you, Ms. Magee, and Jim, for
2 coming over to provide some clarity on some
3 of the questions from the earlier testimony.
4 It appears that you might be the only person
5 who has the answers to all of the questions
6 that we've presented today about the
7 Excelsior program. If you were listening,
8 you heard the responses from the chancellor
9 from SUNY and from CUNY and even from State
10 Ed. There seems to be a lot of confusion
11 about who's eligible, what they would be
12 eligible for, whether or not disabled
13 students would be -- there would be an
14 exemption, if you step out, if you step in.

15 So I think before we go forward, they
16 need to be apprised of what the -- who would
17 qualify and under what circumstances if we
18 want this to work. We all want to support
19 the idea of tuition-free for students. And
20 so I want to ask a question because I'm a
21 little confused, because our Tuition
22 Assistance Program is really about providing
23 financial assistance to families based upon
24 their need. Because we all agree, as a

1 public policy matter, that a higher education
2 is important for not just a person's
3 individual growth and their economic growth,
4 but for the state, correct?

5 MR. MALATRAS: Correct.

6 SENATOR SAVINO: And we all know the
7 limitations of TAP, because it's means-tested
8 at a certain level and only students are
9 going to get it because of their family's
10 income. And so there's this gap of people
11 who don't qualify over a certain income
12 level. And so -- I mean, I personally and I
13 know the members of the IDC, we believe we
14 should just double the amount of TAP and
15 increase the length -- but, okay, we're here
16 to discuss the Governor's program.

17 In this program, though, it appears
18 almost as if we're punishing people over that
19 income level. Because I've heard said today
20 more than once that this is not just about
21 providing financial assistance, it's about
22 encouraging a behavioral change. So why
23 would we encourage a behavioral change only
24 among these students, requiring them to

1 complete school in four years, at 15 credits
2 at a time or they lose their funding, when we
3 don't have that behavioral change on students
4 at a lower income level?

5 So is it a financial assistance
6 program for families, middle-income families
7 who don't qualify for full financial aid, to
8 get them over that last mile, or is it a
9 behavioral tool?

10 MR. MALATRAS: It's multiple things.
11 You have a lot of questions there. I was
12 going to stop at the okay when you said you
13 were going to do your own.

14 Right now, those students between,
15 right, you have up to \$97,000 a year, an
16 average family can get \$500 of TAP. Above
17 that, there's nothing. So we're providing
18 now a new financial incentive to begin with.
19 Right?

20 So are we encouraging behavior? Yes.
21 But the first thing we're doing is we're
22 actually offering a financial assistance that
23 these families never had to begin with.

24 Secondly, the last mile goes down

1 pretty far, at about \$65,000 a year. A
2 family of three on \$65,000 a year is not
3 middle class. We're already filling in some
4 of the financial gaps there too already. So
5 we're providing a broad array of financial
6 assistance to a large group of people, not
7 just the middle-income people.

8 But part of this is to increase
9 graduation rates. Yes, we do want to change
10 behavior. We wish we could do more. I'd
11 like to focus on the entire system about how
12 we can improve graduation rates, because
13 improved graduation rates helps everybody.
14 How do we get those? Do we need more
15 assistance one way or another to get every
16 kid through the system? A 9 percent
17 graduation rate in a two-year school to us is
18 not an acceptable graduation rate. That
19 drives debt, that drives extra costs. Some
20 of those kids don't finish at all, and they
21 have debt coming out of school for nothing.

22 So however we can incentivize ways for
23 people to finish school on time, yes, we
24 don't hide behind that. We do want kids to

1 complete on time. We do want students to
2 complete on time. Not every program offers
3 that, right? TAP is 12 credits, which is
4 five years. But we do want to change it.
5 But the first thing for the new bracket of
6 families that currently don't have any access
7 to financial assistance, they're getting
8 financial assistance for the first time. So
9 it's not penalizing them, it's a benefit that
10 the state was not providing to begin with,
11 coupled with a pretty affordable education,
12 higher education across the board on other
13 things too.

14 So yes, we don't hide behind the fact
15 that we're trying to improve graduation
16 rates. However, we can do more across the
17 board. We're game. We'll work with every
18 Senator and Assemblyperson to improve those
19 graduation rates, because the faster we get
20 them trained for the workforce, the better
21 for the State of New York. A million
22 unfilled jobs, mostly high-tech jobs, and
23 we're importing people to fill some of our
24 high-tech jobs. Let's graduate our kids on

1 time faster.

2 So yes, we want to change behavior,
3 but this is a benefit that they don't have
4 now. So it's not like you're penalizing them
5 for something that they don't have.

6 SENATOR SAVINO: Well, perhaps
7 penalizing is too harsh of a word. I think
8 the concern is more that recognizing the
9 difficulties that you can sometimes run up
10 against trying to achieve that four-year
11 degree in the four-year period of time,
12 sometimes through no fault of your own. You
13 know, I shared earlier this morning I'm not
14 that old that I don't remember registration
15 day, where you may not be able to get all of
16 those courses that you need in that time
17 frame.

18 So there has to be some flexibility in
19 the plan. Otherwise, you will have people
20 who are motivated, who are incentivized, who
21 really want to do this, but for whatever
22 reason aren't going to be able to meet that,
23 and then they're going to lose not only the
24 eligibility, they have to repay the money.

1 And now, now what happens to them, right?

2 So I just think we need to, you know,
3 think it through so that we don't wind up,
4 you know, hurting students who are currently
5 not eligible for anything and then they'll
6 wind up, you know, in worse shape than they
7 started.

8 And the other thing, the question we
9 have is about the schools, you know, this
10 requirement that they not raise their tuition
11 above \$500 or above the -- what is it, the
12 APR. If they do, then no student in that
13 school would be eligible for tuition
14 assistance. Isn't that a bit harsh?

15 MR. MALATRAS: I think you're
16 referring to the proposal on the private
17 independent schools?

18 SENATOR SAVINO: No, it also applies
19 to public institutions as well.

20 MR. MALATRAS: Well, with public,
21 right, the public gets put aside because the
22 state already controls tuition increases.

23 So I think you're referring to the
24 private school side, which is going

1 forward -- not the current cohorts of kids --
2 if you raise your tuition above a certain
3 threshold a year, you're no longer eligible
4 for TAP under those schools. Yes, we did put
5 that in as a way to try to rein in college
6 costs across the board. It doesn't really
7 apply to the public side, because we control
8 tuition. We have a proposal, which I'm sure
9 is going to be fully vetted, on extending the
10 rational tuition program.

11 But this largely applies to the
12 private school side as a way to try to rein
13 in some of those increased costs as a
14 condition of getting increased financial aid
15 from the state side. Applying to new cohorts
16 of kids, not current kids here in schools.

17 SENATOR SAVINO: So what would happen
18 to all of those students -- let's assume a
19 private college, you know, goes over the
20 tuition amount and the state acts and they
21 make the students no longer eligible for TAP.
22 They would then all either have to leave the
23 school and show up at SUNY or CUNY. So I
24 think that would be a serious concern for any

1 it's going to be phased in up to \$125,000
2 when it's fully phased in. So if you're just
3 above the limit, \$126,000, you'll be
4 suspended, you will not be eligible for the
5 scholarship anymore?

6 ACTING PRESIDENT MAGEE: No. Just
7 similar to the TAP program, which has an
8 income cap, the Pell program has an income
9 cap, this program also has the income cap
10 where, beyond that amount, you're not
11 eligible for the award.

12 ASSEMBLYMAN LUPINACCI: And I know at
13 this point there haven't been mentioned --
14 but do you think anyone has looked at or -- I
15 was hoping that the Governor's aide would
16 still be here -- but regional income limits.
17 So in other words, Long Island, where I'm
18 from, the cost of living is different than
19 other parts of the state. Do you know, have
20 any of those factors been considered?

21 ACTING PRESIDENT MAGEE: For the
22 income threshold?

23 ASSEMBLYMAN LUPINACCI: Yes.

24 ACTING PRESIDENT MAGEE: What the

1 Governor has proposed is a single \$125,000.

2 ASSEMBLYMAN LUPINACCI: Flat, across
3 the state?

4 ACTING PRESIDENT MAGEE: Yes.

5 ASSEMBLYMAN LUPINACCI: Okay. And I
6 guess what we just heard kind of clarified
7 something a little bit earlier when we were
8 speaking earlier with the chancellor, when we
9 were looking at the 15 credits and 15
10 credits. Now, I think the interpretation is
11 that it's 30 credits average per year. So if
12 you need to take classes during the summer or
13 the January session, as long as --

14 ACTING PRESIDENT MAGEE: -- you
15 complete 30 each year so that you're on track
16 to complete two for an associate's or four
17 for a bachelor's, yes.

18 ASSEMBLYMAN LUPINACCI: Okay, thank
19 you.

20 CHAIRMAN FARRELL: Any further
21 questions, Senator?

22 Thank you very much.

23 ACTING PRESIDENT MAGEE: Thank you.

24 CHAIRMAN FARRELL: Next, 1 p.m.,

1 Andrew Pallotta, NYSUT executive vice
2 president. Oh, excuse me. We also have
3 Frederick Kowal, president, United University
4 Professions; Barbara Bowen, president,
5 Professional Staff Congress; Christopher
6 Black, director of legislation, NYSUT.

7 Do we have enough chairs?

8 NYSUT EXEC. VP PALLOTTA: Yes, we're
9 good.

10 Hi, and thank you for the opportunity
11 to testify before you today on the proposed
12 2017-2018 Executive Budget for higher
13 education. My testimony represents the
14 concerns of nearly 80,000 faculty and
15 professional staff who work in colleges and
16 universities across New York State. These
17 include the members of UUP at SUNY and PSC at
18 CUNY and all of the faculty and staff at
19 nearly all community colleges throughout the
20 state.

21 I am joined today by Dr. Fred Kowal,
22 president of UUP, and Dr. Barbara Bowen,
23 president of PSC, and also Chris Black, the
24 director of legislation.

1 You have my testimony before you, and
2 I would like to just summarize a couple of
3 points.

4 We are pleased to see that the
5 Governor has made college access a focal
6 point of the Executive Budget. We support
7 the intent of the Excelsior Scholarship
8 Program. We believe that any proposal to
9 provide free tuition to students should be
10 accompanied by a purposeful and meaningful
11 multiyear proposal.

12 We would like to see a restoration to
13 SUNY and CUNY to the prerecession funding, as
14 well as increased student access to full-time
15 faculty. We would like to see an increase of
16 funding by \$250 per FTE to community
17 colleges, getting closer to New York's
18 upholding its commitment to fund 40 percent
19 of its operating cost, and also to restore
20 state subsidies to SUNY hospitals and provide
21 additional support to these hospitals and
22 help them prepare for any potential changes
23 coming as changes to the Affordable Care Act.
24 Both Dr. Kowal and Dr. Bowen will speak to

1 the specific funding needs of SUNY and CUNY.

2 We are also aware that SUNY is looking
3 at changing the funding methodology for
4 community colleges. And while we are open to
5 this, it is our strong position that state
6 funding should still go directly to the
7 colleges, and we stand by that and we say
8 there should be local control.

9 We know that increased investment will
10 require additional state revenue. NYSUT has
11 been working in coalition with other groups
12 on revenue enhancers. For example, the state
13 could generate \$5.6 billion annually from
14 extending and expanding the millionaire's tax
15 and closing the carried interest loophole at
16 the state level. We urge the Legislature to
17 consider dedicating a portion of these
18 revenue streams to develop and support a
19 multiyear state investment plan for public
20 higher education.

21 We want to thank the legislature and
22 especially the chairs of Higher Education,
23 Senator LaValle and Assemblymember Glick, for
24 your tireless advocacy and support of SUNY

1 and CUNY.

2 I now turn this over to Dr. Kowal.

3 UUP PRESIDENT KOWAL: Thank you.

4 Chairperson Young, Chairman Farrell,
5 distinguished members of the Senate Finance
6 Committee and Assembly Ways and Means
7 Committee, I want to thank you for providing
8 United University Professions with the
9 opportunity to testify on the 2017-2018
10 Executive Budget for higher education.

11 UUP is the nation's largest higher
12 education union. We represent more than
13 42,000 academic and professional faculty and
14 staff serving hundreds of thousands of
15 students and patients at the academic
16 institutions, the health science centers, and
17 public teaching hospitals directly
18 administered by the State University of
19 New York.

20 I want to begin by expressing my deep
21 appreciation for your leadership and staunch
22 support for the initiatives important to UUP
23 over the past several years. Last year
24 alone, we were encouraged by your support for

1 the opportunity programs, as they continue to
2 grow and serve students who desperately need
3 that assistance to have the opportunity to
4 attend and graduate from college.

5 You also deserve our gratitude for
6 restoring \$19 million to the state subsidy
7 for SUNY's three teaching hospitals and
8 overturning language in proposed Article VII
9 legislation which would have severely limited
10 federal and state matching DSH money. And I
11 was encouraged this morning to hear the
12 chancellor speak of the necessity for that
13 funding to be guaranteed moving forward and
14 delivered as scheduled. These institutions
15 are crucial to the future of New York State
16 and SUNY.

17 Finally, I'd like to thank Senator Ken
18 LaValle and Assemblymember Deborah Glick for
19 joining last year with UUP, PSC, NYSUT and
20 higher education advocates in calling for the
21 enactment of a full maintenance of effort
22 bill.

23 My full written testimony has been
24 delivered to you. I will just simply hit a

1 couple of the high points in terms of the
2 Governor's proposal and our proposals to
3 match.

4 First, we do applaud the inclusion of
5 higher education in a primary position in the
6 Governor's budget proposal through the
7 proposal for the Excelsior Scholarship
8 Proposal. It is certainly a welcome idea,
9 and conceptually, we support it. However, in
10 my written testimony I will discuss the
11 financial implications of the decades-long
12 underfunding of SUNY and the results that
13 that underfunding has had and its impact on
14 students, on faculty and staff, and looking
15 forward, on whatever version of the Excelsior
16 program goes into effect.

17 One most important point is that
18 higher education is a labor-intensive service
19 that requires faculty-student ratios that
20 permit significant personal interactions
21 between students and instructors. At the
22 turn of this century, SUNY had 10,300
23 full-time faculty to instruct 185,000
24 students. Today, it has less than 8,700

1 full-time faculty to teach 220,000 students.
2 The result has been a significant increase in
3 the dependence on adjunct faculty who are
4 paid poverty-level wages.

5 The issue of quality must be addressed
6 in any consideration of the Excelsior
7 program, and similarly the long-standing
8 underfunding of our public university
9 systems.

10 Second, New York State's public
11 hospitals in SUNY are staring down the barrel
12 of America's biggest health care crisis, and
13 that is the potential repeal of the
14 Affordable Care Act. We believe that any
15 replacement offered will not provide
16 insurance coverage that most people need or
17 can afford. Therefore, Brooklyn's Downstate
18 Medical Center, Stony Brook's University
19 Medical Center, and Syracuse's Upstate
20 Medical University Hospital could soon see a
21 dramatic upsurge of uninsured patients
22 without the ability to pay for healthcare.
23 Up to 2.7 million New Yorkers could lose
24 health care coverage if the ACA is repealed

1 without the concurrent availability of
2 alternate coverage.

3 Now, it's important to remember, when
4 we consider those teaching hospitals, that
5 they are economic engines in the areas that
6 they serve, but they also train, providing
7 doctors and professional healthcare
8 specialists in New York City and throughout
9 the state. Therefore, the funding that the
10 chancellor has requested and that we support
11 is absolutely crucial moving forward.

12 Third, again I want to thank you for
13 the support that you have extended to the
14 Opportunity Programs, EOC and EOP. They are
15 clearly the examples that should be used in
16 terms of how to make education in SUNY
17 successful. EOP works diligently to close
18 the achievement gap. We are asking that the
19 Legislature help close the funding gap.
20 because as the chancellor spoke this morning,
21 there are thousands of students who would
22 like to take advantage of EOP and EOC, and
23 they simply can't get in. There aren't
24 enough slots.

1 Fourth, regarding teacher education,
2 we applaud the actions taken last year by the
3 Legislature to fund the Teacher Opportunity
4 Corps. We are proposing a SUNY program that
5 would complement this program, the existing
6 Teacher Opportunity Corps, to take the state
7 further towards creating a school-to-career
8 pipeline we need to address the state's
9 diversity gap in terms of racial and ethnic
10 groups within the teaching profession.

11 Finally, on the issue of transparency,
12 it's important to remember that recent events
13 involving the SUNY Research Foundation and
14 so-called private, nonprofit groups created
15 and managed by the foundation and the former
16 head of SUNY Polytechnic demonstrate that a
17 clear need exists for greater accountability
18 and transparency of the foundations and their
19 auxiliary organizations. We are presently
20 concluding work on a comprehensive proposal
21 that would address the many issues
22 surrounding the operation of SUNY's
23 foundations.

24 With that, I will close my comments

1 and look forward to answering any questions
2 that you may have. Thank you.

3 PSC PRESIDENT BOWEN: Thank you very
4 much. Good afternoon, and thank you for
5 staying and for asking such probing and
6 trenchant questions throughout the day. We
7 have appreciated hearing them.

8 Good afternoon, Chairperson Young and
9 Chairperson Farrell and the Chairpersons --
10 LaValle is not here, I see, but Deborah
11 Glick, and also the members of the Assembly
12 and Senate. Thank you very much for your
13 presence. I'm proud to be joined by my
14 colleagues here at the table and also two of
15 the other PSC officers, Professor Mike
16 Fabricant and Professor Nivedita Majumdar.

17 You've heard a lot and you've asked a
18 lot today about the Excelsior scholarships,
19 and you also heard about Mr. Malatras speak
20 about the state's desire to incentivize
21 college completion. I'm going to make the
22 argument that the way to incentivize college
23 completion is to fund CUNY and SUNY fully,
24 and that that's the real focus that we should

1 have this year, and that the Legislature can
2 offer leadership in that area.

3 But first, I want to say thank you,
4 because last year was an extraordinary year
5 of effort on your part. You took a very
6 strong and principled position in support of
7 funding our collective bargaining increase,
8 our contract which had been overdue for six
9 years; you stood firm against the proposal to
10 reduce state support aid to CUNY by
11 \$485 million; and you listened to the people
12 of New York when they said they opposed a
13 tuition increase. So thank you all very
14 much. The students, the faculty, and the
15 communities that rely on CUNY are grateful to
16 you. You also made other restorations, and
17 we thank you for those.

18 Important as it is to restore funding,
19 and critical as those major legislative
20 victories are, they do not solve the root
21 problem. And I think you're hearing the same
22 thing, a similar thing from all of us. The
23 fundamental issue at CUNY is not a fairly
24 limited scholarship program. The fundamental

1 issue is the years of underfunding that has
2 been devastating to the City University of
3 New York, despite the efforts of the
4 Legislature. The university has endured a
5 steady decline in state funding that now
6 threatens the quality of education, as some
7 of you have suggested today.

8 The good news, however, is that
9 solving the problem is within New York's
10 reach. The PSC calls on you to build on the
11 work last year and to move forward to a new
12 direction in funding for CUNY. Higher
13 education has never been as prominent in the
14 national imagination, the national
15 consciousness, as now. This is the year for
16 New York to turn around the pattern of
17 underfunding of CUNY.

18 Governor Cuomo was right when he
19 focused on the importance of college
20 education as a central issue of our times.
21 The idea of free college education caught
22 fire during the presidential election as a
23 way to address income inequality. It will
24 take more than college to address income

1 inequality -- that needs a larger structural
2 change -- but this is a critical focus.

3 The Excelsior Scholarship Program is
4 important because it elevates the idea of
5 free college tuition. As Chancellor Milliken
6 said, it reaffirms the value of CUNY and
7 SUNY, and it suggests that free college
8 education is a realistic goal. All of that
9 represents a breakthrough. But the plan is
10 presented as a promise to the people of the
11 State of New York that the state is committed
12 to free college education, and that promise
13 has to be made real.

14 The Legislature can make the promise
15 of high-quality education real by seizing the
16 opportunity of this moment and offering real
17 leadership in the arena of higher education,
18 public higher education especially. There is
19 a chance this year, and it's up to the
20 Legislature, we believe.

21 Full funding for CUNY is where we
22 would ask the Legislature to go. And it's an
23 expensive proposition. By our estimate, it
24 is about a \$2 billion per year increase in

1 annual funding. That's a large number, and
2 we are not proposing that it be reached in
3 one year. But the impact would be
4 extraordinary even if we reach it over time.
5 And we're calling on you to focus your
6 attention slightly differently than on the
7 scholarship program and to imagine how at
8 this moment, when higher education has seized
9 the national attention and New York has
10 seized national attention on that issue, the
11 Legislature can offer real leadership, deep
12 leadership, by embarking on a funding program
13 for the public universities.

14 We have very strong evidence in
15 New York that public investment works. At
16 CUNY, we have the ASAP program, where it's
17 been shown that investing in students, a
18 greater investment, produces three times the
19 graduation rate than for non-ASAP students.
20 That evidence is right there, and it shows
21 that it works. And we can talk more about
22 that if you'd like to hear later.

23 So we believe that it's the time to
24 start making a significant investment, and

1 we'd like to suggest how. We also support
2 the Governor in his support of extending the
3 millionaire's tax. We believe that tax
4 should be expanded and made permanent because
5 it is going to take more revenue to fund
6 public universities properly. But public
7 universities, as we've heard Jim Malatras say
8 earlier today, are a public good, and
9 therefore they're a worthy expenditure of
10 public money.

11 So we call on the Legislature to work
12 with us on several items. First is to cover
13 the mandatory cost increases at CUNY this
14 year. And you've heard Fred Kowal speak
15 about the need for that at SUNY. Last year
16 you worked extremely hard to support the
17 maintenance of effort legislation. That
18 needs to be made permanent legislation.

19 CUNY would need an additional
20 \$81.1 million to cover the mandatory costs.
21 Fringe benefits have been covered in the
22 Governor's proposal, but there are other
23 costs -- step increases, rental increases,
24 collective bargaining increases -- that are

1 not there. And unless they're there, we're
2 seeing a decrease in the operating budget of
3 CUNY.

4 Second, we call on you to take the
5 first steps toward restoring the City
6 University of New York in an area we also
7 heard Fred Kowal speak about, and that is we
8 call on you to provide the funding to hire
9 1,000 additional full-time faculty. That may
10 sound like a big number, but the last time
11 CUNY enrollments were near the level they are
12 now, CUNY had 11,500 full-time faculty. Now
13 we have 7,700. We're 4,000 full-time faculty
14 short. The ratio of students to faculty is
15 appalling, and we need that increase. Nearly
16 half the courses are now being taught by
17 adjunct faculty.

18 So there must be an investment. That
19 is the way to support students, because they
20 will have more time with their professors,
21 more support, they'll be able to get into
22 courses they need.

23 Third, we call on you to make a
24 signature investment, something that is

1 gaining national attention, which is to make
2 an investment in adjunct salaries. Normally,
3 of course, salaries are articles for
4 collective bargaining. But the reason that
5 we have such low adjunct salaries and so many
6 adjuncts is the hollowing out of the budget.
7 And we feel that the solution must be, at
8 least in part, a budgetary solution.

9 For \$40 million, the Legislature could
10 begin -- and here you would take absolute
11 national leadership -- could begin the move
12 to a \$7,000 per course payment for adjuncts.
13 This is a state that's led the way on \$15 per
14 hour minimum wage. We should be leading the
15 wage on adjunct wages. Adjuncts are
16 currently, as Fred said, many of them, on
17 poverty wages. That sends the absolute wrong
18 message about the value of higher education,
19 if we pay the instructors poverty wages.

20 Fourth, we call on you to increase the
21 community college base aid by \$250, as our
22 colleagues have described.

23 And then we call on you to do
24 something that Chancellor Milliken mentioned

1 this morning, which is to add a fairly modest
2 amount of money, \$35 million, to move toward
3 an initiative that would allow more hands-on
4 time, one-on-one time, for our existing
5 faculty with the students. The current way
6 the caseload is structured at CUNY does not
7 allow that time. Students are desperate for
8 time with their professors. And for a
9 relatively modest investment, that could be
10 accomplished. The CUNY budget has called on
11 New York City to put in that amount, and we
12 call on the state to do the same.

13 We also seek to have the state cover
14 the TAP gap. And by that I refer to not what
15 you mentioned earlier, Senator Savino, but
16 the difference between what TAP provides and
17 the actual tuition. And as many of you have
18 observed, that will only grow with the
19 Excelsior scholarships.

20 And finally, we ask you two things.
21 One is to restore the very items you restored
22 last year -- the Opportunity Programs, the
23 Murphy Institute and others, which have again
24 been cut, undoing your good work, and to

1 support passage of the DREAM Act. We applaud
2 the Governor for his support of that, but we
3 are concerned that DREAM Act students, or
4 undocumented students, would not be covered
5 in the Excelsior Scholarship Program. And
6 the DREAM Act is vitally important for the
7 moral and political and economic health of
8 the state. And this is the time to do it,
9 right now.

10 Finally, we have a few things to say
11 about the Excelsior scholarships. I won't
12 take too much time on those, but just to say
13 that they do raise concerns for us.
14 Important as it is conceptually to name the
15 value of free college, it's important to
16 recognize that it's not actually a free
17 college program, it's a last-dollar
18 scholarship program, that the cost is hard to
19 reconcile with the actual numbers.

20 We also have concerns that part-time
21 students -- 84,000 part-time students are at
22 CUNY. They're not included. And they're
23 some of our neediest students. And we do
24 have concerns about the structure of the

1 scholarship itself. The credit limit you've
2 fully explored, and also the fact that it's
3 deferred so that a student could be at CUNY
4 and SUNY and be forced to drop out and CUNY
5 and SUNY would be forced to absorb the cost.

6 So there are several concerns that we
7 have about it, and I think we'd be very happy
8 to talk with you about that further.

9 But the main thing I want to leave you
10 with is this, that important as it is that
11 the Governor has focused attention nationally
12 on public higher education, and that's a very
13 good thing, it's equally important for us to
14 look carefully at the program that he has
15 proposed and to be aware of its limitations,
16 and at the same time to lift our eyes and
17 look at what would really make a difference
18 for the people of New York, and that's to
19 stop starving our public institutions, stop
20 sending the public college students the
21 message that their education has to be
22 poverty education. They deserve the very
23 best, and I know you are all committed to
24 that. We feel this is the year to make a

1 significant move toward full funding for CUNY
2 and for SUNY.

3 Thank you very much.

4 CHAIRMAN FARRELL: Thank you.

5 Assemblywoman Glick.

6 ASSEMBLYWOMAN GLICK: Thank you very
7 much for all of your testimonies.

8 I just want to grasp -- obviously, the
9 notion of full funding is something that I
10 would support. And you've laid out that it's
11 a big number, and that you see that over a
12 horizon. How long and in what increments do
13 you think you start to make real progress?

14 PSC PRESIDENT BOWEN: That's a great
15 question. What we are proposing now is a
16 four-year progress to that. Obviously it
17 could be stretched out further. We could
18 work with you on that. I mean, there are
19 other ways of conceiving of it.

20 But to the second part of your
21 question, how long would it take to make a
22 real difference, with what we've proposed
23 this year, it could make a tremendous
24 difference. Increasing the number of

1 full-time faculty by a thousand would be
2 instantly felt. It would be very dramatic.
3 We would hope that some of those new
4 full-time faculty would be people who
5 currently are working as adjuncts, who are
6 very eager to have full-time positions and
7 have the advanced degrees.

8 We also see it as an opportunity to
9 continue increasing racial and ethnic and
10 gender diversity and other kinds of diversity
11 in CUNY faculty.

12 But the impact on students would be
13 felt immediately. You know, every study that
14 we see everywhere about what makes a
15 difference in students' education, the
16 number-one thing is time with the individual
17 faculty member. So simply having more people
18 there would enable the colleges to offer more
19 courses. A significant number of students,
20 I'll pull it out for you, report that they
21 cannot get into courses in their major
22 because the courses are not there; they
23 cannot get courses they need to graduate
24 because the courses are not offered. All of

1 those things would be changed dramatically by
2 step one of this.

3 And some of the time to graduate
4 concern that's been raised frequently today
5 would be alleviated by having enough
6 full-time faculty to teach the courses. I
7 mean, obviously there are many other reasons
8 for the time to graduate, mostly societal and
9 economic, but this would be a significant
10 change.

11 UUP PRESIDENT KOWAL: Assemblymember
12 Glick, similarly, what we've proposed is
13 either a four- or a five-year program to get
14 us basically to recoup about half of what has
15 been lost since 2008, where there were the
16 big cuts that occurred with the Great
17 Recession.

18 And then for all intents and purposes,
19 you know, both of the most recent executives
20 have not been all that generous in proposing
21 funding. Thankfully, the Legislature has
22 helped out. But still we have, by our
23 calculations, seen cuts in SUNY approaching
24 over \$500 million. A program of \$50 million

1 per year for about five years would begin to
2 address that gap. It would allow us to do
3 the hiring of full-time faculty.

4 But we also see the necessity for
5 campuses, some of them suffering to a great
6 extent -- Senator Young, you represent
7 Fredonia. Fredonia has been hurting very
8 badly and is in need of support to cover
9 those basic costs. And that's why we also
10 call for a \$30 million funding plan to
11 address those costs that are recurring. And
12 also, if you notice, add the two together, we
13 end up with \$80 million, which if you recall
14 was what SUNY was proposing originally. And
15 then when word spread that there might be a
16 financial crisis of sorts, they backed away
17 from that.

18 So all we are saying is we agree with
19 SUNY, its original proposal, that they do
20 need \$80 million to begin to address what has
21 been lost, both in terms of full-time faculty
22 and those -- what we refer to as the
23 maintenance of effort costs.

24 ASSEMBLYWOMAN GLICK: Okay. So SUNY

1 needs 80; CUNY, on a first-year down
2 payment --

3 PSC PRESIDENT BOWEN: Right. We've
4 proposed \$80 million for full-time faculty
5 and \$40 million to move the adjuncts toward a
6 non-poverty wage.

7 ASSEMBLYWOMAN GLICK: Okay. This is a
8 little off the -- because you've raised some
9 of the smaller schools that have some
10 problems. It's been my feeling that it's
11 very hard for a Fredonia or a Potsdam on
12 their own to do the marketing. SUNY is writ
13 large, but I daresay that the average student
14 in regions other than the immediate region
15 has no idea what schools are out there.

16 And so has there been any thought
17 about how the individual schools could be
18 assisted by the system? And obviously this
19 is more a question for the system, but you
20 may have some ideas. You usually do. I've
21 had the pleasure of going to some of the
22 smaller schools -- not all of them yet, but
23 you know, I'm still willing to travel.

24 CHAIRWOMAN YOUNG: I know, it's

1 Western New York.

2 ASSEMBLYWOMAN GLICK: I've been to
3 Buffalo a couple of times, but you're on the
4 list.

5 CHAIRWOMAN YOUNG: We didn't mean to
6 change the subject here. Just let me know.

7 ASSEMBLYWOMAN GLICK: You're on the
8 list.

9 And -- but I have been to the North
10 Country East and the North Country West, and
11 the schools individually have incredibly
12 unique programs that most students aren't
13 even aware of. And Plattsburgh, for example,
14 has an incredible arts program that frankly I
15 don't think 12 people in the City of New York
16 are aware of.

17 And I'm just wondering what your
18 thoughts are about how we could be doing a
19 better job, all of us -- you all, us, the
20 system -- in making it clear not just the
21 power of SUNY, and it's writ large, but its
22 individual components have so much to offer.
23 Do you have any thoughts on that?

24 UUP PRESIDENT KOWAL: Yes. And I

1 think what needs to be remembered is that
2 when I talk about the cuts that have
3 occurred, the campuses that have been harmed
4 the worst have been the comprehensives and
5 the technical campuses. The university
6 centers have done very well. They also have
7 the luxury of being able to attract private
8 funding. They have huge endowments. And,
9 you know, when you add it all together --

10 ASSEMBLYWOMAN GLICK: Relatively.

11 Relatively.

12 UUP PRESIDENT KOWAL: Yeah, relative.

13 And the foundations that the university
14 centers have at their disposal, you know,
15 that gives them a serious advantage.

16 And I think when I go back in my
17 career, going back to the 1990s when there
18 was an effort on the part of SUNY, for
19 whatever reason, to begin to almost break off
20 into individual campuses -- there was a move
21 by campuses to stop referring to themselves
22 as SUNY Cobleskill or SUNY Canton. It became
23 Canton College, it became Plattsburgh
24 College. And it was almost like the denial

1 of the existence of a system where, together,
2 there would be a promotion of all of the
3 unique elements of that.

4 I've always thought that when
5 Chancellor Zimpher has talked about
6 systemness, that that's what she was getting
7 at, the idea that there would be a promotion
8 of all of the institutions. Unfortunately,
9 what has happened is because of reduced
10 funding -- and, to be honest, this emphasis
11 over the last couple of years on
12 performance-based funding -- that has not
13 helped those institutions that have already
14 been harmed by underfunding, places like
15 Potsdam or Fredonia or my home campus at
16 Cobleskill.

17 What is needed is an investment in
18 those institutions that have an incredible
19 history of serving the people of New York
20 State. They have excellent programs. But
21 yes, because of a combination of underfunding
22 and, I would say, a lack of imagination in
23 terms of promoting these campuses, what we
24 have seen is a competitive nature within SUNY

1 so that you have winners and you have losers
2 in the recruitment fights.

3 I want to point out as well, though,
4 that some of these campuses like Plattsburgh,
5 like Fredonia, even Geneseo, which has a very
6 strong reputation, they have suffered
7 enrollment-wise because of the attacks on the
8 teacher education programs and the program of
9 assessment that has been flawed from the
10 get-go three, four years ago.

11 I am optimistic that the reforms that
12 are being talked about will help to alleviate
13 that, while also I am hopeful that the
14 Legislature will look favorably on our
15 proposal to increase the diversity in the
16 enrollment of these programs, and that will
17 address what is in New York State now, the
18 growing teacher shortage.

19 So I think we can look at campuses,
20 but you're right, we also need to look at
21 programs. And for 17 of our institutions,
22 teacher education is a major program, and we
23 need to get back to promoting those programs
24 and supporting them for the good they do to

1 New York. And let's remember, New York still
2 exports teachers, and so these programs are
3 crucial and necessary.

4 If you just look at SUNY statistics,
5 though, over the last couple of years there
6 has been a fall off of 40 percent of
7 enrollment in our teacher education programs.
8 This is going to have a dramatic impact on
9 New York State. So those programs need to be
10 emphasized while also promoting the strengths
11 of the campuses across the state.

12 ASSEMBLYWOMAN GLICK: Thank you.

13 CHAIRMAN FARRELL: Thank you.

14 Senator?

15 CHAIRWOMAN YOUNG: Senator Stavisky.

16 SENATOR STAVISKY: Just one question.

17 Was the salary contract included in the
18 Governor's Executive Budget?

19 PSC PRESIDENT BOWEN: You mean the
20 funding for the recently bargained --

21 SENATOR STAVISKY: Yes, your contract.

22 PSC PRESIDENT BOWEN: No, not
23 specifically. The increases for this year --
24 there are two parts of it. There's

1 retroactive pay, which was included in the --
2 it was reported on in last year's financial
3 reports. The first quarter from last year
4 shows the amount for the retroactive pay.

5 The second piece is the cost of
6 increasing the salaries. We see that as just
7 the salaries. Right? It should not be
8 separated from the rest of the -- that's the
9 same as your base salary. That is not now
10 the salary at CUNY. That's the contractually
11 agreed-on salary. So that is an absolutely
12 mandatory cost, and it shouldn't be separated
13 out. So we see it as part of the need for
14 mandatory cost increases.

15 SENATOR STAVISKY: Thank you.

16 PSC PRESIDENT BOWEN: There are other
17 salary pieces that are not in there either.
18 I mean, again, years ago this union had
19 bargained for salary step increases rather
20 than having everybody at the top step right
21 away. That was stretched out, and those
22 increases had been funded until about four
23 years ago, and they are not funded in this
24 budget.

1 SENATOR STAVISKY: Thank you.

2 PSC PRESIDENT BOWEN: You're welcome.

3 SENATOR KRUEGER: Thank you.

4 Assemblymember? Anybody?

5 CHAIRWOMAN YOUNG: I think we're all
6 set. Thank you so much.

7 PSC PRESIDENT BOWEN: Thank you very,
8 very much. Thank you.

9 NYSUT EXEC. VP PALLOTTA: Thank you.

10 UUP PRESIDENT KOWAL: Thank you.

11 CHAIRMAN FARRELL: Thank you. 1:30,
12 Mary Beth Labate, president, Commission on
13 Independent Colleges and Universities, CICU.

14 CICU PRESIDENT LABATE: Good
15 afternoon, everyone.

16 CHAIRMAN FARRELL: Good afternoon.

17 CICU PRESIDENT LABATE: And thank you,
18 Chairpersons Young, Farrell, LaValle and
19 Glick, and members of the Senate Finance and
20 Assembly Ways and Means Committees.

21 I am Mary Beth Labate, and I am
22 honored to be here today as the eighth
23 president of the Commission on Independent
24 Colleges and Universities, a role that I

1 began three weeks ago, but it seems like a
2 lifetime. CICU represents more than a
3 hundred not-for-profit or independent
4 colleges and universities located throughout
5 the state, and the almost 500,000 students
6 they educate each year.

7 I applaud the effort to make higher
8 education more affordable; it is what our
9 colleges focus on each and every day. Still,
10 I am deeply concerned about the overall
11 direction that the Executive Budget has taken
12 in this regard. Any program that limits
13 opportunities for the 300,000 New Yorkers for
14 whom a private college or university offers
15 the best academic, social and career fit is
16 incomplete.

17 What's more, it could have devastating
18 and I assume unintended consequences for
19 private colleges that have long been the
20 pillars of their communities. Students don't
21 deserve to have their choices limited or
22 their TAP taken away simply for selecting a
23 private school that best fits their needs.

24 Many of you have one or more

1 independent colleges in your district, and
2 you know us well. Others may be less
3 familiar with the sector, so I want to take
4 this opportunity to share with you a few
5 facts.

6 Let me begin with our students. They
7 are diverse in every sense of the word. More
8 than 80,500 qualify for TAP. Nearly
9 three-quarters of those students have family
10 incomes below \$40,000. Ninety percent
11 receive financial aid, making the cost of
12 private higher education significantly lower
13 than the so-called sticker price would
14 suggest.

15 Our schools provide \$5.1 billion in
16 financial aid every year to our students, a
17 threefold increase since 2000-2001. We are
18 responsible for over 400,000 jobs, and our
19 employees pay more than \$2 billion in state
20 taxes. Eight independent colleges are among
21 the top ten employers in their respective
22 regions. All told, private colleges and
23 universities generate almost \$80 billion in
24 economic impact. We keep students from

1 leaving the state, and we attract students
2 and investments from around the globe to
3 areas that might otherwise experience further
4 population declines.

5 We confer 80,000 undergraduate and
6 60,000 graduate degrees each year. And each
7 year more black and Hispanic students earn
8 undergraduate and graduate degrees from our
9 campuses than went anywhere else in the
10 state. We also lead in degree completion.

11 While we boast some of the greatest
12 research universities in the world, nearly 90
13 of our campuses enroll fewer than 2,000
14 students. The proposals in the Executive
15 Budget threaten the balanced ecosystem of
16 public and private institutions that make
17 New York's higher education system the envy
18 of the world. They will erode a system that
19 has, for more than a century, brought
20 economic mobility to its students and
21 stability to its communities. Our private
22 colleges and universities work hard to ensure
23 that students who are qualified for admission
24 can afford to attend regardless of their

1 economic circumstances. The Executive Budget
2 could upend that tradition.

3 The proposed Excelsior scholarship
4 would provide free tuition at our public
5 institutions while offering no additional aid
6 to students who would otherwise thrive at a
7 private college. The Executive Budget would
8 also deny TAP or Bundy Aid to students
9 attending private schools that raise tuition
10 beyond the limits imposed by government.

11 Who loses from proposals that hurt our
12 independent colleges and universities? First
13 and foremost, our students. As you have
14 recognized with TAP, we strongly believe that
15 any effort to supplement existing state
16 financial aid must treat all New Yorkers the
17 same, regardless of whether they want to
18 attend one of our 100-plus private campuses
19 or a SUNY or CUNY campus.

20 Government-run and independent
21 colleges and universities both serve
22 important missions. We make each other
23 better in doing so. Student choice leads the
24 way. That's true accountability.

1 Let me introduce Sarah Tuzzolo, from
2 whom you will hear in a moment. Sarah is a
3 first-year student and TAP recipient at
4 Russell Sage College, the women's college
5 just across the river. Sarah's older sister
6 attends the College of St. Rose. Sarah plans
7 to earn a career in occupational therapy.
8 She chose Sage for its small class sizes and
9 supportive environment dedicated to student
10 success. As a participant in the HEOP
11 program, Sarah receives the maximum TAP grant
12 of \$5,165, plus more than \$39,000 in
13 additional grants and scholarships.

14 On my left is Cody McEneny Ingraham.
15 Cody is another student, another of the
16 thousands of New York State students who
17 chose a private college to pursue his dreams.
18 Currently a junior at Siena and originally
19 from Guilderland, Cody is a double major in
20 history and political science, with minors in
21 broadcast journalism, German, and a
22 certificate in prelaw. A maximum TAP award,
23 6,800 in federal grants, \$12,500 in a
24 privately funded scholarship, and a Siena

1 College scholarship totaling \$28,000 are
2 helping Cody meet his college expenses.
3 Cody's family of four has limited means and,
4 according to a federal formula, is not
5 expected to contribute to his education. He
6 had a federal loan of \$2,275 and \$600 in
7 federal college work study.

8 I met with these two young folks
9 today, and I'm completely in awe of what
10 they've done and I'm in awe of the schools
11 for providing the support that they have for
12 them. So I'm honored to be with them.

13 Thank you for coming.

14 Government did not turn its back on
15 Sarah or Cody or attempt to sway them in one
16 direction or another in their college
17 selection process. Instead, through your
18 support of private higher education, you've
19 said to them, and thousands like them: We
20 want to partner with your family and your
21 school to make sure you have the resources to
22 choose the school that best fits your
23 ambitions. The proposed Excelsior
24 Scholarship Program would limit opportunities

1 for students like Sarah and Cody.

2 Who else loses when we weaken our
3 private colleges and universities? Our
4 communities. Our schools are critical
5 economic engines. We are one of the state's
6 oldest and most enduring industries. Like
7 other major industries, we must be nourished.

8 Finally, taxpayers lose from an
9 Executive Budget proposal that could harm our
10 private, not-for-profit colleges. With so
11 many New Yorkers educated in private colleges
12 using private resources, New York devotes
13 less to higher education as a percentage of
14 its overall budget than all but seven states.
15 It is a public/private partnership at its
16 very best.

17 Taxpayers provide \$6 billion in aid to
18 SUNY and CUNY. That's reasonable. They're
19 public institutions, and we don't begrudge
20 that in the least. This translates into
21 \$8,830 per student, a cost that will grow
22 with free tuition and with future increases
23 in operating and capital support to SUNY and
24 CUNY to handle increased enrollment. These

1 added costs are not factored into the
2 Executive's proposal.

3 That same student could be educated at
4 a private college or university at a cost of
5 \$650 to the taxpayer. Why? Because our
6 schools are heavily invested in student
7 success. With our schools providing \$5.1
8 billion in financial aid, the message is
9 clear: Private, not-for-profit colleges and
10 universities are engaged in marshalling their
11 resources to reinvest in student aid. The
12 state's willingness to help is a critically
13 important part of the successful formula that
14 has created a balance between public and
15 private higher education that has served
16 students and taxpayers well.

17 The Executive Budget proposals will
18 tip that balance. Many of our schools will
19 not be able to compete on this increasingly
20 unlevel playing field, or will be forced to
21 compromise their educational value to do so.
22 Some might ask if we can compete better by
23 reducing tuition. Some of our schools have
24 done so, but for many others a tuition

1 reduction would hit the very student they
2 strive to help -- those of modest means who
3 benefit from very deep tuition discounts. On
4 average, comparable campuses spend about the
5 same on student instruction. What does
6 differ is who pays.

7 In fairness to our students,
8 communities and taxpayers that rely on our
9 schools, CICU urges you to expand the
10 availability of tuition assistance for all
11 students whose families earn \$125,000 or
12 less. An expansion of the maximum TAP award
13 to \$6500 and an increase in the minimum would
14 increase the number of students already
15 receiving free tuition at SUNY and CUNY,
16 while giving students the choice of what
17 college, public or private, works best for
18 them.

19 And with that, I'd like to turn it
20 over to the voices that really matter in this
21 debate -- your constituents, our students.

22 Who would like to go first?

23 MS. TUZZOLO: Good afternoon. I am
24 here today to discuss the importance of the

1 Tuition Assistance Program.

2 I, like many other students, need help
3 with paying for college. I come from a
4 single-family home where my mother is
5 battling cancer. I have always dreamed of
6 going to college. I've always wanted to help
7 others. TAP and HEOP have allowed me to
8 afford Russell Sage. These programs have
9 allowed me to become one step closer to
10 becoming an occupational therapist.

11 Sage was the best college for me
12 because of the strong academic support and
13 small classes. I believe if TAP is
14 eliminated, students would be put in a
15 situation where they cannot attend the
16 college of their choice due to the price. I
17 ask you to please protect the Tuition
18 Assistance Program for me and many students
19 like me who would not get the opportunity to
20 fulfill their dreams because they lack the
21 funds for an education.

22 Thank you for your time.

23 MR. INGRAHAM: Good afternoon. My
24 name is Cody McEneny Ingraham. I was

1 accepted to several state and private
2 colleges, but Siena College was absolutely
3 the right fit for me. It was close to home,
4 which meant to me not only family but
5 Albany's storied historical and political
6 landscape. I especially liked Siena's strong
7 sense of community and Franciscan tradition.
8 Its variety of solid academic programs fit
9 together in just the right way which allowed
10 me to pursue my passions in politics,
11 history, law and journalism.

12 Since, the community and academic
13 activities I've participated in have not only
14 fostered the many interests I have, but have
15 also prepared me with the skills to make an
16 impact in my future career.

17 If not for state and federal financial
18 aid, I would not have been able to attend
19 Siena. The aid I receive allows me to pursue
20 the education of a lifetime, which I intend
21 to pay forward by pursuing a career of public
22 service where I can use my skill set and
23 academic background to help others. I am
24 passionate about education law and policy and

1 social justice, and hope to follow these
2 passions in graduate school and throughout my
3 future professional life.

4 I am grateful that these interests and
5 goals are being nurtured at an undergraduate
6 college with the right campus culture, with
7 professors who care sincerely about the
8 personal and academic development of each
9 student, and with alumni who are dedicated to
10 their alma mater and want to see other
11 graduates succeed and give back to others.

12 New York State's Tuition Assistance
13 Program allowed me to choose the right
14 college. I feel strongly that the Governor's
15 proposed Excelsior scholarships should be
16 extended to all of New York's college
17 students, whether they attend a private or
18 public institution.

19 College affordability should be a
20 priority, and the state's financial aid
21 programs have made higher education possible
22 for many throughout the decades. Allowing
23 students to choose a college based on where
24 they will excel and will see a strong return

1 in their financial investment is the right
2 thing to do.

3 Siena's slogan is that students can
4 receive the education of a lifetime. The
5 Excelsior scholarship would be a way to offer
6 the opportunity of a lifetime to students
7 statewide, and I hope the committee and the
8 State Legislature as a whole will continue to
9 consider offering this opportunity to the
10 students of the State of New York.

11 Thank you.

12 CHAIRMAN FARRELL: Thank you.

13 Questions?

14 ASSEMBLYWOMAN GLICK: Just a few
15 questions.

16 I appreciate the fact that you
17 represent a very wide range of institutions;
18 some are quite small, some are more
19 middle-size, and some are kind of large. I
20 don't know all of the -- and I agree that
21 TAP, which has been always tied to a student,
22 and they make free choice, has been an
23 important and good thing for the State of
24 New York and all of the institutions, public

1 or private.

2 I happen to represent a very large
3 institution that has a tuition at this point
4 of something like \$50,000. Right now, the
5 public universities are at about just under
6 \$6,500. So the difference between what TAP
7 provides and what the Excelsior would pick
8 up -- if they're getting 1,000, 2,000 -- is a
9 \$4,500 difference.

10 If we were to suggest that for the
11 same cohort, up to \$125,000, we were going to
12 say, well, that's fine and we'll pick up the
13 difference between the tuition cost -- so I
14 guess the question is, are your universities
15 willing to accept a tuition for students in
16 Excelsior of just under \$6,500?

17 CICU PRESIDENT LABATE: That's an
18 interesting question, Assemblymember.

19 To just clarify, in our strong
20 suggestion that we treat all students
21 equally, we are not suggesting that in any
22 way the Excelsior Scholarship Program provide
23 free tuition at our private colleges. We're
24 simply saying treat the students the same so

1 that if you're a similarly situated student,
2 same economic profile, give that student the
3 same amount of money a student would get
4 under Excelsior, and then require -- then it
5 will be up to our private colleges and
6 universities to compete for those students by
7 putting together very robust financial aid
8 packages.

9 And I think you're seeing, with both
10 of the students we have here today, that our
11 colleges are very successful at packaging
12 very strong financial aid packages that make
13 it affordable for students to attend our
14 private universities.

15 So by no means are we asking anyone to
16 pick up the bill for all of the private --
17 the cost of a private education. We feel
18 that is our responsibility. We would simply
19 want to see government continue the social
20 contract that it has had with us so long and
21 has had with our students.

22 ASSEMBLYWOMAN GLICK: I think part of
23 what is driving this is not just a desire to
24 see completion and graduation rates go back

1 up, but also a limitation on debt. And while
2 some of these schools have offered very
3 generous packages, it does seem that students
4 are still putting together part of that with
5 some loans.

6 And I think that the notion, as far as
7 tuition goes -- because obviously we're not
8 covering room and board, which for some of
9 the students -- I mean, when I went to the
10 City University, you pretty much stayed at
11 home until you got to be a senior and worked
12 a little bit and got 12 friends and found a
13 place. But generally speaking -- and they do
14 have some dorms, which they never had. It's
15 really a rather new thing. But for the most
16 part, the students who attend those schools
17 are attending them and just have the tuition,
18 books, transportation.

19 And I think that that's quite
20 different in some of the other schools that
21 we're talking about, where students generally
22 do -- you know, you said you were close to
23 home. Are you staying at home?

24 MR. INGRAHAM: I'm living on campus.

1 ASSEMBLYWOMAN GLICK: So I think that
2 there still is this issue of we're focused
3 really on not all of the costs, but on the
4 tuition.

5 And so I guess what I'm asking is are
6 you suggesting that the program should
7 provide, if students are -- they're not
8 TAP-eligible if they have a family income of
9 over \$80,000. So you are suggesting that in
10 those instances, those families should be
11 getting essentially a \$6450 tuition
12 assistance to go to any school?

13 CICU PRESIDENT LABATE: We're
14 suggesting that if under the proposed
15 Excelsior program, if Sarah, because of her
16 family's financial status, was eligible for
17 \$6400, that she remain eligible for that and
18 be able to use it at either a public or
19 private institution.

20 And it will really then be incumbent
21 on the private institution to put together
22 the kind of package that would attract Sarah
23 or Cody to come to them.

24 ASSEMBLYWOMAN GLICK: Do you have any

1 idea what that number then leads out to,
2 considering the number of students? Did you
3 say you had --

4 CICU PRESIDENT LABATE: Currently we
5 have 80,000 students, about 80,000 who go to
6 privates who receive TAP.

7 ASSEMBLYWOMAN GLICK: But for the
8 cohort that is above 80,000, they are not
9 getting TAP.

10 CICU PRESIDENT LABATE: Correct.
11 Correct.

12 ASSEMBLYWOMAN GLICK: So this is
13 clearly an attempt on the part of the
14 Executive to find a way to expand TAP without
15 calling it TAP.

16 So do you have any idea -- you don't
17 have to have it off the top of your head, I
18 understand. But perhaps you could get us
19 some figures on what those numbers would then
20 look like. You have some students who are
21 getting \$3,000 worth of TAP, some students
22 who are getting zipco who would be
23 income-eligible. And we'd like to see what
24 those numbers are, because it's very possible

1 that that then makes a very significant
2 difference.

3 Do the majority of your students,
4 whether they're getting TAP or not, are they
5 carrying a full 15 credits? And do you know
6 what your -- maybe you could get us your
7 graduation rates. There may be regional
8 differences, but if you could give us some
9 idea of those graduation rates.

10 CICU PRESIDENT LABATE: Sure. We have
11 those, and I can get those for you. And I
12 think you'll find they're better than -- I
13 think they lead the sector. Of the various
14 higher education sectors in the state, you'll
15 find that they lead.

16 ASSEMBLYWOMAN GLICK: That may be, in
17 part, generated by the kind of behavior
18 change that the publics are trying to induce,
19 which is it costs so much more, you'd better
20 get your act together and get out.

21 CICU PRESIDENT LABATE: Right.
22 Because as you know, the whole issue of debt
23 and graduation, debt is closely connected
24 to -- and default on debt is closely

1 connected to your ability to graduate. And
2 because we graduate our students on time,
3 default on their debt is significantly lower
4 than what may otherwise be the case.

5 ASSEMBLYWOMAN GLICK: Thank you.

6 CHAIRMAN FARRELL: Thank you.

7 Senator?

8 SENATOR SAVINO: Thank you.

9 Senator Stavisky, do you have any
10 questions?

11 SENATOR STAVISKY: No.

12 SENATOR SAVINO: I just have one or
13 two questions. Thank you for your testimony.

14 I want to follow up on the line of
15 questioning from Assemblywoman Glick. In
16 your testimony, you didn't read all the way
17 through, but you actually recommend one of
18 the things that I think we should do, which
19 would be to expand TAP, the eligibility, to
20 more families, increasing the income
21 eligibility, and also expand the size of the
22 award.

23 I agree with you, I don't think we
24 should be restricting where students can go,

1 that TAP has always applied to the student,
2 not necessarily the institution.

3 But there seems to be some concern on
4 many people's part about the cost of higher
5 education at private institutions. I was a
6 graduate of St. John's in 1986, and my
7 tuition then is what CUNY costs today. As
8 you know, St. John's today is about \$38,000
9 without fees and without dormitories -- they
10 didn't have dormitories when I went there.
11 But, you know, it's incredibly expensive.
12 They recently reduced their tuition by
13 \$10,000, and I believe they're going to do
14 the same for their law school and for their
15 grad school, because they realize it's
16 becoming a zero-sum game; if it's too
17 expensive, it can't attract students. But I
18 understand that there's also a lot of aid
19 that's provided to students, so that no one
20 really pays the sticker price.

21 But I don't have a clear understanding
22 of how much does a average student pay at a
23 private institution, where you start out with
24 a tuition that's \$38,000?

1 CICU PRESIDENT LABATE: Well, let me
2 say nine out of 10 students nationally get
3 financial aid. In New York, we are no
4 exception to that.

5 Just a word on tuition levels. The
6 sticker price is very often set in a way that
7 will help to subsidize the majority of the
8 students who are getting financial aid. Our
9 data suggests that the average net price, all
10 in -- tuition, room and board -- for students
11 who are receiving financial aid is about
12 \$25,000. So you figure room and board is
13 about the same for SUNY and CUNY, in the
14 13 -- or, excuse me, for SUNY and the
15 privates. For SUNY and the privates, I think
16 today SUNY said theirs was about 15; ours is
17 about 13 or so. So if you consider that
18 those getting financial aid, the net price is
19 25, and 13 of that is room and board, then
20 about 12,000 would be tuition.

21 SENATOR SAVINO: And so that's what
22 the student is responsible for.

23 CICU PRESIDENT LABATE: That's what
24 the student is responsible for. But again,

1 that is the net price, the average price for
2 all students getting financial aid. Those at
3 the lower income spectrum, their net price
4 will be significantly less.

5 SENATOR SAVINO: And so in your
6 opinion, if we were to expand this Excelsior
7 program to include private colleges, what do
8 you think the impact would be on private
9 colleges? I mean, there was a question about
10 capacity at SUNY and CUNY. Do you think that
11 there would be a capacity issue at the
12 private colleges?

13 CICU PRESIDENT LABATE: I think if
14 you -- I don't think there becomes a capacity
15 issue unless you balance the scale too far in
16 one direction or another. Because if
17 students are given the opportunity to choose,
18 I think you'll continue to get the variety of
19 choice that you now see. Where in fact the
20 private colleges educate a greater percentage
21 of students than either SUNY or CUNY. I
22 think you'll continue to see that sort of
23 distribution, so that no one system becomes
24 overwhelmed.

1 SENATOR SAVINO: And finally, all
2 things being equal, wouldn't it just be
3 easier to increase TAP and increase the
4 income eligibility levels, since we already
5 have a system that does that?

6 CICU PRESIDENT LABATE: We couldn't
7 agree with you more, Senator.

8 SENATOR SAVINO: Thank you.

9 MS. TUZZOLO: Can I add something?
10 When you were talking about like the demand
11 and like college students, right now Russell
12 Sage, in our freshman dorms, we're only using
13 the first two floors. We need more students.
14 So if this would be expanding, we want more
15 students. We want to expand our programs to
16 show that we can succeed and just show our
17 talent in smaller classrooms, with one-on-one
18 teacher-to-student ratios, having the
19 opportunity to express who we are, not being
20 a number. We're not a blank face sitting in
21 a chair, we can raise our hand and have class
22 discussions.

23 SENATOR SAVINO: That's a very good
24 point. Thank you.

1 CHAIRMAN FARRELL: Thank you.

2 CICU PRESIDENT LABATE: Thank you.

3 CHAIRMAN FARRELL: NYPIRG, Blair
4 Horner.

5 MR. HORNER: Good afternoon. My name
6 is Blair Horner. I'm NYPIRG's executive
7 director. Our board chair could not make it,
8 so the testimony -- we'll summarize the
9 testimony. Dennis Dontsov, from Hunter
10 College, will be testifying on our behalf,
11 and then we'll be willing to answer any
12 questions you might have.

13 Dennis?

14 MR. DONTSOV: Good afternoon. My name
15 is Dennis Dontsov. I'm a first-generation
16 American and a student at Hunter College of
17 the City University of New York. Given the
18 inclement weather, our board chair is not
19 able to make it to Albany today to testify.

20 As you may know, NYPIRG is a statewide
21 college-student-directed organization. Our
22 board chair is a student at SUNY Buffalo
23 State. We appreciate this opportunity to
24 share our preliminary perspectives on the

1 Governor's 2017-2018 Executive Budget for
2 higher education in New York State. I will
3 summarize our written testimony, and we are
4 available to take questions.

5 We strongly support the stated
6 position of Governor Cuomo that the cost of
7 attending public college has become too
8 expensive and that the state should ensure
9 that low-, moderate-, and middle-income
10 college students can all attend public
11 college tuition-free. Thus we support the
12 philosophy behind the Governor's proposed
13 Excelsior Scholarship Program, which would
14 charge no tuition to students whose income
15 does not exceed \$125,000.

16 However, we do have concerns. Most
17 notably, a key concern is that the Excelsior
18 is a deferred-payment program. As we
19 understand it, the program requires that a
20 participating student receive the benefit of
21 the scholarship only after successfully
22 completing 15 credits and earning at least a
23 passing C grade. Thus, the money does not
24 flow until after the semester. If the

1 student for some reason fails to meet those
2 requirements, he or she is ineligible for
3 coverage, and the college must bill the
4 student for the semester -- the student, who
5 is eligible for the program precisely because
6 they need economic support.

7 It seems counterintuitive that
8 economically struggling students be on the
9 financial hook for the costs of a college
10 semester that they took under the reasonable
11 assumption that the scholarship should pay
12 for it. These are students who have been
13 accepted to college and thus meet its minimum
14 academic standards. As you know, real-life
15 problems can adversely impact a student's
16 life and his or her economic performance,
17 divorce, death or illness among family
18 members, or the student incurring an injury
19 or illness.

20 NYPIRG recommends that the Legislature
21 amend the Governor's Excelsior Scholarship
22 Program to ensure that students in good
23 academic standing are held harmless for the
24 tuition costs of a semester in which they are

1 actively participating.

2 In order to ensure that more
3 affordable public higher education comes
4 without compromising quality, our
5 universities must receive more state support.
6 State funding remains largely flat, even as
7 the costs to maintain SUNY and CUNY have
8 increased.

9 NYPIRG recommends that the Legislature
10 enhance funding for CUNY and SUNY senior and
11 community colleges in order to help students
12 get the classes they need to graduate, reduce
13 class sizes, and bolster student advisement.

14 The Governor took a positive step
15 toward fixing an outdated financial aid
16 program by including funding for college
17 students who are undocumented immigrants. We
18 urge support.

19 Furthermore, TAP should cover more of
20 the cost of tuition for those who qualify,
21 and be flexible enough to meet the needs of
22 all types of New Yorkers, not just the
23 traditional straight-from-high-school-to-
24 college full-time student that it was

1 initially designed to serve.

2 A recent report by NYPIRG and other
3 groups looked at food insecurity on college
4 campuses. Consistent with prior studies,
5 48 percent of respondents reported food
6 insecurity in the previous 30 days. NYPIRG
7 urges that the Legislature include monies in
8 the budget to allow public and independent
9 colleges and universities to develop
10 recommendations on how best to tackle the
11 problems of college students who suffer from
12 food and housing insecurities.

13 Opportunity programs are an incredible
14 asset to New York. They are often designed
15 for the educationally and economically
16 disadvantaged and have a steady track record
17 of success and increasing graduation rates
18 among the most at-risk students. Students
19 involved in the nationally recognized ASAP
20 program graduate at more than double the rate
21 of non-ASAP students, with increases in
22 graduation rates after three years of at
23 least 30 percent.

24 These programs' success is bolstered

1 from not only providing resources like
2 academic counseling, but, in cases like ASAP,
3 money for textbooks, tuition, and
4 transportation. Programs known to be widely
5 successful and in many cases the only
6 opportunity for many students to pursue
7 higher education must be adequately funded by
8 the government. NYPIRG strongly urges the
9 Legislature to take steps towards expanding
10 funding to these opportunity programs.

11 In conclusion, rising tuition and
12 other costs, eroding state support, outdated
13 and inadequate financial aid, and growing
14 student loan debt all conspire to undermine
15 quality and put college out of reach for too
16 many New Yorkers. The demand to graduate
17 more students from college with less student
18 loan debt should result in policies that both
19 decrease tuition and increase state support
20 to institutions of higher education, as well
21 as funding to financial aid programs such as
22 TAP. In order to provide a quality and
23 affordable higher education for all
24 New Yorkers, the state must commit itself to

1 increasing public funding.

2 Thank you.

3 CHAIRMAN FARRELL: Questions?

4 ASSEMBLYWOMAN GLICK: Do you think
5 that the average student takes fewer than
6 15 credits just because they want to take
7 longer to get out of school?

8 MR. DONTSOV: No, I don't think so.

9 MR. HORNER: Certainly it hasn't been
10 our experience. It tends to be that students
11 take the credits they need based on whatever
12 is happening in their lives. And that's why
13 the colleges set full tuition at 12 credits,
14 that's why TAP was set at 12 credits, because
15 they recognize the situation that college
16 students often find themselves in.

17 ASSEMBLYWOMAN GLICK: We heard today
18 from a representative of the executive branch
19 that they've heard these concerns about the
20 15 credits as a full-time and a potential
21 trap door, and they said they were open to
22 suggestions.

23 So I would suggest that you think
24 about and come back to us with an array of

1 suggestions that reflect the needs of the
2 students that you work with. You know, I
3 know from my own experience, I took forever
4 to get out because there were -- you know,
5 there was a war to end and stuff like that,
6 so I was busy.

7 And unfortunately, the Governor's
8 representative left before I could ask him
9 this question. I thought it was an
10 unfortunate statement from somebody who's
11 benefited greatly from a number of graduate
12 degrees, to say if somebody goes to college
13 but they don't finish, they have nothing to
14 show for it. I mean, I actually believe that
15 the experience that one gains, the
16 information, the interaction, the maturing,
17 actually is something. And I do think that
18 there are lots of people who go to -- I know
19 a number of people who went to law school.
20 They don't think that they got nothing out of
21 it. They chose not to pursue law as a
22 profession -- some of them might have taken
23 the bar, some of them might not have. But I
24 don't think they would have looked on that as

1 a waste. Which is, I think, unfortunately
2 what we heard today.

3 I do believe that it is good for
4 people to complete their degree, but I do
5 think a lot of people go to school, think
6 that they want to finish, don't think they
7 want to go into their father's plumbing
8 business -- and then either dad gets sick and
9 they need to step in, and then they find out
10 that, well, at least it's a job that can't
11 get outsourced. And they find out that they
12 actually can make a very good living, and
13 they actually enjoy it.

14 So I don't think that education that
15 doesn't end in a degree is a waste. But I
16 also agree that if people can conclude their
17 degree, they're better off.

18 So I would urge you to come back to us
19 in the very near future with some suggestions
20 about what kinds of things reflect the
21 reality of students' lives. I know you have
22 this mention in here that almost a
23 reimbursement basis is concerning and
24 difficult.

1 MR. HORNER: I mean, the state has a
2 TAP program; Senator Savino was talking about
3 it. I mean, there's a lot of models that
4 exist to build off of.

5 We certainly think, you know -- and
6 again, increasingly people describe students
7 that are involved in these programs, they
8 call them kids. That's not true anymore. I
9 mean, it was true when I went to school --

10 ASSEMBLYWOMAN GLICK: Well, even if
11 they're 40, to me they're kids.

12 MR. HORNER: Well, let's
13 chronologically say -- but a lot of college
14 students are not, in fact, young adults.
15 Certainly our view is the financial aid
16 program should be designed to deal with these
17 college students as they are now, not as they
18 were 40 years ago. And so there's a lot of
19 things we believe that can be done in terms
20 of part-time aid. TAP, though, is a model
21 that could drive how the Excelsior program
22 runs. Because again, it's been on the books,
23 people use it, you already know it, all the
24 regs are in place, there's an agency behind

1 on ways in which we think we can reach more
2 students so that they know they have at least
3 some assistance, because they take advantage
4 of this without it.

5 MR. HORNER: And as Dennis mentioned,
6 I think one of the major flaws in the
7 Governor's Executive Budget is the cuts,
8 really, to the opportunity programs. Those
9 are the programs that are helping students to
10 sort of navigate their way through the
11 college experience. Dennis specifically
12 mentioned ASAP, but HEOP, EOP, SEEK, all
13 those programs are important programs. And
14 they've delivered in terms of empirical
15 evidence. They're actually best practice.

16 So we think as you're considering what
17 to do with the higher education portion of
18 the budget, the students that need the help
19 the most should get the most help, and then
20 you sort of work your way back from there.
21 So again, we would urge, really, to look at
22 the opportunity programs, because it's
23 related to what you're discussing. There are
24 individuals who are not able -- either they

1 can't or the family can't sort of manage the
2 whole experience of college. They need the
3 help, they should get it. The programs
4 exist, they should get the funding for them.

5 ASSEMBLYWOMAN GLICK: Thank you.

6 MR. HORNER: Sure.

7 CHAIRMAN FARRELL: Thank you.

8 Questions? No? Thank you very much.

9 MR. HORNER: Thank you.

10 CHAIRMAN FARRELL: Next, Donna
11 Gurnett, president and CEO, Association of
12 Proprietary Colleges. 1:55.

13 MS. GURNETT: All right, can you hear
14 me?

15 CHAIRMAN FARRELL: Yes, I can.

16 MS. GURNETT: All right. Wonderful.

17 So Assemblyman Farrell, Assemblywoman
18 Glick, members of the Legislature, thank you
19 very much for this opportunity to present my
20 testimony on behalf of the Association of
21 Proprietary Colleges. My name is Donna
22 Gurnett, and I am the president and CEO of
23 the association, and it is my honor to be
24 here today.

1 APC represents the degree-granting
2 proprietary or for-profit sector here in
3 New York State. We currently have 14
4 members, with 27 member campuses throughout
5 the state. So we have campuses in Jamestown,
6 Buffalo, Rochester, Syracuse, Albany, and a
7 high concentration of our members are in the
8 metropolitan New York City area.

9 All of our members offer at least
10 associate's degrees, and most of them also
11 offer bachelor's, and some offer graduate
12 degrees as well.

13 Today I'd like to focus my remarks on
14 the positive trends that we're seeing in the
15 proprietary sector, as well as highlight a
16 few things that we see that we think set our
17 members apart from what you might see in the
18 other three sectors of higher ed. And I'd
19 also like to take a few moments to talk about
20 the Governor's proposed Excelsior Scholarship
21 Program.

22 So first, a little background about
23 our members. APC member colleges have a
24 long-standing history of offering

1 high-quality, affordable educations. On
2 average, our members have been in existence
3 for over 90 years, and half of them have
4 actually been in existence for over
5 100 years.

6 We educate over 35,000 students, and
7 we are very New York State-focused, as over
8 90 percent of those students come from
9 New York State and then stay in New York
10 State after they graduate, to live and work.
11 We also employ over 6,000 faculty and staff.
12 So we're very strong economic drivers in our
13 local communities.

14 APC member colleges are truly
15 committed to keeping college affordable. In
16 the 2015-2016 academic year, our average
17 college tuition was just a little over
18 \$17,000. So that was about a \$380 increase,
19 or just less than 1 percent increase over the
20 prior year -- so well within the Governor's
21 new recommendation to keep college tuition
22 increases below \$500 or below the three-year
23 average of the Higher Education Price Index.

24 Most of our members have either seen

1 small tuition increases, so 1 or 1.5 percent,
2 or have actually been able to keep their
3 tuition flat. Or, in the case of Five Towns
4 Colleges, they were actually able to decrease
5 their college tuition over the past couple of
6 years. This is possible because our members
7 excel at finding operational efficiencies
8 they can implement that don't negatively
9 impact their staff and faculty development
10 or, more importantly, their student support
11 systems that we have in place.

12 I think it's also important to note
13 that our 14 members have provided over
14 \$92 million in institutional grants and aids.
15 That's an incredible amount coming from all
16 of our members and helping, you know, to make
17 college more affordable.

18 Another way that our members promote
19 access and affordability is the "Jump-Start"
20 or "Middle College" programs. For instance,
21 we have Plaza College in Queens, or we have
22 Bryant and Stratton College, their Rochester
23 campus, who are partnering with their local
24 city high schools to offer tuition-free

1 college courses to those high school
2 students. So we're either pushing professors
3 out to the high schools so they can teach
4 those college courses there or,
5 alternatively, we're bringing the students
6 onto the college campus so they can get those
7 college courses there. So it's really giving
8 those high school students an introduction to
9 what college-level work looks like, what the
10 college environment is like, and also, more
11 importantly, it gives them a cost-effective
12 jump-start on their college degree.

13 APC members also believe that on-time
14 graduation is key to keeping student loan
15 debt low. So our graduation rates are
16 provided in my written remarks that you have
17 in front of you, but I just want to point out
18 that our on-time associate degree rates are
19 considerably higher than the other three
20 sectors, and our on-time bachelor degree
21 rates have increased by 3 percent since 2011.

22 And I also just want to take a moment
23 to note that if you look at the subgroups of
24 students with disabilities, students who

1 struggle through high school, or minority
2 students, we also do very well at getting
3 them to graduation on time.

4 So what happens after our students
5 graduate? Well, our student outcomes tell us
6 that the support they received while they
7 were in college continues after college. In
8 a recent member survey, our members told us
9 that over 72 percent of their graduates found
10 jobs in their field of study within six
11 months, and that number increases to
12 85 percent in 12 months.

13 We think a large part of our success
14 is due to the internship programs that many
15 of our members have. Internships truly
16 compound the educational value and give our
17 students real-world value, real-world
18 experience, and hands-on training that they
19 need to prepare them for good jobs after
20 graduation.

21 Let's take a look at LIM College, for
22 example. LIM is located in Manhattan, and
23 they are where business meets fashion. So
24 all of their programs are geared towards the

1 business side of the fashion industry. Their
2 internship program starts right away in the
3 freshman year, where they complete an
4 internship in the retail side of the fashion
5 industry. Then in their sophomore year, they
6 complete another internship in the corporate
7 side of the fashion industry. And then in
8 their senior year, they complete a full
9 semester or full-time work co-op, which
10 oftentimes actually translates into a
11 full-time job after those students graduate.

12 Lastly, I'd like to talk about student
13 loan debt. As I mentioned earlier, our
14 members are very committed to keeping college
15 affordable, and so we provide a lot of
16 financial literacy courses. And we also have
17 very comprehensive financial aid programs
18 around student loans. And so we want to make
19 sure that our students understand how much
20 loan debt they're taking on and what those
21 payments are going to look like after they
22 graduate. And we also want to make sure that
23 they understand what their options are for
24 repaying those loans. Whether it's

1 income-based repayment programs or New York
2 State's Get on Your Feet loan repayment
3 programs, we want to make sure that they
4 understand all their options when they
5 graduate.

6 And again we see that this attention
7 to detail pays off, because according to the
8 new college scorecard data, you'll see that
9 APC members' students graduate with an
10 average debt load of just \$21,900. So it's
11 about 32 percent lower than the national
12 average.

13 Finally, I'd just like to take a few
14 moments to address the Governor's Excelsior
15 Scholarship Program. We were very excited to
16 see that the Governor was focused on access
17 and affordability. But of course we were
18 understandably disappointed to learn that our
19 students were not going to be able to
20 participate in this.

21 New York State has a long history of
22 treating all four sectors of higher education
23 equally, and this has really created a robust
24 and diverse education system that's benefited

1 all New Yorkers. And so we would certainly
2 hope that that parity and equality would
3 continue.

4 So we would ask that our students
5 either be encouraged to also participate but,
6 more importantly, we think it would be a much
7 better use of those funds to expand the
8 existing Tuition Assistance Program, either
9 by increasing the minimum TAP award from \$500
10 to \$1,000 or the maximum TAP award from \$5100
11 to \$6500, or even increasing the maximum
12 income threshold up to \$100,000, for
13 instance. We think that maybe all of those
14 would be much better uses for those funds,
15 and again, they would apply to all
16 New Yorkers.

17 The data shows that 73 percent of our
18 students are Pell-eligible and over 21,000 of
19 our students get some form of TAP award, so
20 they certainly would appreciate this
21 increased, expanded program.

22 In conclusion, I just want to
23 reiterate that APC members are committed to
24 keeping student loan debt low, academic

1 achievement high, and the pathway to
2 employment is our priority. So I appreciate
3 your support of our students, and on that
4 note I'd be happy to answer any questions you
5 may have.

6 CHAIRMAN FARRELL: Thank you very
7 much.

8 Deborah Glick.

9 ASSEMBLYWOMAN GLICK: I appreciate the
10 concerns raised by APC as well as by CICU
11 about your non-inclusion. And as chair of
12 the committee, I hear from students who have
13 debt that they wish they hadn't. A young man
14 who actually helped me in my campaign said to
15 me, "You know, I went to NYU for a while, and
16 I couldn't afford it anymore so I switched to
17 Hunter and boy, I had the same education and
18 would have had no debt." So -- and he's
19 struggling.

20 So when I see from private
21 institutions, proprietary institutions, or
22 even from SUNY -- who will say the average
23 debt is \$25,000, seemingly rather de
24 minimis -- I asked the financial aid folks in

1 November at a hearing, What does that mean?

2 I mean, \$25,000 sounds like quite a bit,

3 especially if it's not tax-deductible. What

4 is the real cost of that to somebody? And

5 they said, Well, you know, it's hard to -- it

6 depends on the terms of the loan, it depends

7 on the interest rate and so forth. But

8 generally speaking, it would wind up being in

9 somewhere in the \$200 to \$400 a month for,

10 you know, 10 years, maybe 15.

11 Well, that seems like -- easy for us

12 to say it's only, but there's a real cost to

13 the society when young folks, and not such

14 young folks, get out of school and they have,

15 in the instance of not-such-young folks, they

16 have a house, they may have a car they have

17 to run in order to get to and from work, and

18 \$200, \$300, \$400 a month are your utility

19 bills or a car payment. And it's every

20 month, and it's every month for many years.

21 So I just want us not to be so

22 cavalier about that kind of number, because

23 the real effect for especially young people,

24 who are maybe getting entry-level jobs -- I

1 don't know, maybe you can give us some idea
2 at some point what the average starting
3 salary is for folks who are graduating. But
4 I'm concerned about careers like social work.
5 We need social workers. Why would anyone
6 become a social worker if they're going to be
7 making \$30,000. And what does that mean to
8 them to have a \$200, \$300, \$400 nut off the
9 top every month?

10 So this is to say that everybody has
11 to think a little bit more about those
12 numbers and not be -- you know, it may be
13 below the national average, but I hate
14 averages. People have heard this before.
15 You stick your head in the oven, you stick
16 your feet in the freezer, on average, you're
17 comfortable.

18 (Laughter.)

19 ASSEMBLYWOMAN GLICK: So I'm not a big
20 fan of averages.

21 So I appreciate your testimony, and
22 maybe you'll get back to us with some figures
23 on what kind of jobs people get, what kind of
24 salaries are they making, so we can really

1 see how that works out for them.

2 MS. GURNETT: Absolutely. We can do
3 that.

4 ASSEMBLYWOMAN GLICK: Thanks so much.

5 SENATOR SAVINO: Senator Stavisky.

6 SENATOR STAVISKY: Thank you for
7 mentioning Plaza College in Forest Hills,
8 we're very proud of it. And Monroe College,
9 which is in the Bronx, but also emerging as a
10 very significant part of the Flushing
11 community. And they too are starting a
12 program, and they're very involved with our
13 business improvement district.

14 And I think the point is that many of
15 the proprietary colleges have roots in the
16 community, these are family-run institutions,
17 and they make a major contribution not just
18 to the students but to the community where
19 the school is located. So I thank you.

20 MS. GURNETT: That's very true. I
21 couldn't have said it better myself.
22 Absolutely.

23 CHAIRMAN FARRELL: Thank you.

24 Next, Children's Aid Society, Jessica

1 Maxwell, director. Next after that will be
2 Center for Disability Rights, then CUNY
3 Student Senate, then Young Invincibles and
4 one other. Would you please come down close
5 so if you come and sit up, we can get done
6 quicker.

7 MS. MAXWELL: Good afternoon, Chair
8 Farrell, Chair Glick, and the members of the
9 Finance and Ways and Means Committees. Today
10 I would like to take the opportunity to
11 present testimony on behalf of the Fostering
12 Youth Success Alliance, which is a statewide
13 organization that's really comprised with
14 concerned advocates who are advocating for
15 policies to impact the foster care system.

16 And today we would like to take the
17 opportunity to address the Educational
18 Opportunity Program funding; more
19 specifically, the Foster Youth College
20 Success Initiative.

21 We are happy that the Foster Youth
22 College Success Initiative has a place in
23 Governor Cuomo's Executive Budget at
24 \$1.5 million, but unfortunately there is not

1 enough funding. We know that it takes
2 \$1.5 million to support each cohort of
3 students each year to have a reasonable
4 chance at success, and the Governor's
5 proposal falls short of the \$4.5 million
6 needed this year.

7 If authorized today, the Governor's
8 executive proposal would cut resources from
9 an entire cohort of students that are
10 currently attending college and receiving
11 support and who have no other resources to
12 rely on.

13 In New York State, there's
14 approximately 20,000 children and youth in
15 the foster care system, of which 40 percent
16 are adolescents and are likely to age out of
17 the foster care system. Many youth leave
18 care without the support of a caring adult or
19 family, and when barriers or emergencies
20 arise, don't have savings or relatives or
21 friends to rely on. When discharged, youth
22 are expected to learn how to become an adult
23 through trial and error. When presented with
24 obstacles, youth are left to navigate the

1 complexities of adult public services and
2 benefit systems.

3 As you heard many times today, for any
4 young person seeking to go to college, the
5 financial aid application processes are often
6 a daunting task, but for youth in the foster
7 care system and those who have aged out,
8 those responsibilities seem insurmountable.
9 Many lack supportive adults to help navigate
10 confusing applications and processes before
11 ultimately making decisions.

12 In 2015, FYSA advocated for the
13 establishment of the Foster Youth College
14 Success Initiative, which was aimed at not
15 only closing the financial gaps but providing
16 on-campus social and emotional supports to
17 succeed. In the fiscal year 2016 budget, the
18 state allocated \$1.5 million to establish
19 Cohort 1 of the Foster Youth College Success
20 Initiative. Thank you to the leadership of
21 the Assembly for that allocation.

22 Under the statute establishing the
23 Foster Youth College Success Initiative, the
24 program requires that students be served

1 through opportunity programs at public and
2 independent colleges participating in SEEK,
3 College Discovery, EOP or HEOP. This was a
4 welcome decision, given the historical
5 success of opportunity programs.

6 Participating institutions including programs
7 like New York University, Columbia
8 University, St. Lawrence, College of
9 Staten Island, Stony Brook University, and
10 Le Moyne College. Since the state made this
11 investment, much progress has been made over
12 the last 18 months to institute this program.

13 Additionally, in fiscal year 2017, the
14 state allocated \$3 million to continue to
15 support Cohort 1 and establish Cohort 2. We
16 are already seeing the positive impact of
17 this program. We have seen a 98 percent
18 retention rate for Cohort 1 of 52 students
19 from Year 1, the 2015-2016 academic year, to
20 Year 2, the 2016-2017 academic year currently
21 in progress.

22 So for the past two years, the state
23 has devoted resources to assist foster youth
24 in obtaining a college degree. Now is the

1 time to redouble our commitment to foster
2 youth under our care. New York State has an
3 obligation to ensure that youth in the foster
4 care system can transition to independence,
5 and a college degree is critical in that
6 transition. Therefore, we are requesting and
7 urging the state to take the additional
8 steps.

9 First and foremost, we are urging the
10 state to provide a sustainable funding
11 strategy for the Foster Youth College Success
12 Initiative. By providing a sustainable
13 funding strategy, college programs will have
14 the opportunity to plan ahead for students
15 coming into their doors and do active
16 outreach. As such, we're requesting that the
17 state include \$4.5 million in the fiscal year
18 2018 budget to support this initiative.
19 Three million dollars will be used to support
20 Cohorts 1 and 2, which currently exist, and
21 \$1.5 million will be provided to establish
22 Cohort 3 of the initiative.

23 Foster youth already face many
24 uncertainties. Obtaining a college degree

1 should not be one of them. Our second
2 recommendation is really around the
3 identification mechanism for foster youth.
4 Unfortunately, right now the college
5 application processes do not include any way
6 to identify foster care youth in their
7 system. And due to that, many foster youth
8 are often unaware of their eligibility for
9 the opportunity programs and, furthermore,
10 the resources under the Foster Youth College
11 Success Initiative.

12 Therefore, we are asking the state to
13 take a proactive approach to identifying
14 students by establishing a standardized
15 identification mechanism which will be
16 mandated of all schools participating in the
17 initiative.

18 We are recommending that the state ask
19 the CUNY, SUNY and independent colleges
20 participating in the opportunity programs to
21 create standardized language that allows
22 foster youth to self-identify on their
23 college admission applications, which is the
24 first time they would touch base with them.

1 By doing so, we will be able to readily
2 identify earlier the number of foster youth
3 that are, one, eligible for the program and,
4 two, need services. Additionally, this will
5 provide us with much more opportunities to
6 create a data cohort so we can better
7 understand the success of foster youth
8 attending college and, lastly, understand
9 what are their additional needs.

10 In conclusion, I restate, foster youth
11 face many uncertainties in their lives, and
12 having continuous support to obtain a college
13 degree should not be an area of concern. The
14 state simply cannot abandon its
15 responsibility at such a critical time of
16 transition. We must work together to ensure
17 all students already in college can continue
18 on and, furthermore, to ensure that new
19 students that will enroll in college have
20 supports available to them. By doing so, the
21 state will be ensuring that foster youth
22 currently under their care will have a
23 fighting chance at succeeding in college and
24 in life.

1 FYSA welcomes the opportunity to
2 continue working with the state and all of
3 its partners to ensuring the implementation
4 and success of foster youth, and we welcome
5 any questions. Thank you.

6 CHAIRMAN FARRELL: Thank you very
7 much.

8 ASSEMBLYWOMAN GLICK: I don't actually
9 have a question, because we worked closely
10 together. But it's very helpful to have
11 specific, detailed recommendations that have
12 been presented to the committee, as we're in
13 the middle of the budget process. So I very
14 much appreciate you waiting all day to come
15 and present this, and to have very clear,
16 concrete suggestions that we hopefully can
17 act on.

18 MS. MAXWELL: Thank you, Assemblywoman
19 Glick.

20 CHAIRMAN FARRELL: Thank you.

21 MS. MAXWELL: Thank you.

22 CHAIRMAN FARRELL: Next, Gregg
23 Beratan, policy analyst for Center for
24 Disability Rights.

1 MR. BERATAN: Good afternoon. Thank
2 you to the chairs and the committee for
3 allowing me to testify.

4 The Center for Disability Rights
5 doesn't necessarily have any objections to
6 the Governor's proposals for the budget, but
7 for what's missing from it. And, you know,
8 that being any consideration for disabled
9 people.

10 So if you look at the Governor's
11 proposal for free tuition, this is admirable.
12 We support that, and we think it's very good.
13 But it leaves things out. And as I think
14 someone earlier pointed out when talking to
15 the council, the fact that it stops at four
16 years -- you know, the students that this
17 would most affect probably are disabled
18 students.

19 And I can say this as someone who was
20 a disabled student navigating higher
21 education who did not take a traditional
22 four-year path. I would have been on the
23 hook for whatever it is, you know, in the
24 budget with these deferrals. And I think

1 that's dangerous to shrug aside if the
2 executive branch wants to do that, because
3 disabled students can complete education, can
4 be very successful in education.

5 Because I was allowed, you know, and
6 supported in going through a nontraditional
7 path, you know, I was then able to go on and
8 get my master's degree and my Ph.D. But, you
9 know, if that had been denied to me, if I
10 hadn't had the supports that I managed to
11 find for myself, that would not have been a
12 possibility.

13 And so I would like greater
14 consideration in here for disabled students.
15 And some of those nuanced policies, like the
16 four-year limit, I think are poorly thought
17 out.

18 But beyond that, I think there are
19 things that this committee and both bodies of
20 the Legislature need to consider, which is
21 that SUNY and CUNY are still dealing with
22 accessibility issues. And so you've got
23 students that, you know, can't worry about
24 whether or not they get free tuition, because

1 they can't get in the door in some cases.
2 And I think this is symptomatic of the way we
3 have approached things; disability has been
4 treated as an afterthought and not as
5 something we consider from the start.

6 Accessibility. We have professors
7 talking about banning laptops from
8 classrooms. Well, as a student, I wouldn't
9 have finished my undergraduate without a
10 laptop. I wouldn't have finished my Ph.D.
11 without a laptop. These are things -- you
12 know, not everyone learns along the same
13 trajectory, learns with the same skills. And
14 so unless we make accessibility de facto in
15 both our physical environment and our
16 pedagogy teaching, students will continue to
17 be driven from higher education, and you will
18 see higher dropout rates among disabled
19 students.

20 And we don't want that. I mean,
21 disabled people have twice the unemployment
22 rate of nondisabled people. I think I heard
23 the chancellor of CUNY earlier saying that
24 the higher education system is the greatest

1 engine for social and economic change we
2 have. And he's right. But disabled
3 students are often denied that.

4 And that brings me to my next point,
5 and I don't know if it necessarily fits
6 within today's remit. But the fact is that
7 our public secondary and primary education
8 systems are often preventing people from even
9 getting to the point where they can think
10 about applying for the Excelsior
11 scholarships, because we're channeling
12 disabled students into paths where the only
13 degree they can get doesn't qualify them for
14 SUNY or CUNY.

15 And so until we address that, again,
16 disabled students will be denied access to
17 higher education, will be denied the benefits
18 that the Governor is saying he wants to
19 expand to all students.

20 Beyond that, I mean, I -- there are
21 other things in my written testimony. I know
22 it's late, and I know people want to get
23 home, so I'll leave it at that. But I do
24 appreciate your time.

1 CHAIRMAN FARRELL: Thank you.

2 Questions?

3 Thank you very much.

4 CHAIRWOMAN YOUNG: Thank you.

5 CHAIRMAN FARRELL: CUNY Student Senate,

6 Chairperson Chika -- I'm not even going to

7 try to do his last name. I will mess it

8 up -- and Hercules Reid, vice chair,

9 legislative affairs.

10 Kevin Stump and Dr. Keen, if they

11 would come down and help -- I think they're

12 down. Oh, there he is, okay.

13 Would you pronounce that name for me?

14 MS. ONYEJIUKWA: It's Onya-che-kwa.

15 CHAIRMAN FARRELL: Yes, thank you. I

16 knew I couldn't do it.

17 MS. ONYEJIUKWA: Good afternoon,

18 members of the New York State Legislature.

19 My name is Chikaodili Onyejiukwa, and I am a

20 senior at Hunter College at the City

21 University of New York, majoring in community

22 health education. I serve as the chairperson

23 for the City University of New York

24 University Student Senate, also known as CUNY

1 USS. USS is the elected student governance
2 organization responsible for representing the
3 interests of nearly 500,000 students that
4 attend CUNY each academic year. I also have
5 the distinct honor to serve as a CUNY
6 trustee.

7 I am a proud member of Assembly
8 District 32, represented by Assemblymember
9 Vivian Cook and Senate District 14,
10 represented by Senator Leroy Comrie.

11 Over the past several years, since the
12 SUNY 2020 plan was adopted in 2011, our
13 organization, USS, has been working
14 diligently to call on the CUNY Board of
15 Trustees and our legislative bodies to freeze
16 the annual tuition increases at CUNY. We
17 have also been working with local leaders and
18 organizations to put our minds together and
19 explore constructive approaches to returning
20 CUNY to being a well-funded and tuition-free
21 institution of higher learning.

22 The University Student Senate is a
23 steering member of the CUNY Rising Alliance.
24 The CUNY Rising alliance is a growing

1 alliance of 30-plus community members,
2 nonprofits, unions, student advocates, and
3 faith-based organizations that serve and
4 mobilize and minister to millions of
5 New Yorkers. In December, the CUNY Rising
6 Alliance released a white paper making the
7 case for free and quality education at CUNY.

8 Last year, after a long battle and
9 persistent advocacy efforts from our students
10 and community leaders, CUNY and SUNY students
11 were given a break from five years of
12 perpetual tuition hikes. We want to thank
13 every member of this Legislature for making
14 this happen. We are happy to have you as
15 representatives of our great state. And
16 again, the students at CUNY are calling for a
17 tuition freeze and investments into our
18 university.

19 I was most surprised to see that the
20 Executive Budget proposed five years of \$250
21 tuition hikes for CUNY and SUNY students.
22 This call for tuition hikes comes two weeks
23 after a proposed plan for a tuition-free CUNY
24 and SUNY. We cannot have alternative tuition

1 proposals. The notion that we will have
2 tuition increases within the same institution
3 that is declared will be tuition-free is
4 inherently contradictory. Either we are
5 committed to making CUNY and SUNY free of
6 cost for our students, or we are not.

7 We are asking the New York State
8 Assembly and Senate to reject any attempts to
9 increase our students' tuition. We have paid
10 our fair share over the past five years
11 through tuition increases and are now asking
12 for relief that we have outrightly earned.

13 There has been a decade-long trend of
14 disinvestment in public higher education.
15 What New Yorkers need is a real investment in
16 public higher education. We need a
17 commitment from our governor and state
18 legislators that our students and professors
19 are a priority to this great State of
20 New York.

21 We can make a real investment in CUNY
22 by passing and signing a maintenance of
23 effort bill that ensures that our university
24 remains well-funded as the price of running a

1 competitive university raises every year. We
2 can make a real investment by reforming our
3 Tuition Assistance Program by expanding the
4 eligibility criteria and increasing the
5 maximum award. We can make a real investment
6 by fighting for the DREAM Act and making sure
7 that our students that are undocumented have
8 a shot at the American dream as well.

9 The student population at CUNY is very
10 different from most college institutions.
11 Most of our students are working, low-income,
12 or, in short, people who fall short of the
13 traditional college student. The Excelsior
14 program is too restrictive, and many of our
15 students will not reap the benefits being
16 offered by the program.

17 As stated in the New York State
18 Education Law, Legislative Findings and
19 Intent of Higher Education: "The City
20 University is of vital importance as a
21 vehicle for the upward mobility of the
22 disadvantaged in the City of New York."

23 The academic ladder remains an
24 important component in attaining professional

1 and personal success. And for many of us,
2 CUNY remains as the only viable option of
3 higher education -- not because we will not
4 excel in other academic institutions, but
5 because CUNY is affordable and accessible. I
6 know that the Legislature has a profound
7 understanding of how important public higher
8 education is to a successful New York
9 workforce. We are asking that you make a
10 real investment in CUNY.

11 Thank you.

12 MR. REID: Good afternoon, members of
13 the New York State Legislature. My name is
14 Hercules Reid, and I am the vice chair of
15 legislative affairs for the CUNY University
16 Student Senate. And I am also the two-term
17 president of the Student Government
18 Association at City Tech.

19 I will skip through my bio because the
20 more important part is the content of this
21 message.

22 As a student, I have directly
23 benefited from engagement in programs such as
24 the Black Male Initiative program, BMI.

1 Through BMI, I was able to save money on
2 textbooks for a few semesters and receive
3 necessary one-on-one tutoring to pass my
4 remedial and beginning-level courses.
5 Without BMI, I know I would not have survived
6 my first academic year at City Tech.

7 Throughout my time at CUNY, I have
8 seen and learned about the great benefits of
9 opportunity programs such as BMI, CUNY ASAP
10 SEEK, and CUNY LEADS. All of these allow
11 CUNY to not only remain accessible, but also
12 enhance the quality of our education. We
13 encourage you to challenge any divestments of
14 these programs, and we humbly ask that you
15 not only challenge any divestments but also
16 aid in the growth, expansion, and investment
17 in these programs.

18 We are also asking for you to support
19 our students by providing more capital
20 investments to support eroding facilities and
21 development of new state-of-the-art centers
22 of education. We are very appreciative of
23 the Governor's investment in critical
24 maintenance for senior colleges. The reality

1 is our students need to be safe and
2 comfortable in comfortable learning
3 environments to excel and succeed. I have
4 sat in classrooms at City Tech with
5 temperatures measuring above 90 degrees.

6 We understand that there are
7 challenges associated with maintaining
8 facilities. However, we need an investment
9 which will allow us to enhance our facilities
10 to meet the needs of society in the next
11 generation.

12 Understanding that some of our
13 students have children, more funding needs to
14 be added to the state and city budget to
15 provide access for childcare centers and
16 services on campuses to aid parents pursuing
17 or continuing their degree.

18 We feel compelled to mention that USS
19 strongly is against raising tuition. In the
20 SUNY 2020 bill, which was passed in 2011, we
21 were promised a maintenance of effort.
22 Tuition rose for five years, students paid
23 their fair share, and today, in 2017, we have
24 still not a commitment from the Executive

1 Budget to support the maintenance of effort.

2 The Governor's Executive Budget
3 proposes another five years of unaffordable
4 tuition hikes to CUNY students: An increase
5 in tuition of \$250, totaling \$1,250 over the
6 next five years. This would bring tuition to
7 \$7,580 at CUNY senior colleges and create a
8 \$2,415 gap between tuition and the maximum
9 TAP award of \$5,165.

10 Raising tuition at CUNY is
11 contradictory to the Governor's plan to make
12 college more affordable. Legislation like
13 the DREAM Act, which the Governor is looking
14 to pass, is an example of truly aiding not
15 only the privileged but also the
16 underprivileged and underrepresented
17 populations of individuals in the State of
18 New York who we have all sworn to represent
19 and protect.

20 We encourage you all to make it your
21 business to pass the DREAM Act on behalf of
22 the Dreamers out there striving to be better
23 individuals in their society and the
24 community.

1 When accessibility is mentioned, that
2 does not only reference ADA compliance, but
3 also the need for public transportation to
4 commute back and forth to college. MTA is
5 looking to raise the fare yet again. What
6 serious conversations or legislation have
7 been created to address this on behalf of how
8 this will affect access to higher education
9 in the city?

10 I have so many friends who miss class
11 on multiple occasions because they cannot
12 afford the fare for that day. How many
13 students need a monthly or weekly MetroCard
14 but, due to being a full-time student, yet
15 purchase rides regularly because they could
16 not afford the full monthly price, in fear of
17 not having money to eat throughout the month.

18 We are asking you to consider not just
19 the idea of a reduced fare initiative for
20 college students, but even something as
21 minimal as 30 percent reduced fare would
22 increase revenue for the MTA due to more
23 students being able to purchase a monthly or
24 a weekly MetroCard. We ask that you take

1 action to make transportation also
2 affordable.

3 I can directly tell you how hard it is
4 to pay the ever-increasing costs of rent,
5 tuition, food, textbooks and the
6 ever-increasing MetroCard. If we thought
7 what we were requesting was unreasonable or
8 unfathomable, I would not be here speaking
9 with so much conviction. You are all a part
10 of the people who can make or break higher
11 education, not only for the present but for
12 the future.

13 In closing, in addition to what my
14 colleague just mentioned, also the State
15 Education Law 6201, Legislative Findings and
16 Intent, reads: "Only the strongest
17 commitment to the special needs of urban
18 constituencies justifies the Legislature's
19 support of an independent and unique
20 structure for the university. Activities at
21 the City University campus must be undertaken
22 in a spirit which recognizes and responds to
23 the imperative need for affirmative action
24 and the positive desire to have City

1 University personnel reflect the diverse
2 communities which comprise the people of the
3 City and the State of New York."

4 Thank you.

5 MS. KERLUKU: Good afternoon, members
6 of the New York State Assembly Committee on
7 Higher Education. My name is Jona Kerluku.
8 I am a student majoring in exercise science,
9 minoring in mathematics, on a premedical
10 track at Lehman College at the City
11 University of New York. This fall I had the
12 honor and privilege to be elected vice chair
13 for fiscal affairs for the CUNY University
14 Student Senate. I will graduate Herbert H.
15 Lehman College this spring, 2017, in hopes to
16 continue my career in medicine.

17 I emigrated from Albania in 2001 and
18 chose the City University of New York to
19 receive my bachelor's degree because it was
20 all that my mother and I could afford. I
21 have committed a lot of time to volunteering
22 in several public hospitals around the city,
23 participating in scientific research,
24 athletics and, most recently, student

1 government. I spoke to hundreds of students
2 throughout my years from different
3 demographics throughout the CUNY system, and
4 we all feel strongly against the increases of
5 tuition.

6 I would like to focus my testimony on
7 the importance of reforming the Tuition
8 Assistance Program. The five-year tuition
9 increases that are included in the Executive
10 Budget will increase tuition to \$7,580 and
11 further enhance the gap between tuition and
12 the maximum TAP award, which is currently
13 \$5,165.

14 I ask that you reconsider the
15 difficulty for working-class and low-income
16 students to fill the gap of \$2,415. As one
17 of those students, I want to tell you that
18 the burden of the TAP gap is heavy and the
19 consequences could potentially defer the
20 dreams of many New Yorkers. Students are
21 already working very hard to cover living
22 expenses, transportation, books, and meals.

23 Perhaps the idea Governor Cuomo had in
24 mind was to cover the gap with the Excelsior

1 scholarship. But you've heard before, the
2 scholarship is fairly restrictive and there
3 are tens of thousands of students and
4 potential students at CUNY that will not
5 receive any of the benefits the scholarship
6 is promising.

7 I am especially concerned for the
8 part-time students and undocumented students
9 who are currently not receiving any TAP
10 funding. These students are often going to
11 school part-time precisely because they have
12 to work and go to school. The Excelsior
13 program assumes that our students have the
14 option to take 15 credits a semester. While
15 this goal is desirable, the reality is that
16 many of our students have real-life
17 responsibilities, and we need to find a way
18 to help them.

19 We are requesting an increase in the
20 maximum TAP award to keep up with the rising
21 cost of tuition and index the award so that
22 if tuition increases in the future, so will
23 award amounts.

24 Despite the inconsistency students

1 face when applying for TAP, the restriction
2 on part-time students hinder a large portion
3 of the CUNY population from completing their
4 education. These constraints cause students
5 to manage an overwhelming course load during
6 the semester, which limits the
7 extracurricular activities they could provide
8 attention to, like sitting up here in front
9 of you today, or applying for internships
10 instead of running out of school to go to
11 work.

12 For us to have remarkable statistics
13 as a university, we need to provide an
14 affordable and accessible system for the
15 450,000 students asking for an education.
16 The benefit of a free public education system
17 is that students are relieved of the burden
18 of having another bill. In senior colleges,
19 32.3 percent to 48.8 percent of the
20 undergraduate students have a household
21 income of less than \$20,000, in senior
22 colleges and community colleges respectively.
23 More than 30 percent of students in senior
24 and community colleges work over 20 hours per

1 week to keep up with living in New York City.
2 Students cannot focus on school if they have
3 to worry about overwhelming tuition hikes.

4 We are counting on each of you to help
5 modernize financial aid for our students. As
6 my colleagues mentioned, the State Education
7 Law 6201, Legislative Findings, also reads
8 that: "The Legislature finds that in order
9 to meet the state's responsibility to provide
10 postsecondary education in New York City
11 beyond the associate degree level, as it does
12 elsewhere in the state, there should be full
13 state funding of senior college operating and
14 debt service."

15 Thank you.

16 MR. REID: "Ohana" means family, and
17 family means nobody gets left behind.

18 ASSEMBLYMAN OAKS: Thank you very
19 much.

20 ASSEMBLYWOMAN GLICK: I can't read
21 your buttons. What do they say?

22 MS. ONYEJIUKWA: They say "The only
23 climate change we need is a CUNY tuition
24 freeze."

1 (Laughter.)

2 ASSEMBLYWOMAN GLICK: Thank you very
3 much.

4 CHAIRWOMAN YOUNG: I want to thank you
5 students for showing up today. I think it
6 shows a lot about you, the initiative that
7 you're taking, and I think it bodes very well
8 for the future. And it's always so helpful
9 for the Legislature to hear directly from
10 students as to how the Governor's proposals
11 affect your lives. So thank you very much.

12 MS. KERLUKU: Thank you.

13 MR. REID: Thank you guys for your
14 time.

15 SENATOR STAVISKY: Let me just add one
16 thing. I've always said students ought to be
17 testifying earlier, because they're the ones
18 we're talking about. You're the investment.

19 MS. ONYEJIUKWA: Thank you.

20 MR. REID: Thank you guys for waiting
21 around.

22 ASSEMBLYMAN OAKS: Young Invincibles,
23 Kevin Stump.

24 MR. STUMP: Good afternoon. Thank

1 you, everybody, for sticking around. And I
2 would second the motion from Senator Stavisky
3 that students should go first before SUNY and
4 CUNY, and then we'll hear everybody else.

5 So what you have before you is our
6 testimony. The two pages before that are
7 distinct fact sheets that -- we know
8 legislators like one-pagers that are easy to
9 kind of digest and read on the fly. So we
10 thought it would be a good idea this year to
11 provide you with two different fact sheets
12 outlining how the tuition waiver credit that
13 is a structural disinvestment through the
14 Tuition Assistance Program is impacting both
15 the students and CUNY and SUNY.

16 So let me begin. My name is Kevin
17 Stump. I'm the Northeast director of Young
18 Invincibles. We are a national nonpartisan
19 policy and advocacy group that's working to
20 elevate the voices of young adults and to
21 expand economic opportunities for the
22 millennial generation.

23 Our generation faces unprecedented
24 challenges, despite being the most diverse

1 and educated generation in American history.
2 Young Invincibles' latest research shows that
3 millennials have earned a net wealth half
4 that of baby boomers at the same age, and
5 young adult workers today earn \$10,000 less
6 than young adults in 1989. That's a decline
7 of 20 percent. Additionally, when baby
8 boomers were young adults, they owned twice
9 the amount of assets as young adults do
10 today.

11 We also found that educational
12 attainment is still an individual's best
13 pathway to upward mobility, but that student
14 debt negatively impacts the long-term
15 financial security of our generation.

16 In New York, student debt more than
17 doubled during the last decade, growing to
18 \$82 billion, an increase of 112 percent, with
19 an average debt holder owing more than
20 \$32,000 a year. This shouldn't be
21 surprising, as tuition has skyrocketed and
22 the state's TAP program award levels have
23 remained woefully inadequate, and many of the
24 rules governing the program are unfair,

1 excluding many needy students from accessing
2 much-needed aid.

3 Unfortunately, the state's commitment
4 to providing an affordable higher education
5 is not as strong as it needs to be, and the
6 Governor's Executive Budget proposal doesn't
7 go far enough. While we're excited to see
8 the Governor thinking about how to make
9 college more affordable for New Yorkers, the
10 proposal sets a dangerous precedent in how we
11 tackle the issue of college affordability by
12 pushing many New York families to the side.
13 The Governor's proposal is a last-dollar
14 scholarship for full-time students only,
15 backfilling aid after the TAP and federal
16 Pell grants have already gone towards
17 tuition, and therefore leaving the most
18 at-need students without adequate financial
19 aid.

20 College affordability also means
21 helping students pay for the
22 non-tuition-related costs which account for
23 the majority of the costs associated with
24 getting a college degree. The Governor's

1 tuition-free criteria for full-time, defined
2 as 15 credit hours per semester, is not
3 aligned with the state and federal financial
4 aid definitions used to determine full-time
5 student status. Both TAP and Pell distribute
6 awards using 12-credit course loads as the
7 full-time definition.

8 As a result, the Governor's
9 tuition-free program will exclude students
10 who are unable to attend college full time
11 because they have other financial and family
12 obligations that also require their
13 commitment, such as childcare, having to work
14 to pay rent or other bills, or may not be
15 academically ready and able to take a
16 15-credit course load for four years.

17 Finally, the Governor's Excelsior
18 scholarship claims to be serious about
19 increasing graduation rates and reducing the
20 time it takes to graduate, but does not come
21 with serious resources that match that need,
22 such as additional advisors, scaled-up
23 opportunity programs, and other
24 well-documented strategies we know work, like

1 CUNY's ASAP program.

2 Unfortunately, the Governor's proposal
3 penalizes students who do not fit a very
4 narrow criteria to pursue a college degree.
5 The Legislature should scale opportunity
6 programs to increase graduation rates,
7 increase the TAP award income threshold to
8 \$125,000 so more middle-income families can
9 access TAP, increase the maximum TAP award
10 for CUNY and SUNY students to \$6,500 or that
11 of tuition at SUNY and CUNY senior colleges,
12 or whichever is higher, and index the maximum
13 award to tuition so that if tuition rises, so
14 do award amounts.

15 Unfortunately, despite the Governor's
16 Excelsior scholarship initiative to make
17 college more affordable, the budget proposes
18 flat funding for the state's public
19 universities and another five years of
20 unaffordable \$250 tuition hikes to SUNY and
21 CUNY students. For the tens of thousands of
22 low-income students who do not qualify for
23 the scholarship, they would be responsible
24 for increased tuition totaling \$1250 over the

1 suggested five years, which would bring
2 tuition at CUNY senior colleges to \$7,580,
3 creating an even larger gap of \$2,415.

4 Raising tuition at the state's public
5 university system is contradictory to the
6 Governor's rhetoric to make college more
7 affordable. This is a double whammy for the
8 most at-need students. The Legislature
9 should reject the Governor's proposal to
10 increase tuition at SUNY and CUNY and instead
11 fully fund the state public universities.

12 Unfortunately, the tuition credit
13 continues to structurally erode resources
14 from SUNY and CUNY systems. The New York
15 SUNY 2020 legislation mandated that SUNY and
16 CUNY universities grant a tuition credit to
17 their students who qualify for the maximum
18 TAP reward where tuition exceeds the maximum
19 TAP. Although this protected the most
20 at-need students by covering their tuition,
21 it also required the students' universities
22 to use their operating budgets to cover the
23 gap between tuition and the maximum award.
24 This alone cost CUNY senior colleges more

1 than \$180 million from 2012 to today. The
2 state needs to increase the maximum TAP award
3 and index it to tuition to eliminate the
4 funding gap that students and universities
5 absorb every year.

6 Once again, the Governor fails to
7 include a true maintenance of effort funding
8 commitment, further eroding the quality of
9 the state's public higher education
10 institutions. The MOE bill was a promise
11 made as part of the New York SUNY 2020
12 legislation that the state would pay for
13 mandatory cost increases, but the state has
14 failed to do so, costing the universities
15 tens of millions of dollars since 2011.

16 The Legislature must include a
17 maintenance of effort funding in the budget
18 so SUNY and CUNY do not need to use precious
19 operating dollars to pay for cost increases
20 the state should also absorb.

21 And finally, enough is enough, the
22 state needs to pass the New York State DREAM
23 Act to extend undocumented students' access
24 to state financial aid.

1 We look forward to working with the
2 Governor and the State Legislature this
3 budget season, and thank you for hanging
4 around.

5 CHAIRMAN FARRELL: Thank you.

6 Questions?

7 To close, Dr. W. Hubert Keen,
8 president, Nassau Community College.

9 NCC PRESIDENT KEEN: Thank you,
10 Chairman Farrell, Chairwoman Glick, members
11 of the joint committee. Thank you for
12 providing this opportunity for me to speak
13 about Nassau Community College and other
14 issues related to the State University of
15 New York. I'm so pleased to see Assemblyman.
16 Lupinacci, who is such a strong supporter of
17 my former institution at Farmingdale State,
18 and he sought to be on this very committee
19 from the very beginning.

20 Nassau Community College is the
21 largest of the community colleges in the
22 State University of New York as a single
23 campus. It serves the population of Nassau
24 County -- of more than 1.4 million people --

1 one of the largest and probably comparable to
2 Suffolk County, the two largest populations
3 served by community colleges.

4 We enroll more than 20,000 students,
5 and minority enrollment exceeds 50 percent
6 and has been growing rather dramatically. A
7 larger proportion of minority students attend
8 the college than the general population of
9 Nassau County. The Hispanic enrollment at
10 Nassau now exceeds 25 percent, which
11 qualifies us, when it's documented formally,
12 for Hispanic Serving Institution status with
13 the U.S. Ed Department.

14 In addition to educating many students
15 who transfer to senior colleges, Nassau
16 fulfills the traditional mission, providing
17 academic programs that lead directly to the
18 workforce. Most recently, we've added
19 programs in hospitality management and
20 culinary arts to support the workforce in the
21 ever-growing tourism industry of Long Island.

22 As an institution that has for more
23 than 75 years shone as a model of excellence
24 in community college education, Nassau has

1 enjoyed great support by the county and the
2 state and fulfilled its promise to hundreds
3 of thousands of students. However, the
4 demands of recent years and the need to
5 sustain an aging physical plant has taken its
6 toll.

7 I want to speak basically about what
8 we're confronted with with respect to a
9 serious problem of the Executive Budget, and
10 that is the base operating aid, which, if
11 carried out based on the enrollments as it is
12 based, will lead to our losing -- and 27 of
13 the community colleges in SUNY losing --
14 support. Ours would be the largest. Of
15 course, the scale of enrollment and budget in
16 our institution might predict that it would
17 be the largest, and so we would lose some
18 \$2.7 million of operating aid if the
19 Executive Budget is passed as it is.

20 The Excelsior tuition plan would be
21 excellent for many students. It would allow
22 them to lower debt, and it would provide for
23 quite a number of students to come to higher
24 education who would not otherwise come.

1 So it's been a long day for all of
2 you, and I want to conclude by thanking you
3 for this and also for the support of the
4 Legislature and the Governor over the years
5 for higher education, and for Deputy Speaker
6 Earlene Hooper's support of Nassau Community
7 College. So thank you.

8 CHAIRMAN FARRELL: Thank you.

9 CHAIRWOMAN YOUNG: Thank you.

10 I want to simply note that Senator
11 LaValle has been a very strong supporter of
12 Nassau Community College, as has the Senate.
13 And so I just don't want you to forget that
14 part of the equation.

15 NCC PRESIDENT KEEN: Yes.

16 CHAIRWOMAN YOUNG: Thank you.

17 CHAIRMAN FARRELL: Thank you very
18 much.

19 Oh, excuse me, I didn't see you. Yes,
20 Ms. Hooper.

21 ASSEMBLYWOMAN HOOPER: Yes. Thank you
22 very much, Dr. Keen. I appreciate your
23 patience, your tenacity, and certainly for
24 your allowing Nassau County Community College

1 to profit from your leadership.

2 But I would like to ask just maybe
3 one -- maybe three questions, because we've
4 had a long day, and we would like to end this
5 on a positive note.

6 I would like to know a few things
7 about the college as it relates to student
8 access and opportunities to reside on the
9 campus. Is there anything on your agenda or
10 long-term plan as relates to dormitories for
11 students to be able to remain on campus?

12 NCC PRESIDENT KEEN: There has been
13 some discussion of the possibility of
14 building dormitories, and we're studying the
15 positives and the negatives of that. We know
16 that a number of other community colleges
17 have built residence halls in the upstate
18 region, and so we're going to look at whether
19 or not they've been successful for those
20 institutions. And we'll make a decision
21 about how to proceed based on that.

22 ASSEMBLYWOMAN HOOPER: I see. I
23 understand that you also have developed a
24 one-stop center for students' access to the

1 necessary services. Could you expand on that
2 a little?

3 NCC PRESIDENT KEEN: Yes. We're a
4 large and sprawling campus, and what we've
5 done is to consolidate all of the student
6 services in a single center in the base of
7 our Tower Building on campus. And it has
8 been a wonderful service to the students who
9 now can go to a single place and find all of
10 the services for admission, for financial
11 aid, and for all of the other aspects of
12 student support services, yes.

13 ASSEMBLYWOMAN HOOPER: Thank you.

14 One last concern, and certainly I
15 think it would be helpful. Aside from the
16 students who benefit from this education, to
17 what extent does the economics of the Nassau
18 County community -- what benefits are there
19 by having this college located in
20 Nassau County, from where I am also a
21 resident? I'm talking in terms of
22 employment, job outreach, development,
23 relationship with local high schools. Could
24 you expand on that, please?

1 NCC PRESIDENT KEEN: We serve an
2 exceptionally important role. I've just
3 finished four meetings with the
4 superintendents of Nassau County, about 15 at
5 a group. And they have told me that of
6 course Nassau is the higher ed institution of
7 destination for a larger percentage of their
8 students than any other institution. Maybe
9 you'd predict that as a community college
10 that serves the county.

11 But it does emphasize the importance
12 of Nassau in educating the students and also
13 providing them for the workforce of the
14 county, which as I mentioned earlier has a
15 population of 1.4 million people.

16 ASSEMBLYWOMAN HOOPER: Just briefly,
17 what type of employment does Nassau Community
18 College provide generally to Nassau County,
19 generally?

20 NCC PRESIDENT KEEN: You mean
21 employment in the institution by faculty and
22 staff?

23 ASSEMBLYWOMAN HOOPER: In other words,
24 are those persons -- not only the

1 professionals, but those support service --
2 those persons who work and/or live in the
3 area, what -- do you have an idea of what
4 impact the college has on that, especially
5 those persons who need employment and
6 certainly those who are seeking jobs that
7 have what you might call a living wage?

8 NCC PRESIDENT KEEN: Well, it's a very
9 important employer in the county. As a
10 matter of fact, if you considered it a usual
11 element of the Nassau County government, it's
12 the largest employer of the county.

13 ASSEMBLYWOMAN HOOPER: It's the
14 largest employer?

15 NCC PRESIDENT KEEN: Yes.

16 ASSEMBLYWOMAN HOOPER: All right.
17 Thank you so very much. I look forward to
18 working with you, and certainly my colleagues
19 look forward to the long-ongoing benefits
20 from the Nassau Community College. Thank you
21 for being so patient to wait for this
22 opportunity. Again, thank you.

23 NCC PRESIDENT KEEN: Thank you.

24 CHAIRMAN FARRELL: Thank you.

1 ASSEMBLYMAN OAKS: Thank you.

2 CHAIRMAN FARRELL: That's it. We're
3 closed until tomorrow at 10 a.m.

4 (Whereupon, the budget hearing concluded
5 at 5:39 p.m.)

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