

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

2 -----

3 JOINT LEGISLATIVE HEARING

4 In the Matter of the
5 2018-2019 EXECUTIVE BUDGET ON
6 HIGHER EDUCATION

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7 Hearing Room B
8 Legislative Office Building
9 Albany, New York

9 January 23, 2018
10 9:33 a.m.

11 PRESIDING:

12 Senator Catharine M. Young
13 Chair, Senate Finance Committee

14 Assemblywoman Helene Weinstein
15 Chair, Assembly Ways & Means Committee

16 PRESENT:

17 Senator Liz Krueger
18 Senate Finance Committee (RM)

19 Assemblyman Robert Oaks
20 Assembly Ways & Means Committee (RM)

21 Senator Diane Savino
22 Vice Chair, Senate Finance Committee

23 Assemblywoman Deborah J. Glick
24 Chair, Assembly Higher Education Committee

25 Senator Kenneth P. LaValle
26 Chair, Senate Higher Education Committee

27 Senator Toby Ann Stavisky

28

1 2018-2019 Executive Budget
Higher Education
2 1-23-18

3 PRESENT: (Continued)

4 Assemblyman Marc Butler

5 Assemblywoman Jo Anne Simon

6 Assemblyman John T. McDonald III

7 Assemblyman Jeffrion L. Aubry

8 Assemblywoman Earlene Hooper

9 Senator Susan Serino

10 Assemblywoman Barbara S. Lifton

11 Assemblywoman Patricia Fahy

12 Assemblywoman Rebecca Seawright

13 Assemblyman Al Stirpe

14 Senator Marisol Alcantara

15 Assemblywoman Catherine T. Nolan

16 Assemblyman Michael J. Cusick

17 Senator James N. Tedisco

18 Assemblywoman Alicia Hyndman

19 Senator Kathleen A. Marchione

20 Assemblyman David G. McDonough

21 Senator Kevin Parker

22 Assemblyman Félix W. Ortiz

23 Assemblywoman Rodneyse Bichotte

24 Senator Jamaal Bailey

1 2018-2019 Executive Budget
 Higher Education
 2 1-23-18

3 PRESENT: (Continued)

4 Assemblyman Victor M. Pichardo

5 Assemblyman William Colton

6

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1 CHAIRWOMAN WEINSTEIN: Good morning.

2 Today we begin the first in a series
3 of hearings conducted by the joint fiscal
4 committees of the Legislature regarding the
5 Governor's proposed budget for fiscal year
6 2018-2019. The hearings are conducted
7 pursuant to Article 7, Section 3 of the
8 Constitution, and Article 2, Sections 31 and
9 32A of the Legislative Law.

10 Today the Assembly Ways and Means
11 Committee and the Senate Finance Committee
12 will hear testimony concerning the Governor's
13 budget proposal for higher education.

14 I am Helene Weinstein, the chair of
15 the Assembly Ways and Means Committee. I
16 will introduce the members from the Assembly,
17 and Senator Young, chair of the Senate
18 Finance Committee, will introduce members
19 from the Senate.

20 Before introducing our first witness,
21 I'd like to remind all the witnesses
22 testifying today to keep your statement
23 within the allotted time limit so that
24 everyone can be afforded the opportunity to

1 speak.

2 Witnesses are respectfully reminded
3 that the testimony which had been submitted
4 in writing will be made part of the record of
5 the hearing, so there's no reason to read
6 your testimony verbatim. In fact, experience
7 has shown that the best presentations to the
8 committees are the ones that provide a
9 concise statement of the highlights of the
10 testimony. This will allow members'
11 questions to be more focused and productive.

12 The witnesses are also reminded that
13 their remarks should be limited to the time
14 remaining on the countdown clocks here in the
15 hearing room. It's very important in order
16 to afford all of the many people here today
17 seeking to testify an appropriate
18 opportunity.

19 Likewise, members' questions will be
20 limited by the countdown clock, and we ask
21 that members keep an eye on that clock. I
22 would like to thank everybody in advance for
23 adhering to these guidelines.

24 And before I call our first witness,

1 I'd like to acknowledge the Assemblymembers
2 who are here. Assemblymember Deborah Glick,
3 the chair of our Higher Education Committee;
4 Assemblywoman Hooper, our deputy speaker;
5 Assemblywoman Lipton; Assemblywoman
6 Seawright; Assemblywoman Nolan -- the women
7 are able to get up early today -- Assemblyman
8 Cusick, at the end; Assemblyman Aubry;
9 Assemblyman McDonald, Assemblywoman Hyndman;
10 and Assemblyman Stirpe.

11 I'd like to introduce Assemblyman Bob
12 Oaks, our ranking member of Ways and Means,
13 to introduce the Republican members.

14 ASSEMBLYMAN OAKS: At this point it's
15 Dave McDonough, who is with us as well.

16 CHAIRWOMAN WEINSTEIN: So now I'd like
17 to turn the mic over to Senator Young for
18 some opening remarks and to introduce the
19 members of the Senate.

20 CHAIRWOMAN YOUNG: Thank you very
21 much, Chairman -- or Chairwoman, I should
22 say, Weinstein.

23 And first of all I'd like to welcome
24 you. This is your first hearing in your new

1 role, and I think it's fantastic --

2 (Applause.)

3 CHAIRWOMAN YOUNG: I'd also like to
4 welcome everyone who is here today. And they
5 like to say that the holidays are the most
6 wonderful time of the year. Actually, in
7 New York State, budget time is the most
8 wonderful time of the year, right?

9 (Laughter.)

10 CHAIRWOMAN YOUNG: And we're kicking
11 it off today.

12 And so I look forward to the
13 testimony. We have many, many distinguished
14 people who are here to give input on the
15 Governor's budget proposal.

16 And I would also like to point out
17 that I'm joined by my colleagues Senator Liz
18 Krueger, who is ranking member on the Senate
19 Finance Committee, and also Senator Toby
20 Stavisky, who is ranking member on the Higher
21 Education Committee.

22 So welcome, and we look forward to the
23 testimony.

24 CHAIRWOMAN WEINSTEIN: So our first

1 witness is Kristina Johnson, chancellor of
2 the State University of New York.

3 CHANCELLOR JOHNSON: Thank you very
4 much. It's a pleasure to be here. I am
5 Dr. Kristina Johnson, the 13th chancellor of
6 the State University of New York. And the
7 focus of my remarks will be about the budget
8 with regard to three areas: Stabilization,
9 health and safety, and restoration.

10 I want to thank Chairpersons Young,
11 Weinstein, LaValle, and Glick, members of the
12 Senate and Assembly, and legislative staff
13 for allowing me this opportunity to share our
14 perspective on the Executive Budget.

15 I also want to acknowledge and thank
16 Chairman Carl McCall, who is here today, and
17 the entire SUNY Board of Trustees for their
18 leadership and support.

19 I know that you are aware that SUNY is
20 the largest comprehensive system of
21 postsecondary education in the nation, with
22 64 unique colleges and universities. And you
23 know that we serve nearly 1.3 million
24 students, and that we stretch from New York

1 City and Long Island up to the North Country
2 and from the Hudson Valley to Buffalo and
3 Jamestown. A SUNY institution is located
4 within 30 miles of almost every single
5 citizen in the State of New York.

6 SUNY awards a third of all higher
7 education degrees in the state, and
8 two-thirds of all public degrees conferred in
9 the state. And after four years, 73 percent
10 of those graduates still work and live in the
11 State of New York. So our mission is crucial
12 to the success and future of the state.

13 Our research and discovery results in
14 about a billion dollars of externally funded,
15 sponsored activity each year. That means we
16 have an enormous social and economic return
17 on that investment. In fact, a 2011 RIG
18 study mentioned that for every \$1 that's
19 invested in SUNY, there's a return on
20 investment of about \$5.

21 When I came to New York, I was
22 pleasantly surprised to learn how much state
23 support SUNY receives, thanks to both the
24 Governor and the Legislature. In fact,

1 according to a recently released State Higher
2 Education Finance Report, New York State is
3 among the most generous states in recent
4 years, with year-to-year funding to higher
5 education in New York exceeding the national
6 average.

7 We're extremely grateful for these
8 investments and what they mean to the system,
9 such as the continued maintenance of effort
10 and predictable tuition program at our
11 state-operated campuses, as well as essential
12 indirect support for benefits and capital
13 improvement costs included in the Executive
14 Budget. This support creates a solid
15 foundation from which SUNY has grown and
16 served the State of New York. And building
17 on this foundation, the Executive Budget
18 includes proposals to increase access to
19 higher education for students through the
20 DREAM Act, provides further protections for
21 students with loan debt, and continues the
22 expansion of the Excelsior Scholarship
23 Program.

24 And speaking of the Excelsior

1 Scholarship Program, I would be remiss if I
2 did not thank Governor Cuomo and the
3 Legislature for this first-of-a-kind free
4 tuition program for students attending SUNY
5 and CUNY. Less than a year after its
6 inception, 23,000 students at SUNY and CUNY
7 are recipients of the Excelsior Scholarship.
8 And together, the Excelsior Scholarship
9 Program, the Tuition Assistance Program, and
10 other state-supported scholarships enable
11 50 percent of full-time students to attend
12 college tuition-free.

13 To continue this growth and build on
14 this investment, we intend to speak to you
15 today on three areas of concern that pose a
16 potential threat to SUNY's success. Despite
17 the challenging economic environment and
18 fiscal constraints facing New York, it is
19 important that we identify and confront any
20 barriers to SUNY and the State of New York's
21 future success. Today we are categorizing
22 these areas under stabilization, health and
23 safety, and restoration.

24 Stabilization with regard to the

1 community colleges. The community colleges'
2 funding model right now is a volume-based
3 model. And what I mean by that, it's flat
4 funding per FTE. However, at many of our
5 community colleges, such as Onondaga, the FTE
6 might be 7500, but the total number of
7 students coming through the doors is almost
8 double that. And those students require the
9 same kind of services that everyone would
10 require, and those are fixed costs.

11 So what we're asking is to consider,
12 as we go forward, to revise that funding
13 mechanism. Last year, SUNY convened a
14 working group to explore national best
15 practices for funding community colleges and
16 to redesign the funding formula to provide
17 stable support from the state. Based on the
18 newly released Executive Budget, the proposed
19 formula that was included in our 2018-2019
20 budget request adopted by the SUNY Board of
21 Trustees would cost the community colleges an
22 additional \$24 million.

23 We realize that this one-year
24 implementation is an extremely heavy lift in

1 a difficult year, but the importance of the
2 request to look at state funding for SUNY
3 community colleges cannot be overstated. If
4 our community colleges are meant to continue
5 to be the innovative producers of the
6 educated workforce that the State of New York
7 needs, stability, predictability, and
8 investment should be on the forefront of our
9 efforts.

10 To that end, we look forward to
11 working with you to explore this issue in
12 pursuit of the direct state tax support and
13 legislative changes needed for our community
14 colleges to evolve their operations for new
15 realities.

16 With regard to our state-operated
17 campuses, we also ask you to consider
18 implementing legislative changes that would
19 enable state-operated campuses to increase
20 operational efficiencies, capture new
21 revenue, and lessen the impact of increasing
22 costs. Allowing, for example, consortium
23 purchasing of services and limited
24 differential tuition rates would help meet

1 these goals. And with your support, we can
2 achieve those efficiencies and relieve the
3 strain on our operations.

4 With regard to health and safety,
5 SUNY's Academic Health Centers, including
6 hospitals at Upstate Medical University,
7 Downstate Medical Center, and Stony Brook
8 University, treat approximately 1.3 million
9 patients annually and educate approximately
10 12,500 students for health, medical, and
11 biomedical careers, all while operating under
12 a continually changing healthcare landscape.

13 We are currently working with the
14 Division of Budget to mitigate the
15 operational impact of the proposed
16 redirection of direct state tax support to
17 state-supported bonded capital, to
18 accommodate changes anticipated at the
19 federal level. We look forward to working
20 with both the Legislature and the Executive
21 to identify additional options to address
22 funding shortfalls for all our hospitals.

23 In the meantime, in recognition of
24 these challenges, I would ask that these

1 institutions be given the opportunity to
2 operate with the flexibility that businesses
3 require to be successful. The first step on
4 this path is to address the application of
5 the 2 percent operating rule metric to their
6 operations. These three safety net
7 hospitals, that also are the research and
8 development economic engines in our
9 communities, treat the state's most
10 vulnerable populations and produce research
11 of the highest quality. Our operations in
12 this area should be treated similarly to
13 health and hospital-related activities
14 elsewhere in the state budget.

15 The second part of health and safety
16 is the safety of our students, faculty and
17 staff that work in our facilities. SUNY's
18 state-operated campuses account for
19 40 percent of all state-owned buildings, and
20 75 percent of the footprint of the
21 state-owned real estate.

22 We have an aging infrastructure.
23 Thirty-five percent of SUNY's academic
24 facilities at state-owned campuses are more

1 than 50 years old. The Executive Budget's
2 investment of \$350 million is appreciated,
3 and we look forward to working with you to
4 find additional avenues to address the
5 growing concern of critical maintenance for
6 our building stock.

7 State-operated campuses face a growing
8 backlog of critical maintenance projects that
9 are needed to ensure the health and safety of
10 our students, faculty, and staff. They also
11 provide opportunities to retrofit these
12 facilities, thereby relieving the operating
13 budget by saving energy on an annual basis.

14 Mental health tele-counseling. Mental
15 health and well-being is an increasingly
16 critical issue in higher education.
17 Nationally, one in three college students
18 suffers from mental health issues. Last
19 year, thanks to the advocacy of the SUNY
20 Student Assembly and your support, \$300,000
21 was allocated to provide access to expert
22 mental health care to SUNY students. The
23 SUNY Student Tele-Counseling Network pilot
24 program provides counseling services through

1 telehealth to students has been launched on
2 four campuses. Restoring this funding will
3 ensure the continuation of these necessary
4 services.

5 The last is restoration. With our
6 opportunity programs, the proposed funding
7 level for the Educational Opportunity Program
8 would mean 765 fewer students would be
9 admitted to SUNY's program in the fall of
10 2018, and direct aid awarded to students in
11 the program would decrease by \$500 per
12 student.

13 We have many other programs that we
14 would also like to see restored, and in the
15 interests of time, I can talk about those
16 during the Q&A. But I want to make sure that
17 I leave time for the last point, which is
18 legislative changes.

19 The SUNY Board of Trustees and I of
20 course are happy to see New York's version of
21 the DREAM Act and are supportive of its
22 inclusion in the final enacted budget. We're
23 also supportive of the student loan
24 provisions and believe they will expand upon

1 our initiatives to inform students and
2 families on loan debt. We applaud the
3 Governor for addressing this issue.

4 In terms of proposals for expansion of
5 the Inspector General's purveyance, or the
6 establishment of a new chief procurement
7 officer, we look forward to continued
8 discussions on the need for such actions.
9 And the SUNY Board of Trustees has taken
10 steps to address our procurement actions, as
11 well as our foundations and affiliates.

12 Lastly, I'd like to express our hope
13 that several of our proposed legislative
14 changes will be included in the enacted
15 budget. These include items such as land
16 lease legislation for a Ronald McDonald House
17 to be built at Stony Brook University and a
18 new escrow account to facilitate an
19 affiliation between Eastern Long Island
20 Hospital and Stony Brook University Hospital.
21 We stand ready to provide additional
22 information on any of these items.

23 It is a privilege to come before you
24 on behalf of the State University of

1 New York, and I look forward to meeting and
2 working with you all during the upcoming
3 legislative session. My colleagues and I are
4 here and happy to address any questions you
5 might have. Thank you very much.

6 CHAIRWOMAN WEINSTEIN: Senator Young.

7 CHAIRWOMAN YOUNG: Yes. We're very
8 pleased that we've been joined by
9 Senator Diane Savino, who is vice chair of
10 the Senate Finance Committee, and also
11 Chairman Ken LaValle, who is chair of the
12 Higher Education Committee in the Senate.

13 CHAIRWOMAN WEINSTEIN: In the Assembly
14 we've been joined by Assemblywoman Fahy and
15 Assemblywoman Bichotte.

16 I'd like to turn to our chair, Deborah
17 Glick, for some initial questioning.

18 ASSEMBLYWOMAN GLICK: Thank you very
19 much, Madam Chair.

20 Thank you very much, Chancellor.
21 Welcome to your first round of budget
22 hearings.

23 CHANCELLOR JOHNSON: Thank you.

24 ASSEMBLYWOMAN GLICK: We're very

1 pleased to have you with us today and to have
2 you at the helm.

3 On the Excelsior Scholarship, we're
4 wondering how that's impacted SUNY and if you
5 could, if you don't have that information
6 now, we would very much like to have an
7 understanding of how many students came to
8 SUNY as a result, the raw number, which
9 campuses had the most increases, and we'd
10 like to understand how these students have
11 been absorbed into classes. Have class sizes
12 increased? Have you had to provide
13 additional course sections and dorms and
14 other campus services, whether it's the
15 health services or recreational facilities?

16 So if you have some idea now of how
17 Excelsior has impacted SUNY in general, we'd
18 like to hear that.

19 CHANCELLOR JOHNSON: Thank you very
20 much for that question.

21 So as you know, the Excelsior program
22 was established after the applications were
23 submitted and then accepted last year.
24 Having said that, as I mentioned earlier,

1 23,000 students, both at SUNY and CUNY, are
2 receiving Excelsior awards. We do know this
3 year and issued a press release that
4 applications are up -- about what, 8 percent?

5 SR. VICE CHANCELLOR MEGNA: (Nodding.)

6 CHANCELLOR JOHNSON: So we are
7 expecting that we may see increases this
8 year, which would be very well received.

9 I'm going to turn that over to my
10 colleague Eileen McLoughlin, who's our CFO,
11 to give some of the specifics, and we're also
12 happy to provide more details.

13 SUNY CFO McLOUGHLIN: So we certainly
14 will provide more details as we continue to
15 analyze the data.

16 But in direct answer to your question
17 on issues of class size and capacity, before
18 the Excelsior program was initiated, SUNY had
19 looked at its capacity and we felt that we
20 could absorb a 10 percent increase -- at a
21 minimum increase of students at our
22 state-operated campuses, and a lot more in
23 our community colleges. So at this point we
24 are not concerned about capacity, but we

1 continue to monitor class size, monitor the
2 number of faculty we have to make advising
3 services we have available.

4 ASSEMBLYWOMAN GLICK: How much did you
5 say applications were up?

6 SUNY CFO McLOUGHLIN: For the
7 state-operated campuses they went up -- for
8 all of them, they went up 8 percent. But
9 I'll give you the breakdown between -- we'll
10 provide you with the breakdown between
11 state-operated and community colleges.

12 ASSEMBLYWOMAN GLICK: Thank you.

13 I appreciate your concern about the
14 funding for community colleges. Those have
15 been -- it's been a model that has been in
16 place for a very long time. That there have
17 been various counties that, struggling under
18 a 2 percent cap, have expressed their concern
19 about their ability to provide their share.
20 And so I'm wondering whether there are
21 specific campuses that are affected by a
22 decrease in enrollment which is affecting
23 their bottom line. Are there -- and how many
24 are there?

1 there's a decrease in enrollment, you think
2 that the issue is actually that there are
3 students who -- a large number of part-time
4 students. Is that what the analysis shows?

5 CHANCELLOR JOHNSON: I think that
6 there are -- certainly the enrollments are
7 going down in the community colleges, because
8 many of our community colleges are upstate
9 and the enrollment in the population is
10 decreasing in terms of college-age students.

11 So I think my point I was trying to
12 make is yes, the -- when the enrollments go
13 down, the funding goes down if it's based on
14 FTE. But the number of students that are
15 attending is larger than the base of the --
16 so the FTEs go down that we count. And an
17 FTE, a full-time-equivalent, means that they
18 need to be taking at least, what, six -- like
19 15 credits? So you might have five students
20 taking six credits, and that would be two
21 FTE, but you need to provide the students
22 with registration and advising and the
23 classrooms and other activities that all the
24 students can avail of if they are a student

1 that's registered for a class. So that's
2 what I mean.

3 ASSEMBLYWOMAN GLICK: Have you seen
4 students move from community colleges to
5 four-year colleges because now their families
6 can see them affording a four-year school
7 with an Excelsior Scholarship?

8 CHANCELLOR JOHNSON: Yes.

9 SUNY CFO McLOUGHLIN: And also just --
10 if you don't mind, in addition, you know,
11 community colleges are more and more serving
12 that adult population, so that the trend for
13 these upstate community colleges will be to
14 have more of that part-time student. So
15 that's another reason why we felt it was time
16 to study that formula.

17 CHANCELLOR JOHNSON: I guess just to
18 then clarify, the fixed costs stay the same
19 even if the enrollment goes down. So it's
20 basically a total-volume-based model. But
21 you have fixed costs and then on top of that
22 you have a very -- just to be clear.

23 ASSEMBLYWOMAN GLICK: Right. On the
24 SUNY hospitals, I know that you referenced

1 your discussions are continuing with the
2 Division of Budget, the fourth branch of
3 government. But what have the hospitals been
4 saying to you about a shift from operating
5 support to capital?

6 There's no question, I'm sure, that
7 again those facilities also need upgrades and
8 so forth. But at a time when there is this
9 rather cataclysmic change in the way in which
10 we are funding or not funding healthcare, how
11 is it possible for those hospitals that are
12 so critical in their areas to actually absorb
13 what is essentially an elimination of
14 operating aid?

15 We have over time seen a decrease, and
16 both the Senate and Assembly have repeatedly
17 restored those cuts. But this is an
18 elimination. And what do you foresee would
19 be the effect if in fact we are not able to
20 restore that operating aid?

21 CHANCELLOR JOHNSON: Well -- and as
22 you mentioned, we are working to restore the
23 operating piece. At some point you run out
24 of the capital that you can actually put to

1 work. And so I think that's where we are
2 concerned, is given the decrease from the
3 federal side as well with the disproportional
4 hospital payments, as well as the operating,
5 it would be very difficult, very challenging
6 for the hospitals to continue to operate.

7 ASSEMBLYWOMAN GLICK: On the
8 Excelsior, the students who were receiving
9 aid for TAP were under 80,000. That was the
10 top award. Or family income, I should say.

11 Now that it has jumped to -- and this
12 year will jump up to 110, is SUNY seeing a
13 change in its demographics? Are we seeing a
14 shift in who will be going to SUNY and who we
15 will be serving?

16 CHANCELLOR JOHNSON: I think it's a
17 very good question. I'd like to get back to
18 you on that. I'd have to look at some of the
19 details. I don't know -- I mean, if you have
20 any --

21 SUNY CFO McLOUGHLIN: I think we need
22 to get back to you. It is a good question.
23 We have to do that analysis.

24 CHANCELLOR JOHNSON: I think that

1 makes sense, especially -- we're focusing on
2 enrollment just because of the -- it drives
3 everything that we do. So we'll get back to
4 you on those details.

5 ASSEMBLYWOMAN GLICK: Yeah, I think if
6 there is an 8 percent increase in
7 applications, that would be a place to look
8 at who -- what is the application base and
9 how has that changed over the last number of
10 years. And I appreciate you getting back to
11 us.

12 I am now out of time; I may come back
13 for some additional questions after everyone
14 else. Thank you.

15 CHAIRWOMAN WEINSTEIN: Thank you.

16 Senator Young?

17 CHAIRWOMAN YOUNG: Thank you,
18 Assemblywoman.

19 So we've been joined by Senator Sue
20 Serino. Welcome.

21 SENATOR SERINO: Good morning.

22 CHAIRWOMAN YOUNG: Chancellor, I've
23 got a few questions. And again,
24 congratulations on your new role. And we had

1 the opportunity to meet a few months ago.
2 And so SUNY is extraordinarily important to
3 the state's economic engine and the fact that
4 they provide so many wonderful opportunities,
5 certainly very important in my district.

6 I did want to start -- and there's
7 been a little bit of discussion about your
8 new model for community colleges, which I'm
9 very happy to hear that you're looking to
10 stabilize the community colleges, because
11 they need that kind of help. The question I
12 have is, are you basically talking about
13 block granting? And how would that work, if
14 you are, and who makes the decision about how
15 funds are distributed?

16 You reference several, for example,
17 community colleges, very important ones in
18 urban areas. But I'm concerned about the
19 rural areas also.

20 CHANCELLOR JOHNSON: Sure.
21 Understood. I'll respond to that and then
22 see if Eileen wants to further make some
23 comments.

24 What we're asking for is to have a

1 similar funding model as at the
2 state-operated campuses so that we maintain
3 the support to the community colleges, like
4 the maintenance -- that they're part of the
5 maintenance of effort that we sustain like we
6 do at the state-operated campuses.

7 CHAIRWOMAN YOUNG: So how would it
8 work?

9 SUNY CFO McLOUGHLIN: So I think, you
10 know, we're looking for predictability. So
11 we would set a base for each college that was
12 at the current year, our 2017-2018 base.
13 That would allow us to have a predictability
14 in our planning and be able to continue to
15 invest in those high-need, high-cost programs
16 like nursing and engineering, which is where
17 the greatest demand is. So that would be the
18 focus of the formula.

19 CHAIRWOMAN YOUNG: But how would the
20 formula work or -- I'm really not clear as to
21 how you would determine what the funding
22 levels would be.

23 SUNY CFO McLOUGHLIN: I didn't quite
24 hear you; there's a noise out there. So --

1 CHAIRWOMAN YOUNG: Maybe somebody
2 could close that door.

3 SUNY CFO McLOUGHLIN: I think we would
4 keep the funding level the same for each
5 campus as it currently resides -- or is. And
6 then where there's need for investments on
7 those high-need programs, we'd target those.

8 CHAIRWOMAN YOUNG: So you referenced
9 things like nursing, which we have nursing
10 programs --

11 SUNY CFO McLOUGHLIN: Right.

12 CHAIRWOMAN YOUNG: Okay, thank you for
13 that.

14 I know that the Governor actually has
15 proposed to centralize SUNY community college
16 workforce development programs, and those
17 have been very instrumental. I know that
18 across the state the workforce development is
19 a huge issue. And I know that those programs
20 have worked in conjunction with local
21 employers to make sure that we had a highly
22 qualified, highly skilled workforce.

23 So maybe you could discuss a little
24 bit are there any improvements that could be

1 made to the contract courses, SUNY apprentice
2 and job linkage programs at SUNY's community
3 colleges? Because the concern is if you're
4 centralizing them, turning them over to the
5 Regional Economic Development Council
6 control, actually are there things in the
7 works to enhance those programs or not?

8 SUNY CFO McLOUGHLIN: I think the -- I
9 don't know if centralizing the workforce
10 development programs would necessarily be
11 hurtful. I would think that SUNY would be
12 participating in those decisions as those
13 awards are made.

14 We have done some of that at SUNY
15 ourselves, in which we've taken that money
16 and used a competitive process to determine
17 where the best investment would be.

18 So I think -- I see this as really
19 just working with the regional councils,
20 which many of our presidents also serve on
21 those councils, to really make the right
22 decisions.

23 CHANCELLOR JOHNSON: I think six of
24 the 10 regional councils are cochaired by our

1 presidents in their communities.

2 CHAIRWOMAN YOUNG: So you don't
3 foresee any enhancements, it's just a shared
4 responsibility of how the funds are disbursed
5 now under the Governor's model?

6 SUNY CFO McLOUGHLIN: I think there's
7 an opportunity for enhancements, sharing it.

8 CHAIRWOMAN YOUNG: Thank you.

9 Another question I had has to do with
10 collectively bargained salary increases. So
11 although collectively bargained salary
12 increases will cost the system additional
13 money this year, the Governor does not
14 include any funding for that. I'm not sure
15 exactly what the amount is. I think it's
16 around \$94 million, if that's correct.

17 But how will these increases be paid
18 for if there's no funding included in the
19 budget? Because I know you talk about the
20 investment in education, and the Legislature
21 strongly believes in that, and we have
22 stepped up. But I also know that all the
23 SUNY campuses are under fiscal stress right
24 now, and lack of resources, and oftentimes

1 those costs are just passed along to the
2 students.

3 So I'm just curious because it really
4 stood out that there wasn't any funding that
5 was outlined in the budget.

6 CHANCELLOR JOHNSON: Thank you very
7 much for that question.

8 We're working right now with the
9 presidents of the individual campuses and
10 also across SUNY to find synergies and
11 efficiencies in order to respond to the
12 difficult economic climate that we have in
13 the State of New York and with this
14 particular budget.

15 I also would note that we don't have
16 yet a contract, and so therefore we don't
17 have exactly what is going to be the impact.
18 So I think until we have that contract, we
19 won't know what the impact is going to be.
20 But we are anticipating that this is a
21 difficult economic climate and we're trying
22 to be as efficient as we can with our
23 resources in order to serve the state.

24 CHAIRWOMAN YOUNG: You talk about

1 contracts not being settled. What's the
2 current status of those discussions?

3 CHANCELLOR JOHNSON: I think they're
4 still in negotiation.

5 CHAIRWOMAN YOUNG: You anticipate that
6 they'll be settled this year?

7 CHANCELLOR JOHNSON: I'm not sure.

8 CHAIRWOMAN YOUNG: So if they are
9 settled and we don't have money in the
10 budget, then how will those costs be paid by
11 the campuses?

12 CHANCELLOR JOHNSON: Well, we're
13 working with the campuses right now to
14 identify opportunities. And I think, when I
15 think about it, there are resources that we
16 will need to find efficiencies with.

17 Now, whether we use those to do -- you
18 know, whether they're used to do the
19 collective bargaining or used to invest in
20 building, I think those are the tradeoffs
21 we're going to have to make once we know what
22 the amounts are going to be and once we know
23 what our savings can be.

24 So we're certainly going to anticipate

1 that it is a tough economic climate, that we
2 want to do our part as part of SUNY in order
3 to help the state.

4 SUNY CFO McLOUGHLIN: And I think that
5 if those contracts do get settled, we would
6 anticipate having additional conversations
7 with the Governor and Division of Budget.
8 Contracts can include a pay bill.

9 CHAIRWOMAN YOUNG: Okay. So the
10 concern, though, is driving up costs for
11 students or having the colleges just have to
12 eat those costs and having to cut programs or
13 making other changes that aren't optimal.

14 One of the other things I wanted to
15 ask about has to do with SUNY capital
16 appropriations. So do you feel that the
17 level of capital funding in the Executive
18 Budget is sufficient?

19 CHANCELLOR JOHNSON: As you know,
20 right now there's \$350 million in the budget
21 for capital funding. And we're hoping that
22 that will be restored as part of the
23 restoration to the 550, which is what we had
24 last year. As I mentioned, most of our

1 buildings on average are at least 47 years
2 old, and they're in need of critical
3 maintenance. So we're hopeful that the
4 funding would be restored.

5 CHAIRWOMAN YOUNG: Do you think that
6 \$350 million is sufficient to cover the
7 needs?

8 CHANCELLOR JOHNSON: From what our
9 study is -- and we have Bob Haelen here, who
10 heads up our construction fund who can
11 comment further. But our study would show
12 that we have a backlog of about \$4 billion
13 over five years, which is why we requested
14 \$800 million in the budget.

15 But maybe, Bob, you want to comment
16 further on that.

17 VICE CHANCELLOR HAELEN: Just given
18 our size and age and complexity of our
19 facilities, there's a tremendous capital need
20 across the entire system. And, you know, the
21 data that we have been looking at and looking
22 at how quickly we are aging and decaying, and
23 coupled with our existing backlog, it would
24 suggest that we need an order of magnitude of

1 about \$800 million a year to keep our
2 facilities in a state of good repair.

3 CHAIRWOMAN YOUNG: So there's quite a
4 gap there, then.

5 Okay, thank you very much. That's all
6 I have.

7 CHAIRWOMAN WEINSTEIN: Thank you.

8 We've been joined by Assemblywoman
9 Fahy and Assemblyman Ortiz and Crystal
10 Peoples-Stokes sitting at the far end.

11 And our next questioner is Deputy
12 Speaker Hooper.

13 ASSEMBLYWOMAN HOOPER: Good morning.

14 I don't have a question, but I would
15 like to make a statement -- I beg your
16 pardon?

17 (Comments off the record.)

18 I'll start again. I would like to
19 first welcome new Chancellor Johnson.

20 But I would like to make a statement
21 more than a question in reference to what has
22 been happening in Nassau County, the Nassau
23 County Community College.

24 The college was being challenged this

1 past year by the middle schools in reference
2 to reaccrediting the school as for 14 issues
3 that they found outstanding. And I'm very
4 delighted that the college has now been
5 granted the reaccreditation. And this is a
6 very good thing because Nassau Community
7 College and the survival of this school,
8 which is a premier educational institution --
9 it is a major employer in all of Long Island
10 in every aspect of employment. And the loss
11 of that institution, aside from educating the
12 students, it would have an impact on the
13 vendors, the employees, the professionals,
14 and everyone and all of us who utilize those
15 services.

16 But I want to also point out that the
17 Nassau Community College needed to raise its
18 Hispanic population up to 25 percent, but
19 they did not have enough funds to do the
20 necessary advertising. And the state was
21 able to provide them with the funds. And
22 because they received those funds, they are
23 now able -- up to 25 percent of the Hispanic
24 students, which allows them to seek a

1 \$3 million grant under Title III. And that's
2 a good thing.

3 But I want to especially thank H.
4 Carl McCall, president, and I want to thank
5 Duncan-Poitier. Because without their
6 assistance and without their working with me
7 in order to save this college, it could not
8 have been done.

9 So thank you, H. Carl McCall, and
10 thank you for your staff, in assuring that
11 this college survives.

12 CHANCELLOR JOHNSON: Thank you.

13 May I just say that the funds that
14 were provided for that particular program
15 were from the Performance Investment Fund, so
16 we deeply appreciate that support. Thank
17 you.

18 CHAIRWOMAN YOUNG: Thank you.

19 Senator Savino.

20 SENATOR SAVINO: Thank you, Senator
21 Young.

22 Chancellor, I want to turn your
23 attention to a part of your testimony where
24 you talked about several factors that you

1 wanted to bring to our attention --
2 stabilization and the community colleges,
3 health and safety, and capital. In the
4 health and safety portion of the testimony,
5 you mention the concern that you have about
6 the hospital system -- SUNY Upstate, SUNY
7 Downstate, and Stony Brook. And you mention
8 briefly the effect of the 2 percent operating
9 rule and how it's affected you, but you don't
10 really put forward a proposal as to what you
11 would like.

12 And so in the Governor's budget there
13 is obviously something of great concern
14 because it talks about the elimination of the
15 state subsidy of almost \$80 million to the
16 SUNY hospital systems, but that somehow a
17 shift to capital will make up for that. Can
18 you speak to that and what your understanding
19 of it is and whether or not you think that's
20 a good idea?

21 CHANCELLOR JOHNSON: I will, and then
22 I'll turn also to Bob Megna, who is our chief
23 operating officer, to further opine.

24 I think the first thing you said is

1 about the 2 percent, the request. So the
2 request for the hospitals involves the
3 \$80 million, and it also involves asking for
4 flexibility in order to spend funds that are
5 generated, like from other revenues not from
6 the state, above the 2 percent. So I want to
7 just be clear. What we're asking for is
8 flexibility. As other health aspects of the
9 budget have the flexibility to spend above
10 the 2 percent, we're asking for the same
11 thing.

12 With regard to the operating budget,
13 I'll turn to Bob to comment on that.

14 SENATOR SAVINO: Thank you.

15 SR. VICE CHANCELLOR MEGNA: I think,
16 Senator, the theory behind the budget move
17 was to provide flexibility that there was
18 enough operating money spent at the hospitals
19 that could be converted to capital. I think
20 in our conversations with them we have let
21 them know that we think that would be a
22 difficult thing to accomplish and it would
23 have to be accomplished over a number of
24 years, and have asked them to look at

1 different alternatives. And they've been
2 very open to that. So I'm hoping we can get
3 this resolved quickly.

4 SENATOR SAVINO: So thank you for that
5 explanation. So this is not the flexibility
6 that you're searching for, though, that
7 you --

8 CHANCELLOR JOHNSON: The flexibility
9 is the 2 percent spending cap and the other
10 alternatives we're still exploring.

11 SENATOR SAVINO: Okay. Thank you.

12 CHANCELLOR JOHNSON: Thank you.

13 CHAIRWOMAN WEINSTEIN: Assemblywoman
14 Fahy.

15 CHAIRWOMAN YOUNG: Before that, I'd
16 like to point out that we've been joined by
17 Senator Kathy Marchione and Senator Jim
18 Tedisco. Welcome.

19 ASSEMBLYWOMAN FAHY: Thank you. Thank
20 you, Madam Chair. Appreciate that.

21 And welcome, Chancellor. It's a
22 pleasure to have you and your team here. And
23 also very much appreciated your comments
24 yesterday. I found your vision with your

1 four themes very helpful, particularly the
2 innovators and entrepreneurs. I'll be
3 stepping out shortly to talk about that on
4 net neutrality, actually.

5 I also need the record to note that
6 I've got my purple on for UAlbany. I would
7 be remiss if I didn't give my UAlbany
8 shout-out.

9 But I also -- just a couple of
10 comments and one question. Very interested
11 in the capital budget, the \$4 billion that we
12 are waiting on or that there are needs for
13 the capital budget. I also want to put that
14 plug in for the Engineering School at
15 UAlbany, which I know is very important. So
16 we are very supportive of the needs on the
17 capital.

18 Very supportive of the EOP. And I was
19 a little concerned to see that there were
20 some cuts there. As somebody who is
21 first-generation American and
22 first-generation college attendee and college
23 graduate, while I did not benefit from the
24 EOP program, I think it is essential that we

1 allow others to. And it has been a raging
2 success at UAlbany, particularly with
3 retention rates, which I think is one of the
4 most critical methods that we can use in
5 terms of success of those type programs.

6 So that is very important. The other
7 thing that I -- related to that is the
8 Excelsior program. While I am very
9 supportive, my ongoing concern with that --
10 and again, I think the 23,000 new
11 opportunities that's given to 23,000 students
12 is extraordinary. But quality is going to be
13 essential, especially with retention rates,
14 especially with those freshman classes. I
15 don't think we will have accomplished a
16 lot if we go from 100 kids in a classroom to
17 400 kids in a classroom. So I want to be
18 supportive that we keep up our quality while
19 we continue to support the Excelsior program.

20 And that brings me to my question on
21 community colleges. Heard your comments, and
22 I really appreciate your thoughts. Again, I
23 wouldn't be here if it weren't for a
24 community college in my home state. So

1 affordability, accessibility is essential for
2 those of us who are first generation. But
3 one issue, in addition to the costs that you
4 raised with the FTE -- one issue that has
5 caused tensions here, which I think is
6 unfortunate, is the charge-back rate. And if
7 you have any updates on that this year, that
8 has caused some tensions with the counties.

9 Our community college here is Hudson
10 Valley, a terrific college. It sits in
11 Rensselaer County. And Albany County pays
12 what some would say is a higher charge-back
13 rate. And I think it causes unnecessary
14 tensions. Because of that, there's been an
15 effort to address charge-back rates, which we
16 have appreciated over the last couple of
17 years.

18 I just wondered if you had a quick
19 update. Thank you.

20 CHANCELLOR JOHNSON: Sure. Eileen?

21 SUNY CFO McLOUGHLIN: So the update is
22 that we are scheduled to start in 2018-2019,
23 so it's scheduled to start this fall, and it
24 will be phased in over a five-year period.

1 ASSEMBLYWOMAN FAHY: Okay. So will
2 that give any relief to Hudson Valley this
3 year?

4 SUNY CFO McLOUGHLIN: Starting this
5 fall, it will start to give relief, but full
6 relief over a five-year period.

7 ASSEMBLYWOMAN FAHY: Okay. All right.
8 Thank you.

9 And thank you again, Chancellor. I
10 look forward to working with you on all of
11 these issues. I know time is pressing.

12 And thank you, Madam Chair. I very
13 much appreciate the opportunity.

14 CHANCELLOR JOHNSON: May I just say
15 one thing in response to what you said? And
16 I appreciate the comments on the charge-back.

17 Going back to retention and quality,
18 that is of utmost importance to us, because
19 we need to have quality programs, we need to
20 make sure that the students do graduate and
21 that we retain them.

22 So just a couple of programs that
23 you've probably heard of, Quantway, Statway,
24 and we're starting an English accelerator.

1 So these are the two gateway programs that
2 we're doing concurrent enrollment and
3 intervention, and it's working.

4 So we will keep you apprised of that.
5 I'm really proud of what the system is doing
6 to attract more students and to graduate more
7 students.

8 ASSEMBLYWOMAN FAHY: Much appreciated.
9 Thank you again, Chancellor.

10 CHAIRWOMAN YOUNG: Thank you.
11 Senator LaValle.

12 SENATOR LaVALLE: Good to see you
13 again, Chancellor.

14 CHANCELLOR JOHNSON: Good to see you
15 too, Senator.

16 SENATOR LaVALLE: This is your first
17 rite of spring or whatever.

18 I have a concern with the maintenance
19 of effort. How are you going to be handling
20 that?

21 CHANCELLOR JOHNSON: Well, as you
22 know, right now we have both maintenance of
23 effort and predictable tuition. The enhanced
24 maintenance of effort, which would include,

1 in addition, collective bargaining and other
2 activities, we're waiting to see what the
3 negotiations bring and what the impact would
4 be. And anticipating those, we're looking at
5 working with the individual campus presidents
6 as well as looking across SUNY to see where
7 we can create savings and efficiencies that
8 we can address it. Once we know what the
9 impact is, we're hoping to have further
10 conversations with regard to the opportunity
11 to address that.

12 We appreciate it's a very difficult
13 economic environment that we're in and it's a
14 tight budget, so we're trying to do our part.

15 SENATOR LaVALLE: Chair Glick and I
16 have not only once, but twice, passed
17 legislation that has been vetoed by the
18 Governor. And while we haven't spoken, we're
19 committed to trying to do something about
20 this. Because as you talk to campus
21 presidents and so forth, they may put a good
22 happy face on their comments to you, but I'm
23 not sure that -- we need to address that
24 issue, and we need your help in order to do

1 that.

2 Just rolling to capital, I have
3 colleagues that are very concerned about we
4 have engineering schools that need to be
5 replaced, one at \$100 million, the other at
6 \$75 million. Senator Akshar has been focused
7 and been very diligent, as the Binghamton
8 campus, on School of Pharmacy. So maybe you
9 could tell me where we are in addressing just
10 those three projects.

11 CHANCELLOR JOHNSON: Sure. Bob, would
12 you like to take that one on the three
13 specifics?

14 VICE CHANCELLOR HAELEN: So you had
15 engineering, pharmacy --

16 SENATOR LaVALLE: Pharmacy at
17 Binghamton and UB and Stony Brook engineering
18 schools.

19 VICE CHANCELLOR HAELEN: So we had a
20 variety of capital needs across the system,
21 and you're picking out what we would consider
22 some -- what we would consider the more
23 complex buildings, more expensive buildings,
24 and hence, you know, your price tags of

1 \$50 million, \$75 million.

2 The School of Pharmacy at Binghamton
3 is well under construction. That project is
4 ahead of schedule. I don't have the exact
5 completion date, but that is progressing
6 quite nicely.

7 With UB, you know, we have a
8 variety -- engineering is growing, right?
9 And they're doing their best to accommodate
10 the engineering program within the existing
11 facilities, but there still is some concerns
12 there and some additional funding is needed
13 for those facilities. We did complete a
14 brand-new School of Engineering at UB. So
15 we've accommodated quite a bit of the program
16 growth before it occurred, but they're still
17 growing and there's still a need there.

18 With Stony Brook, you know, again, a
19 great deal of need is on that campus. You
20 picked out one program, but there are several
21 other programs -- chemistry, the lecture
22 hall, the fine arts center, school of
23 business. There's a lot of competing
24 priorities. And, you know, we have to do our

1 best to allocate what precious funds we do
2 have to address those programs and the
3 facilities that accommodate those programs.

4 SENATOR LaVALLE: The issue at Poly, I
5 have a member on my committee, his name is
6 Senator Griffo, who has concerns. What do I
7 tell Senator Griffo, he's worrying too much?

8 SR. VICE CHANCELLOR MEGNA: Senator, I
9 would never tell anyone they're worrying too
10 much. It's -- I think pretty dramatic steps
11 have been taken to reform activities at Poly,
12 both with respect to the not-for-profits
13 Fuller Road and Fort Schuyler and with
14 respect to the operation of the university at
15 the campus.

16 I think folks are working very
17 diligently. The interim president I think
18 is doing a wonderful job at trying to
19 reorganize and efficiently put back in place
20 the academic programs at Poly. And I think
21 the economic development programs are now
22 being run through a very transparent and open
23 process subject to open meeting laws and
24 subject to procurement laws that are very

1 similar to those of the State of New York.

2 So I think we're making progress
3 towards addressing those worries.

4 SENATOR LaVALLE: Does the interim
5 president live on the grounds of Poly?

6 SR. VICE CHANCELLOR MEGNA: I believe
7 he spends his time between both the Utica and
8 the Poly campuses.

9 CHANCELLOR JOHNSON: Yeah. Yeah.

10 SENATOR LaVALLE: Is there any hope
11 that -- I think Senator Griffo has concerns
12 that presidents should be there full-time.
13 Is there any chance of that happening,
14 Chancellor?

15 CHANCELLOR JOHNSON: So in thinking
16 about Poly, I want to step back for a moment
17 and just say I -- obviously it predated my
18 chancellorship, but I'm very aware of the
19 technology, being an electrical and optical
20 engineer, of the quality of the work that's
21 going on there on the academic side. And I
22 think it's something that is extraordinary.
23 The 5-nanometer transistor that was developed
24 this last summer is 16,000 times smaller than

1 the diameter of a human hair. This is going
2 to revolutionize our chip industry, it's
3 going to potentially revolutionize Internet
4 routers and switches.

5 What we need to do is continue to
6 build on that excellence with the integrated
7 photonic AIM program that we have with
8 Rochester. So I see that the research
9 trajectory, the research and academic agenda
10 is very bright.

11 The president right now, Bahgat
12 Sammakia, is terrific. He is an interim. He
13 is there full-time. He would like to return
14 to his previous life, although I think he'd
15 be an extraordinary permanent president.

16 So we're in the process of -- first,
17 we have -- the Board of Trustees has approved
18 a loan to Poly, subject to my approval of the
19 budget. We're very close to that. We're
20 then, as Mr. Megna said, we're actually
21 working through the restructuring. And then
22 the next step will be looking at the
23 permanent academic structure of those
24 campuses. So it's a work in progress. I

1 think we're making very, very good progress,
2 and I think the future is very bright for it.
3 Thousands of jobs are being created, and I
4 think thousands more will be created.

5 SENATOR LaVALLE: If we could find
6 some time, maybe sit down with Senator
7 Griffo --

8 CHANCELLOR JOHNSON: That would be
9 great. That would be great.

10 SENATOR LaVALLE: He's been through a
11 lot of ups and downs. So I would appreciate
12 that.

13 CHANCELLOR JOHNSON: Certainly.

14 SENATOR LaVALLE: Just going back to
15 the buildings on the Stony Brook campus, I
16 think their number-one priority, although
17 they have many things, I think President
18 Stanley has made it clear that the School of
19 Engineering is the number-one priority.

20 VICE CHANCELLOR HAELEN: I would
21 agree.

22 CHANCELLOR JOHNSON: If I could just
23 say one little thing about Stony Brook in the
24 context of the capital budget. It is

1 something I mentioned yesterday in the State
2 of the University System address.

3 One of the many things that Stony
4 Brook has done that are definitely worth
5 noting is the investment of \$5.7 million --
6 thank you for the support -- to invest in
7 retrofitting and energy efficiency on those
8 buildings. It will save \$832,000 a year,
9 which is a payback of less than seven years.
10 That's the value of that capital investment,
11 is to be able to invest in something that's
12 going to give you a payback of over
13 14 percent a year. After seven years, that
14 800,000 will accrue every year.

15 If we can take that at scale across
16 the SUNY campuses, we believe we can save the
17 operating budget of each and every campus.
18 And that's one of the reasons that we asked
19 for the capital investment we did, along with
20 an \$80 million energy retrofit fund. So that
21 when we're doing the critical maintenance,
22 that's the most cost-effective time for us to
23 also do the energy efficiency and save those
24 individual campuses money.

1 SENATOR LaVALLE: Okay. I'm just
2 going to make one final comment. I know both
3 Chair Glick and I have, on two occasions,
4 asked the Executive for a five-year capital
5 plan. There are many needs. There's not
6 only the critical maintenance, but we need to
7 move forward on buildings. I know I have
8 members chasing after me to try and have help
9 on that. So I think it's important if you
10 can, with us, lobby the Executive so that we
11 have a five-year capital plan.

12 CHAIRWOMAN WEINSTEIN: Assemblywoman
13 Lifton.

14 ASSEMBLYWOMAN LIFTON: Thank you.
15 Good morning, Chancellor, and
16 welcome --

17 CHANCELLOR JOHNSON: Thank you.

18 ASSEMBLYWOMAN LIFTON: -- to your new
19 very important position as the head of our
20 wonderful State University. Which I am a
21 graduate of, and many of my colleagues are,
22 you no doubt know. I'm a proud alum of SUNY
23 Geneseo, the daughter of a professor at
24 Geneseo as well, so I got a double hit here.

1 So your answer on the last question
2 was part of my question to you about the
3 energy retrofits. I was very glad to hear
4 you talking about that. I'm sure you know
5 that many New Yorkers are very concerned
6 about the growing problem of climate change
7 and understand that, you know, buildings are
8 a really important piece of that. And the
9 ability to build green buildings and retrofit
10 old buildings is a very important, valuable
11 way to help bring down the demand for energy
12 and therefore the release of greenhouse
13 gases. So I'm very glad to hear you
14 emphasizing that and talking about the
15 economic benefits, obviously, as well.

16 So my question was going to be I
17 assume you're doing -- you've done some sort
18 of assessment on that at the campus level --

19 CHANCELLOR JOHNSON: Yes.

20 ASSEMBLYWOMAN LIFTON: -- and you've
21 just cited some data. So you have the data
22 on --

23 CHANCELLOR JOHNSON: Yes, we do.

24 ASSEMBLYWOMAN LIFTON: -- on the costs

1 and the benefits already ready to go.

2 Do campuses currently have the
3 discretion, with their capital money, to make
4 those decisions? Or does it call for action
5 from Albany -- from SUNY Central or from
6 Albany in terms of broadening that or making
7 sure that that happens in a sensible way?

8 CHANCELLOR JOHNSON: You know, I think
9 one of the things I said yesterday in the
10 State of the University System address is
11 that I really see the vision of SUNY to be
12 that hybrid organizational model where you
13 enable the network and the local campuses to
14 act and really do what they know best with
15 their knowledge and mission, at the same time
16 you coordinate.

17 And I think one of the ways that we do
18 that brilliantly is the work that Bob Haelen
19 does as head of the Construction Fund. So
20 I'm going to ask him to comment on one of
21 specifics of your question.

22 But I think that we do coordinate and
23 prioritize the application of our capital
24 construction fund. And what we've found

1 out -- and this is working with Rocky
2 Mountain Institute, we did a charrette this
3 fall with Bob's group and some of the campus
4 leaders in sustainability -- is that it's
5 exactly when you do the critical
6 maintenance -- and it makes sense -- that you
7 do the retrofit.

8 So, you know, we're responsible for
9 about 40 percent of compliance with Executive
10 Order 166, and we take that responsibility
11 very seriously. And we're pretty excited
12 about doing that. And so as a result, we've
13 signed an MOU with NYSERDA, and they are
14 agreeing to cofund an energy manager at each
15 eligible campus or region to help us identify
16 both the low-hanging fruit and get that
17 done -- where you have payback maybe within a
18 couple of years, and campuses can see that.

19 When you think about what Stony Brook
20 was able to accomplish, it did take
21 \$5.7 million, and that's a lot of money.
22 They do get the \$832,000-a-year payback,
23 which is great, and save almost 4,000 tons of
24 CO2, to your point. So we are trying to get

1 a grip on our carbon emissions.

2 The question that has really plagued
3 energy efficiency throughout the country is
4 the question, if you've heard this, of the
5 \$20 bill. And what that means is if you can
6 save all this money, it's like \$20 bills on
7 the street. Why don't people pick them up?
8 Why don't we do energy efficiency at scale?

9 And what I realized by thinking about
10 this after the charrette that Bob hosted, and
11 the workshop with RMI, it's because it's not
12 a \$20 bill in one place at one time. It is a
13 line of little pennies or dimes or nickels,
14 and you have to go along and pick each one
15 up. And after a while, you don't want to do
16 that. And so therefore it's not the ability
17 to put all that money up front and be patient
18 and wait for the payback. Because, one, you
19 don't have it and, two, you don't have the
20 time to go and pick them all up.

21 And that's why we propose to coinvest,
22 when we're doing these capital improvements,
23 a small fund -- and it's about 10 percent.
24 And we got numbers from Rocky Mountain

1 Institute. So who is Rocky Mountain
2 Institute? They celebrated their 35th
3 anniversary. They did the Empire State
4 retrofit. They saved the Empire State
5 Building \$3.4 million a year on a \$10 million
6 energy efficiency. So that's a payback of
7 less than three years, or about three years.
8 That's what we want to do. And we want to do
9 that at scale.

10 And so I know I said I'd ask Bob to
11 answer, and I haven't really let him. So
12 would you like to say something, Bob?

13 (Laughter.)

14 ASSEMBLYWOMAN LIFTON: Do I get any of
15 this time back -- no, it's wonderful, I'm
16 really glad to hear this.

17 VICE CHANCELLOR HAELEN: There's many
18 ways that the campuses approach energy
19 efficiency. First of all, we've come quite a
20 ways in monitoring our energy use. There's
21 metering in all our buildings. We know which
22 ones are energy-intensive, which are not.

23 We also have a variety of programs
24 available through the state, through NYPA and

1 NYSERDA. The campuses work directly with
2 those organizations, and they've done a whole
3 range of energy-saving initiatives -- LED
4 lighting, for example, interior and exterior
5 lighting. So there are some great programs
6 out there.

7 And then when it comes to the capital
8 program, our approach is to work
9 collaboratively with the campus, let's
10 identify which project is a high priority,
11 which needs a lot of critical maintenance
12 investment. And when we're going to approach
13 that design, we're going to design to a
14 minimum of a LEED Silver standard. All
15 right? So you're already achieving quite a
16 bit of energy savings through that process.
17 And we exceed energy code on every one of our
18 projects. So we want to continue that effort
19 and even go a lot further with our energy
20 savings.

21 But it is definitely a collaborative
22 process with the campus. It's their home,
23 they've got to help us decide what's the next
24 project to do.

1 ASSEMBLYWOMAN LIFTON: So I'm out of
2 time, but another time I'll ask you about
3 full-time versus adjunct faculty and where we
4 are on our SUNY campuses, a very important
5 topic as well. Thank you, Chancellor.

6 CHANCELLOR JOHNSON: Thank you.

7 SENATOR LaVALLE: We've been joined by
8 Senator Alcantara.

9 Our next speaker is Senator Stavisky.

10 SENATOR STAVISKY: Thank you. And
11 welcome, Chancellor.

12 A quick follow-up on the Excelsior
13 scholarship. You said that there's been an
14 increase of 8 percent in terms of
15 applications. Has there been any tracking of
16 both the completion of the 30 credits and any
17 impact on their GPA amongst the applicants
18 for the Excelsior scholarship?

19 CHANCELLOR JOHNSON: It might be too
20 early on the GPA because we just have that
21 first semester and I know the grades are in.
22 But I think we have some information with
23 regard to the 30-credit completion. I think
24 Patty Thompson is here with that. Or do you

1 know?

2 SUNY CFO McLOUGHLIN: I think it's
3 a -- We did see like an 11 percent increase
4 in students taking the 15 credits. We're
5 still, you know, in the second semester,
6 so --

7 SENATOR STAVISKY: So it's working.

8 SUNY CFO McLOUGHLIN: So I think
9 preliminarily it's working, yes.

10 SENATOR STAVISKY: Thank you.

11 Let me ask the perennial question that
12 I ask every chancellor, and that is the
13 question of full-time faculty compared to the
14 part-time or adjuncts. What's happening to
15 the ratio, and what is the percentage and
16 what's the trend?

17 CHANCELLOR JOHNSON: Right. This is
18 an area that's very much a passion of mine.
19 And so when I think about full-time faculty,
20 we -- and I'm going to ask Eileen to pull up
21 the percentage if you have it. But I think
22 it's something like 40 percent of our faculty
23 are adjuncts or part-time. We'll get you the
24 exact number.

1 But it's a large percentage, and this
2 is a concern to me. I would -- I really want
3 to invest in more full-time faculty. I think
4 that one of the things that we're going to be
5 seeing with 40 percent of our faculty of or
6 near retirement age -- so right now about 200
7 faculty retire a year from the SUNY system.
8 But if you've got anywhere from between a
9 third to 40 percent that could retire
10 tomorrow, this is something we've got to get
11 ready for, because that's going to double
12 that amount.

13 And so one of the things that I'd like
14 to see is that we really put an effort into
15 raising endowed chairs and graduate
16 fellowships and the kinds of things that
17 attract the faculty members to come to SUNY
18 and to get the very best academic talent so
19 we can continue to build on the quality of
20 our existing outstanding faculty.

21 And I'd like to bring them on sooner
22 rather than later so they can learn from the
23 distinguished faculty before we lose that
24 institutional knowledge. So we're looking at

1 many ways to either build partnerships, to
2 raise our philanthropic sights in order to
3 make those kinds of investments.

4 SENATOR STAVISKY: The 40 percent you
5 say is full-time faculty, approximately.
6 Does that include the Research Foundation?

7 CHANCELLOR JOHNSON: Yeah, I'm not
8 sure that it's -- I believe, and I'm trying
9 to remember these numbers. We'll get you the
10 exact numbers. I think it's 40 percent of
11 our faculty are part-time, but I might be --
12 that might be --

13 SENATOR STAVISKY: If you would get me
14 that, I'd appreciate it. And secondly,
15 whether that includes --

16 CHANCELLOR JOHNSON: That might be a
17 little high. We'll text somebody and get you
18 the number real quick. I used to have it off
19 the top of my head, and it's just one of
20 those numbers that went out.

21 SENATOR STAVISKY: Does that include
22 Research Foundation faculty, people who may
23 be assigned as researchers whom they're
24 counting as full-time faculty?

1 CHANCELLOR JOHNSON: If they are
2 faculty --

3 SENATOR STAVISKY: If you'd just get
4 me the --

5 CHANCELLOR JOHNSON: We'll get you the
6 numbers. But then it would include faculty
7 that are research faculty if they're
8 full-time. But we'll get those numbers.

9 SENATOR STAVISKY: One other question
10 involving the SUNY charter schools.
11 Originally it was suggested that the
12 prospective teachers have a minimum number of
13 hours. Now it's up to, I think, 100. Can
14 you tell me what's happening, how that's
15 trending?

16 CHANCELLOR JOHNSON: I think it might
17 be too early to tell how it's trending per
18 se. But we -- as you know, we charter
19 through the Charter Schools Institute about
20 187 schools right now. I think we've shut
21 down 19. Those are roughly the numbers.
22 I'll verify the numbers.

23 So I think the thing that I'd like to
24 say is that we're committed to quality, we're

1 committed to making sure that we provide
2 quality. And if the schools aren't
3 performing to that, we will shut them down.

4 SENATOR STAVISKY: That's not my
5 question. My question is the lack of
6 classroom-contact hours by the teachers.
7 That has been a problem. When I was a -- I
8 did my student teaching upstate, and I spent
9 a whole semester in a junior high school. A
10 lot of contact hours with the students. To
11 me, that's irreplaceable for training
12 purposes. You can't learn in a classroom as
13 much as you can learn teaching, you know,
14 actual kids.

15 Would you get back to me with the
16 information --

17 CHANCELLOR JOHNSON: I will absolutely
18 get back to you, yup.

19 SENATOR STAVISKY: -- on the training
20 for the teachers? Because a child needs a
21 good teacher, period.

22 CHANCELLOR JOHNSON: Thank you.
23 Understood. We'll get back to you.

24 SENATOR STAVISKY: One last quick

1 question. What are you spending in terms of
2 remediation for kids who are not prepared to
3 take classes?

4 CHANCELLOR JOHNSON: Well, there's two
5 things that we're doing. One is the Carnegie
6 Institution's Quantway/Statway program. And
7 so what that means is that there are two
8 gatekeeping classes that prevent our students
9 from graduating. One is the math
10 requirement, the other is English.

11 And so what we've done with
12 Quantway/Statway, we've invested and we're
13 expanding it now to over 20 of our campuses.
14 We do concurrent enrollment with a class that
15 provides some of the foundational mathematics
16 as well as they take a stats class. Then we
17 have the -- concurrently they're enrolled in
18 another class that gives them the foundation
19 to understand some of the higher concepts in
20 the stat class.

21 What we've found with that -- and this
22 is the statistics that I think is
23 interesting -- is that in the past only
24 25 percent of our students would pass, after

1 two semesters, a math course. Now
2 75 percent, on this concurrent model, are
3 passing the first time. Now we're extending
4 it also to the English accelerated course.

5 So I think these are two of the things
6 that we're doing to support our students in
7 the classroom and getting them to graduation.

8 SENATOR STAVISKY: And the amount, the
9 cost?

10 SUNY CFO McLOUGHLIN: So those
11 programs that the chancellor is referring to
12 are programs that are sort of improving our
13 remedial instruction. That investment is
14 about 5 million. But remedial instruction
15 costs the system, if you look at courses that
16 you could identify as remedial courses, it's
17 probably closer to 60 million.

18 But I also wanted to say that the
19 chancellor was correct, we do have 40 percent
20 part-time adjunct faculty.

21 SENATOR STAVISKY: Thank you.

22 CHAIRWOMAN WEINSTEIN: Thank you.

23 We've been joined by Assemblywoman Jo Anne
24 Butler. Mr. Oaks?

1 Excuse me, Assemblywoman Jo Anne

2 Simon. I combined two members.

3 ASSEMBLYMAN OAKS: And we have been
4 joined by Assemblyman Mark Butler, who is the
5 ranking member on Higher Ed.

6 CHAIRWOMAN WEINSTEIN: Mr. Butler,
7 now, for some questions.

8 ASSEMBLYMAN BUTLER: Thank you very
9 much. And welcome, Chancellor.

10 First of all, my apologies. I had a
11 committee meeting, I got here a little bit
12 late, so I hope I'm not covering ground
13 that's already been addressed.

14 It seems to me, at its most
15 fundamental level, many of the questions
16 we're asking revolve around money and
17 funding. We all know we're facing a serious
18 deficit this year with the state, and we also
19 know of the Governor's penchant for
20 consolidations and shared services and those
21 kinds of arrangements as shared services.

22 Now, I'm new in this position but I
23 had a sense a few years ago that there was an
24 effort to look at shared services, shared

1 staffing, shared programs, perhaps even going
2 back and forth between campuses between
3 programs. I know in that very prestigious
4 school up north, SUNY Potsdam and Canton had
5 an arrangement. And it seemed to me -- and I
6 haven't been paying full attention, but it
7 seemed to me that maybe that effort had kind
8 of tapered off a little. I wonder if you
9 could tell me, has that effort been ongoing?

10 And considering our financial
11 situation this year, do you foresee that
12 possibly even as part of this budget
13 discussion we're going to be talking about
14 that on some of these SUNY campuses,
15 particularly community college campuses?

16 SUNY CFO McLOUGHLIN: So that effort
17 is ongoing. We had set ourselves a goal of
18 reaching 100 million of identified savings,
19 and we've reached that goal. And we continue
20 to have a continuation annually of savings.

21 The areas that we target are shared
22 procurement in a lot of IT contracts. We
23 have shared procurement in managed print and
24 travel and all series of commodities that we

1 purchase.

2 So that is continuing, and we are
3 looking -- and we're also, in some of those
4 contracts and in some of these services we
5 will get, we actually have structured them so
6 the community colleges can participate. An
7 example is the community colleges participate
8 in our Security Operations Center, which is
9 our cybersecurity center to protect our data.

10 Some of the flexibility or the
11 language we're looking for to allow us to do
12 a combined consortium for services will kind
13 of help us to continue to accelerate that a
14 little bit more.

15 So thank you very much for the
16 question. We're always looking at how we can
17 get savings.

18 ASSEMBLYMAN BUTLER: Well, thank you
19 very much for that.

20 Again, I hope -- and this may have
21 been asked earlier, but I know some of the
22 community colleges are advocating for a
23 change in the manner of funding away from the
24 FTE and going to another system. Is that

1 something that may be considered in this
2 budget cycle or in the very near future?

3 It seems -- you know, from my cursory
4 reading it seems to make a great deal of
5 sense. You have a lot of, in these community
6 colleges, a lot of remedial work that needs
7 to be done, a lot of students that need these
8 financial assistance programs and those kinds
9 of things. And I think perhaps our community
10 colleges need a little touchup. I think they
11 haven't been given the full consideration
12 that they warrant. They do a great job.

13 CHANCELLOR JOHNSON: This is something
14 we would like for you to consider and for the
15 Executive to consider in this budget year.
16 And the reason why is that it's a bit of a
17 two-part story at the community college.

18 You have certain fixed costs, about
19 80 percent are fixed, and then you have the
20 variable costs. And as the enrollment
21 declines, you start to -- where the
22 enrollment declines, the funding is based on
23 enrollment, so it's based on volume. But the
24 costs are based on -- the majority are fixed.

1 So then you run into a place where we are
2 asking for a, if you will, a
3 maintenance-of-effort-type approach to the
4 community college so that they can continue
5 to be the gems that they are in their local
6 communities.

7 ASSEMBLYMAN BUTLER: Okay. Well, I
8 know at Herkimer College they have an
9 additional expense, they have to buy more and
10 more cabinets for all the medals and trophies
11 they win in national championships.

12 (Laughter.)

13 ASSEMBLYMAN BUTLER: But I thank you
14 for your time. I appreciate it.

15 CHANCELLOR JOHNSON: Thank you.

16 CHAIRWOMAN WEINSTEIN: Thank you.

17 SENATOR LaVALLE: Senator Marchione.

18 SENATOR MARCHIONE: Thank you. Hi,
19 Chancellor. Good morning. Thank you for
20 being here.

21 And I know a question was just asked
22 on community colleges, but I want to weigh in
23 as well. I have a couple of community
24 colleges in my district. One of them is

1 Columbia-Greene, and I have much conversation
2 with President Campion. And exactly what
3 you're saying is how can each of them -- he
4 has said to me it's actually a perfect storm,
5 because colleges work countercyclical to the
6 economy, and when jobs are plentiful, people
7 are working. And with unemployment low --
8 which are all good things -- the reality
9 means fewer students to the colleges.

10 And this is really very serious to us.
11 Certainly colleges are meant to teach, but
12 they are also a hub in the community. And in
13 Columbia County, much goes on in education
14 outside of the students. I'm having a heroin
15 forum there at the end of February to help
16 the community type of things. I have my
17 Golden Gathering, which is a services-based
18 program, in October where over 13,000 seniors
19 come for flu shots and services and education
20 on what's offered to them.

21 Our community colleges are vital in
22 our districts. And, you know, I've heard
23 what you have said. So you can comment if
24 you care to. But as Senator Griffo is

1 worried, I'm very worried over our community
2 colleges.

3 CHANCELLOR JOHNSON: Well, thank you
4 very much. I think, considering it, I would
5 agree with what you said. Forty percent of
6 the students that attend community colleges
7 are adults. And when the economy is better
8 and they're full-time working, they reduce
9 the amount of credits they take. So then you
10 have to have many students make up that
11 one-time full-time-equivalent person of which
12 the funding basis is based on.

13 So it definitely is countercyclical.
14 They're definitely very important to our
15 communities. And I think the other thing is
16 many of our community colleges are taking on
17 the burden of the high-need, high-cost
18 programs in order to retrain individuals for
19 the high-tech -- you know, the future of
20 work. It's the labs that are really
21 expensive. And I've been at a few places
22 that have opened up new advanced industrial
23 manufacturing centers. And they're
24 beautiful, they're necessary, they train our

1 workforce for the future, but they're more
2 expensive than a regular classroom.

3 So I think we need to be mindful of
4 the mix of not only the classes we're
5 teaching, the number of students and their
6 demographics as well. But it is, as you
7 said, a perfect -- potentially a perfect
8 storm.

9 SENATOR MARCHIONE: I have just one
10 further question, and just really for my own
11 information. Do you stream a lot of your
12 classes across your campuses? I mean, do you
13 find that best-practice teacher who is just
14 best in their field and stream those classes?
15 I mean, streaming is such a technology.
16 There are churches in our area that have one
17 pastor, and he's amazing, and they stream to
18 their sister churches. Are you using that
19 technology?

20 CHANCELLOR JOHNSON: Senator, we are,
21 and I think it's actually a lovely idea. We
22 have 524 online degree programs and thousands
23 of online classes.

24 I think the opportunity -- and we've

1 been discussing this with the Board of
2 Trustees -- is sort of a digital badging and
3 microcredentialing where you can take that
4 professor who may know force fields better
5 than anybody else in the world, and you take
6 that particular class from that professor at
7 that university, and another class from
8 another professor to augment, and you create
9 sort of a digital badge of knowledge that you
10 can actually put on your resume, and people
11 can click on that badge and actually see what
12 you've taken. And that's really where this
13 whole program is going. I'm proud that SUNY
14 is a leader in this area.

15 So thank you for that question.

16 SENATOR MARCHIONE: And that does mean
17 that if I am a student on campus, you're
18 using that technology on campus, as well as
19 the student who's sitting at home -- you're
20 using them both.

21 CHANCELLOR JOHNSON: That's right.
22 That's right. Exactly.

23 SENATOR MARCHIONE: Thank you very
24 much. I appreciate your comments.

1 CHAIRWOMAN WEINSTEIN: Thank you.

2 Assemblyman Oaks.

3 ASSEMBLYMAN OAKS: Yes, Chancellor,
4 you talked a bit earlier in the questioning
5 and some response to it on the retention
6 issues and some of the programs you're
7 looking for that.

8 Do we have some numbers comparatively
9 from year to year on how retention is going
10 at SUNY? I know your predecessor was
11 obviously very interested in that as well.
12 But just thinking through of success in the
13 overall system, certainly attempting to raise
14 those numbers is good for them, good for all
15 of us.

16 CHANCELLOR JOHNSON: Absolutely. We
17 do have those numbers; I can provide them to
18 you. Let me just share, though, a couple of
19 programs that are helping those numbers, and
20 then Eileen will give you the exact numbers.

21 So we started a program at New Paltz,
22 under the leadership of the president there,
23 there are about a hundred students that ran
24 into unforeseen nonacademic difficulties. In

1 one case, it was the loss of a parent. And
2 in another, a parent who was working two jobs
3 to put their daughters through college at
4 New Paltz, couldn't work two jobs because
5 they had to take care of their spouse.

6 So the campus put aside a small amount
7 of money and gave little microgrants to about
8 a hundred students. Eighty-seven of them
9 came back to school and are on-track to
10 graduate. And when you look at the number of
11 graduates per year and you look at the
12 increase of 87 -- and I've done the numbers.
13 It's a significant percentage -- well, when I
14 say significant, it might be between 3 and
15 4 percent increase in their graduation rate.

16 So we've taken this example, and I
17 think this is the power of SUNY, we went out
18 and through the generosity of the Gerstner
19 Foundation and the Heckscher Foundation for
20 Children, we've received \$600,000 in grants
21 in order to pilot that same program now at
22 seven different campuses.

23 Again, small loans -- can't pay an
24 electricity bill, don't have some of the

1 basics, gets a flat tire. The sorts of
2 things that kids come across that even the
3 most dedicated student has to drop out. So
4 once we pilot this across seven, we're going
5 to keep that data, or track it, and then our
6 goal is to pilot it across all the students.

7 You know, one of the things that was
8 in the Governor's State of the State agenda
9 is a food pantry. So we formed a task force
10 in order to ensure that every single one of
11 our campuses either has a food pantry or is
12 affiliated with a food pantry so that food
13 insecurity for our students is not a reason
14 they don't complete their degree.

15 Now I hope I filibustered long enough
16 to get the data on the actual numbers on how
17 we're doing on retention.

18 SUNY CFO McLOUGHLIN: So when it comes
19 to public systems, SUNY is only behind the UC
20 system, the University of California system,
21 in our performance.

22 But on average, SUNY is above the
23 average. Our six-year graduation rate is
24 67 percent. With public universities, the

1 six-year rate is 58 percent; with privates,
2 the six-year rate is, on average, 65 percent.
3 The industry standard is the six-year
4 graduation rate.

5 On the four-year graduation rate, we
6 are still better, on average, than the
7 publics. Our four-year graduate rate is
8 50.5 percent versus 34.1 percent for publics,
9 versus 52.5 percent on average for privates.

10 But of course we want to continue to
11 invest in these programs because
12 50.5 percent, even if you're above the
13 average, is not good enough.

14 ASSEMBLYMAN OAKS: Thank you.

15 One of the things in the budget, we
16 found the Governor's proposal was
17 \$300 million to support projects to foster
18 research and development and whatever. Do we
19 have any sense if SUNY or the private
20 colleges are going to be able to tap into
21 that?

22 CHANCELLOR JOHNSON: I don't think
23 that it's clear how those funds will be
24 allocated. But we certainly would like to be

1 part of anything that is going on in that
2 arena.

3 ASSEMBLYMAN OAKS: I'm sure. And I
4 know there was a quick reference to some of
5 the compliance issues, and I know -- and just
6 oversight. And I know Mr. Megna related that
7 you feel like you've made some progress in
8 that area. I know the Governor proposes
9 requiring affiliated nonprofit organizations
10 of SUNY to adopt written financial policies.
11 And I'm just asking, are you confident that
12 what he's proposed, that you will be able to
13 comply with that, or what's negotiated?

14 SR. VICE CHANCELLOR MEGNA: Well,
15 again, at the Poly facilities I think we've
16 already adopted, you know, guidelines for the
17 operation of the board and for the
18 procurement of services that pretty much
19 follow that already. So I'm pretty confident
20 we're --

21 ASSEMBLYMAN OAKS: That you're maybe
22 already in compliance with what the Governor
23 said.

24 SR. VICE CHANCELLOR MEGNA: I think

1 that's right.

2 ASSEMBLYMAN OAKS: Thank you very
3 much.

4 SENATOR LaVALLE: We've been joined by
5 Senator Bailey.

6 And Senator Krueger.

7 SENATOR KRUEGER: Good morning. It's
8 still morning.

9 CHANCELLOR JOHNSON: Good morning.

10 SENATOR KRUEGER: Actually following
11 up on the last questions about governance and
12 management, has SUNY actually created new
13 management and a transparency system for your
14 affiliated organizations and foundations?
15 And are they available to us?

16 SUNY CFO McLOUGHLIN: So in the spring
17 of 2016, the SUNY Board of Trustees approved
18 new guidelines for oversight of all of our
19 foundations and campus-related entities that
20 bring their standards up to the standard of
21 the New York State Nonprofit Law of 2013. It
22 also allows SUNY to have complete access in
23 terms of auditing and oversight on affiliate
24 creation. So they have tightened up those

1 policies.

2 SENATOR KRUEGER: And are the reports
3 being done publicly available?

4 SUNY CFO McLOUGHLIN: The reports on
5 the audits when they're completed are
6 publicly available, yes.

7 SENATOR KRUEGER: Is there a schedule
8 for audits, or is it just a --

9 SUNY CFO McLOUGHLIN: I can provide
10 that to you.

11 SENATOR KRUEGER: Okay, thank you.

12 And do you know how many, in total,
13 SUNY has of affiliated organizations and
14 foundations?

15 SUNY CFO McLOUGHLIN: We can provide
16 you with that number.

17 SENATOR KRUEGER: That would be great.
18 I mean, are we talking 10, 75? I don't know.

19 SUNY CFO McLOUGHLIN: We can provide
20 you with the list. I'm going to say it's 30.
21 But I can give you that number.

22 SENATOR KRUEGER: Great.

23 SUNY CFO McLOUGHLIN: And I'll give
24 you that breakdown.

1 SENATOR KRUEGER: Thank you.

2 And the chancellor actually just
3 touched on it in answering another question,
4 the issue of food pantries available either,
5 on campuses or affiliated with, based on the
6 Governor's commitment to deal with hunger and
7 nutrition issues for young people.

8 I'm wondering whether SUNY has a plan
9 to expand and assist your students to become
10 eligible for the federal SNAP program. The
11 data shows that about 50 percent of
12 low-income students in the CUNY and SUNY
13 systems are not participating in SNAP because
14 of the employment requirement for college
15 students, but that with creative use of
16 work-study and other employment-type
17 activities related to being a college
18 student, a much greater number of our
19 students could draw down SNAP, which of
20 course is 100 percent federal money
21 specifically to buy food.

22 CHANCELLOR JOHNSON: We'll look into
23 that. Thank you.

24 SENATOR KRUEGER: I appreciate that.

1 I urge the Governor to take on that challenge
2 as well.

3 When we allowed the tuition increase
4 from last year, it was explicitly to be used
5 to support faculty and student success
6 initiatives. I know it's very early, it only
7 being January, in implementing this this
8 year, but do you have a sense of which
9 specific programs are being expanded and
10 supported by the tuition increase?

11 CHANCELLOR JOHNSON: We can get back
12 to you on that. I think that the increase is
13 \$200 per student. So how much would that be
14 altogether?

15 SUNY CFO McLOUGHLIN: About
16 20 million, based on enrollment. It does
17 vary by campus.

18 CHANCELLOR JOHNSON: And it does vary
19 by campus. So let us think about that and
20 get back to you on that.

21 SENATOR KRUEGER: So do you think
22 it's -- I'm sorry, there's a TV camera I
23 think talking to us by accident or something,
24 talking to us.

5 SUNY CFO McLOUGHLIN: Each campus puts
6 a financial plan together for us, but the
7 tuition dollars are all focused on
8 instructional and advising needs.

11 CHAIRWOMAN WEINSTEIN: Assemblywoman
12 Rodneyse Bichotte.

15 Thank you, Chancellor, for being here,
16 and congratulations on your new role.

18 ASSEMBLYWOMAN BICHOTTE: I certainly
19 look forward to working with you.

1 tutor of the math program in the Educational
2 Opportunity Program.

3 CHANCELLOR JOHNSON: Ah, thank you.
4 Thank you for your service.

5 ASSEMBLYWOMAN BICHOTTE: So my
6 question actually revolves around the topics
7 and programs that made me a success story.
8 And first I want to start with the
9 Educational Opportunity Program.

10 I'm certainly deeply concerned that
11 765 students will be impacted from being part
12 of the program, as well as \$10 million in
13 cuts on the centers as well as the program.
14 As mentioned, although I was not a member of
15 EOP, I worked with the students. I have a
16 number of colleagues who are success stories
17 who are doing wonderful things as a result of
18 having the opportunity to excel. And so I'm
19 deeply concerned.

20 I'm also deeply concerned with the
21 cuts in the Diversity Graduate Fellowship
22 Program, as well as CSTEP, another program
23 that I was part of and overall STEM. So to
24 me, it seems like programs that are helping

1 low-income students, minority students, and
2 pushing students towards science and
3 technology so that they can be better
4 prepared in the world, so that they can have
5 options in the workforce, are just being
6 disregarded.

7 And I'm very concerned, and I'm hoping
8 that you have a different strategy in terms
9 of restoring those funds and actually
10 increasing those funds.

11 Another question I have -- well, a
12 comment. Just -- community colleges just
13 should be free. I think community college
14 should be free. So I think we should think
15 about the direction that we want to take in
16 terms of finding a way to make community
17 college free. It would help the four-year
18 institutions in their debt load.

19 DACA, as you know, on the federal
20 level is under threat to being ended. And I
21 notice that you have the DREAM Act as a
22 priority. But how much of a priority will it
23 be given the state of DACA on the federal
24 level? Students who are here who came into

1 the United States at a very young age, who
2 didn't have the decision to come or not, are
3 now growing up, and we've been pushing for
4 them to have an opportunity to afford to go
5 to college. So we want to know what's going
6 on with that.

7 And lastly, going back to your
8 Excelsior program, I noticed that you said
9 that 23 students at SUNY and CUNY are
10 recipients of the Excelsior?

11 CHANCELLOR JOHNSON: 23,000.

12 ASSEMBLYWOMAN BICHOTTE: Sorry,
13 23,000. How many of those are SUNY? And
14 what percentage of the total SUNY body are
15 receiving Excelsior scholarships?

16 CHANCELLOR JOHNSON: If I'm correct on
17 that, it's about 17,000 for SUNY?

18 SUNY CFO McLOUGHLIN: Right.

19 CHANCELLOR JOHNSON: About 17,000. So
20 the split is about 17,000 -- so 6,000, in
21 order to make up the 23,000.

22 ASSEMBLYWOMAN BICHOTTE: So about
23 6,000 students?

24 CHANCELLOR JOHNSON: It's about

1 17,000.

2 ASSEMBLYWOMAN BICHOTTE: Oh, 17,000 at
3 SUNY. And what's the total SUNY population?

4 CHANCELLOR JOHNSON: It depends on how
5 you count. But there's about 453,000
6 full-time -- you know, I think that that
7 would be the cohort you'd compare the
8 Excelsior to. So it would be 17,000 out of
9 about 465,000.

10 ASSEMBLYWOMAN BICHOTTE: Okay. Wow.

11 SUNY CFO McLOUGHLIN: But half the
12 SUNY population -- with all aid programs
13 available, about 50 percent of SUNY students
14 have free tuition.

15 ASSEMBLYWOMAN BICHOTTE: Say that
16 again?

17 SUNY CFO McLOUGHLIN: Fifty percent of
18 SUNY students have free tuition, based on all
19 the programs that are available to them, in
20 addition to Excelsior.

21 ASSEMBLYWOMAN BICHOTTE: So that's a
22 last-dollar program.

23 SUNY CFO McLOUGHLIN: Yes.

24 ASSEMBLYWOMAN BICHOTTE: So if they

1 have a Pell or if they have a TAP or
2 whatever.

3 But how many students who are not
4 receiving TAP and Pell and other assistive
5 programs of the 453 -- you said 50 percent of
6 the students who are receiving aid are
7 getting Excelsior.

8 SUNY CFO McLOUGHLIN: So how many
9 students get Pell and TAP up to the cost of
10 tuition so they do not qualify for the
11 Excelsior, is that the question?

12 ASSEMBLYWOMAN BICHOTTE: Yes. Yeah.

13 SUNY CFO McLOUGHLIN: I think we'll
14 have to get that data for you.

15 ASSEMBLYWOMAN BICHOTTE: Okay. I
16 would like to get that, because the thing
17 is -- the issue is --

18 CHAIRWOMAN WEINSTEIN: Assemblywoman,
19 Assemblywoman, I'm sorry, we're going to move
20 on to the next speaker.

21 ASSEMBLYWOMAN BICHOTTE: Okay, thank
22 you.

23 CHAIRWOMAN WEINSTEIN: But I just want
24 to remind members that if you have questions

1 that we don't have an opportunity to answer,
2 we'd be happy to -- I know our witnesses
3 would be happy to respond to questions that
4 the committee will send in writing. So I'd
5 just have everybody keep that in mind.

6 Our next questioner?

7 SENATOR LaVALLE: Are there any other
8 Senators that have questions?

9 (No response.)

10 CHAIRWOMAN WEINSTEIN: Next,
11 Assemblymember Cathy Nolan, chair of
12 Education.

13 ASSEMBLYMAN OAKS: She's not here.

14 CHAIRWOMAN WEINSTEIN: I think she's
15 stretching her legs.

16 Assemblywoman Crystal Peoples-Stokes
17 for a question.

18 ASSEMBLYWOMAN PEOPLES-STOKES: Thank
19 you. And good morning, good afternoon,
20 whatever time it is now.

21 CHANCELLOR JOHNSON: Good morning.

22 ASSEMBLYWOMAN PEOPLES-STOKES: I
23 appreciate you -- (microphone off). I'd just
24 say that I'm encouraged and very much looking

1 forward to your tenure here because of your
2 background in business.

3 I see the college and university
4 system as an economic driver in the community
5 I live in, and I believe in everybody else's
6 community as well, and also see it as the
7 creator of the future workforce. And so I
8 think combining those two pieces, academics
9 and economics, you bring a value to our
10 system that I surely look forward to seeing
11 you further engage in.

12 I just have two questions. One is on
13 the funding for existing programs. How is
14 that decided which existing programs will be
15 continued, will receive continued funding?
16 Is there some sort of metric that looks at
17 outcomes? Do we know that we're getting a
18 good result as a result of the funding for,
19 say, the Teacher Opportunity Corps?

20 That's just an example of one.
21 There's also resources for the National Board
22 of Professional Teaching Standards
23 certification grant, high-needs nursing
24 program, and actually opportunity programs.

1 Is there anyone looking at outcomes for these
2 initiatives?

3 SUNY CFO McLOUGHLIN: Yeah, there is.
4 The provost's office at SUNY system has those
5 outcomes. We can provide that data. The
6 provost's office has that data, and we can
7 provide that to you.

8 CHANCELLOR JOHNSON: And if I may
9 amplify that just for a minute.

10 SUNY CFO McLOUGHLIN: Yup.

11 ASSEMBLYWOMAN PEOPLES-STOKES: So
12 you're saying you do have data on the
13 outcomes for these initiatives that are being
14 re-funded in the budget.

15 SUNY CFO McLOUGHLIN: Yeah. Yup.

16 ASSEMBLYWOMAN PEOPLES-STOKES: So
17 secondly, on the Teacher Opportunity Corps,
18 is there any amount of that grant or those
19 dollars that are going to be used to look at
20 diversity in the classroom? I know there's
21 been a study by the Education Trust Fund.
22 There's probably any number of other studies,
23 as well as the My Brother's Keeper commission
24 last year went across the state last year

1 talking to young men, and it was always
2 brought up that there is an issue with the
3 lack of diversity in the classroom. So is
4 there any specificity with the Teacher
5 Opportunity Corps that looks at diversity in
6 the classroom?

7 SUNY CFO McLOUGHLIN: The Teacher
8 Opportunity Corps is a State Education
9 Department-managed program, not a
10 SUNY-managed program. But we do have
11 diversity programs at SUNY that we invest in.
12 I don't have the -- there's a recurring
13 budget in the SUNY office plus a \$3 million
14 program that we have that funds proposals
15 from our campuses to do diversity programs on
16 their campuses.

17 ASSEMBLYWOMAN PEOPLES-STOKES: I'm
18 sorry, would you repeat that one more time?
19 You said there's what?

20 SUNY CFO McLOUGHLIN: We have a
21 diversity office at SUNY System, and we have
22 \$3 million which we administer through a
23 competitive grant program to support proposal
24 programs at our campuses that support

1 diversity initiatives. And we particularly
2 look for ones that we can scale across the
3 system.

4 ASSEMBLYWOMAN PEOPLES-STOKES: Okay.
5 Well, I appreciate that.

6 Is there a relationship between the
7 EOCs, which I'm noticing have been cut, and
8 community colleges? It would seem that that
9 would be a natural stream or a natural
10 pipeline towards EOC, community college, a
11 four-year college, and so on. So is there a
12 connection between the two? Are there
13 regular conversations about how do we make
14 this pipeline go smoothly? And what are the
15 numbers on that?

16 CHANCELLOR JOHNSON: First of all,
17 absolutely, there's a regular conversation
18 going.

19 And we can do better. I've visited
20 some of the EOC as well as the community
21 colleges in the regions. They are working
22 together. In some places, for example, in
23 Rochester, they're in the same buildings. So
24 they are very tightly connected. I think we

1 can always do better and improve that.

2 I did want to comment just on the
3 diversity program. I know a few years ago
4 that at each campus we've established an
5 Office of Diversity and Inclusion Excellence.
6 So at each individual campus, we are working
7 on diversity as well as programs that Eileen
8 McLoughlin mentioned across the system.

9 Having said that, I think one of the
10 areas that you pointed to -- and I would like
11 to amplify, if I may -- is that the
12 importance of role models, people in the
13 classroom that look like the students in the
14 demographics that we're teaching, so that
15 they can look at that person and say, I too
16 could be a professor or I too could be an
17 engineer or I too could be a lawyer or a
18 public servant or any particular area that
19 they want to pursue.

20 It turns out that our faculty is about
21 5 to say 7 percent underrepresented minority
22 faculty. The high across the public
23 institutions is probably as high as 15
24 percent and as low as, you know, a few

1 percent. We need to do better.

2 And so one of the things that I'm
3 looking at as we invest in full-time faculty
4 is how do we diversify the faculty in the
5 classroom in order to be those role models
6 for our students and our citizens of the
7 State of New York.

8 ASSEMBLYWOMAN PEOPLES-STOKES: Thank
9 you.

10 SENATOR LaVALLE: Senator Tedisco.

11 SENATOR TEDISCO: Thank you for your
12 testimony, first of all.

13 I wasn't here -- I'm sorry I was a
14 little bit late; I had a committee meeting.
15 I don't know if you've talked about
16 retention, staying in New York State for
17 students or any research that's been done for
18 those who graduate from our two-year colleges
19 and our four-year schools and get degrees
20 here. And how are we doing on that?

21 CHANCELLOR JOHNSON: So I can respond
22 to that. And we didn't talk about it, so
23 thank you for the question.

24 Four years after graduating from the

1 SUNY system, 73 percent of our graduates are
2 still living and working in the State of New
3 York. So it's a pretty high percentage.

4 SENATOR TEDISCO: Of all students who
5 graduate, two-year and four-year?

6 CHANCELLOR JOHNSON: And that's
7 systemwide. I think we can probably get you
8 the breakdown from four years to
9 state-operated to technical and to community
10 colleges.

11 But across the whole system,
12 73 percent of our students, once they
13 graduate, four years later are still living
14 and working in the State of New York.

15 SENATOR TEDISCO: And how long do they
16 usually stay in the State of New York?

17 CHANCELLOR JOHNSON: That's a good
18 question. I'll have to get back to you on
19 that. I know at least for four years. I
20 think that first year it's maybe around
21 80 percent.

22 SR. VICE CHANCELLOR MEGNA: It's four
23 years after graduation.

24 CHANCELLOR JOHNSON: Four years after

1 graduation. And I think four years is an
2 important metric, because folks have always
3 told me that you put permanent roots down
4 after two years in a place. So I think that
5 that's a -- it would be interesting to look
6 longer term.

7 SENATOR TEDISCO: Yeah. What would
8 you think of a concept of a -- let's say a
9 graduate of a two-year school, for the first
10 five years we said up to \$20,000 a year, you
11 paid no taxes on for five years in a row?
12 That would be a hundred thousand dollars. If
13 they made \$50,000 a year, they'd still pay
14 taxes on \$30,000.

15 For four-year graduates here, we'd say
16 for five years, you could make up to \$50,000,
17 you'd pay no taxes on that for five years.
18 Because I agree with you, you said if you
19 stay here for four, five or six years, you
20 buy a house, you get a job, you build a
21 business, you get married, you have roots,
22 like you said, you're more than likely going
23 to stay here.

24 Now, those are just some of the

1 numbers that I've been rolling around in my
2 head. But, you know, we have the numbers man
3 over here. I wondered, is any kind of
4 concept like that something that could even
5 make us better in terms of retaining
6 students? Or is that something that is not
7 worthwhile looking at?

8 SR. VICE CHANCELLOR MEGNA: Senator, I
9 think any ideas and incentives to keep people
10 in this state are worth looking at. I think
11 I would want to talk to the tax folks about
12 how effective they thought that would be.

13 SENATOR TEDISCO: Thank you.

14 Did you have something?

15 CHANCELLOR JOHNSON: No, I just wanted
16 to -- I was thinking. You could tell. You
17 know, what I was considering is -- going back
18 to some of the numbers that our CFO
19 mentioned -- and that is retention is very
20 critical. So we lose -- even though we might
21 be number two across the U.S. in system and
22 be at a 65 percent six-year graduation rate,
23 that still means a third of our students are
24 not graduating.

1 And so I think it's a question of
2 we've got to -- and we are; with some of the
3 targeted programs, we look at the reasons for
4 that. And so some of it, as I mentioned
5 before, are other nonacademic issues. One in
6 five women going to college are single moms.
7 So this is one of the reasons we feel very
8 strongly about supporting with childcare.

9 I mean, there are some of the other
10 issues -- the emergency funding program that
11 we're piloting -- we're trying to get at the
12 root of how can we retain as many of the
13 other 35 percent who don't make it through in
14 six years. So that's what I was thinking of
15 as you were looking and saying did you want
16 to say something.

17 SENATOR TEDISCO: Appreciate it.
18 Thank you.

19 CHAIRWOMAN WEINSTEIN: Assemblywoman
20 Nolan.

21 ASSEMBLYWOMAN NOLAN: Thank you.
22 Thank you. Such a happy day -- (microphone
23 dysfunction). I have one of those loud
24 voices -- how about that, better? Okay,

1 thank you very much.

2 It is such a very happy day to welcome
3 you, Chancellor, on a day when women lead and
4 that Helene Weinstein and Cathy Young have
5 really made history today. I feel so happy
6 about it, I had to be here.

7 I have the good fortune of chairing
8 the Education Committee, and love what I do.
9 I'm a happy SUNY mom, first-year SUNY mom,
10 sitting with another happy SUNY mom.

11 I want to give a shout out to Nancy
12 Zimpher, because she I think really did
13 change SUNY's recruitment policy in the city.
14 When I got to Albany, I always felt that was
15 a problem, that they weren't recruiting in
16 the city. And I think now that you do.

17 I want to give a shout-out to
18 Alfred -- which is not the school my kid goes
19 to, but they're doing so much recruiting in
20 schools in my district. I'm very, very
21 grateful to them for that.

22 But there's always that but, you know,
23 that happens in these hearings, so this is my
24 "but." First of all, I'm happy Chancellor

1 McCall is here, because, Carl, Deborah and I
2 are still waiting for that meeting to talk
3 about the Charter School Institute. We're
4 very unhappy. The Assembly takes the issue
5 that they do not have the authority to do
6 what they did.

7 So I don't want to saddle you, you're
8 new, some of this predates you. But there's
9 a lot of concern. And I'm so happy that
10 Senator Stavisky brought it up. So what I'd
11 like to do is not go over the past, because
12 that's on Carl, not on you.

13 (Laughter.)

14 ASSEMBLYWOMAN NOLAN: But I'd like to
15 have you talk a little bit about the teacher
16 training programs. Because we've heard so
17 much talk -- and everyone loves those big
18 muscular -- you know, the engineering and the
19 pharmacy and the STEM. Meanwhile, you are
20 training more teachers than almost anyone in
21 America. But somehow -- and I can even argue
22 it's because it's a female-dominated
23 profession, but we won't say that today --
24 somehow the teacher training programs are --

1 you know, they're there, and there's a lot of
2 people in them, but you never hear anybody
3 talk about them. And so I'd like to hear a
4 little bit from you about what your
5 priorities are in this year's budget to
6 support outstanding teacher training programs
7 at SUNY schools. Not undercut them with
8 crazy 100 hours is enough to be a teacher
9 nonsense. We can't hold you for that, like I
10 said. But I have heard from just about every
11 one of the people -- I hear from people who
12 teach in every one of your teacher training
13 programs, in real concern and panic at the
14 watering down of teacher quality that your
15 SUNY charter people did to that charter
16 school program.

17 So what are you doing to support your
18 existing programs? And can you tell us a
19 little bit about them? Because not one word
20 has been said today from you about the
21 teacher training programs. Everything is
22 always about the things that cost a fortune.
23 But the teacher training programs are about
24 educating people for our children that I deal

1 with in the Education Committee, K-12, for
2 the future.

3 So -- but we welcome you on your happy
4 day.

5 (Laughter.)

6 CHANCELLOR JOHNSON: Wow. Thank you,
7 Assemblywoman. I hear the passion in your
8 voice, just -- which I love. And as you may
9 know, I'm also a teacher and I taught in the
10 classroom for, oh, maybe 25 years as a
11 professor, so I share that. My family, five
12 girls and two boys, all of them were teachers
13 on the girls side, and the two boys lost
14 their way and became lawyers. I didn't
15 really say that, did I? Okay, anyway. But
16 I'm very passionate about teaching.

17 And so I wanted to share a little bit
18 with what we've started to think about and
19 do. I mean, it's still early days; I'm five
20 months into my term here. I have met with
21 all the deans of the education schools, I
22 actually invited them in. Not all were able
23 to attend, of course. And we sat down and we
24 talked about it. We talked about what does

1 it take to educate the teacher of the future,
2 what are the kind of skill sets.

3 And this is something that the Faculty
4 Senate is very concerned about. We had a
5 Faculty Senate meeting last Friday in Utica
6 that I attended, and one of the resolutions
7 was how do we define the liberal arts degree
8 of the 21st century. So these are
9 conversations -- you first have to start to
10 get to know what's going on before you make
11 any particular change. I'm very supportive,
12 met with the deans, talked about the
13 programs.

14 And some of the things we started to
15 talk about, it started to kind of connect the
16 dots, that you've got faculty members getting
17 Ph.D.s and graduate degrees in the liberal
18 arts who aren't able to get faculty
19 positions. And so I commented, can we
20 prepare those Ph.D. students to teach in our
21 K-12 programs? And what would that look
22 like?

23 So that's one area where we're trying
24 to look at, how do we increase and continue

1 to train and better prepare our teachers.

2 ASSEMBLYWOMAN NOLAN: How much teacher
3 training programs do you have, and how many
4 students do you have in them?

5 CHANCELLOR JOHNSON: Let's see, we
6 have, what, 19 schools -- I think there are
7 19 deans, so it must be 19 schools of
8 education. And as you said, we train and
9 educate the majority of the teachers in the
10 State of New York.

11 Continuing on one of the things that I
12 mentioned, I've also met with the Charter
13 Institute. And I said, can we get those two
14 groups together to talk about what quality
15 means and what we're doing together. And so
16 they are meeting now. And that hadn't
17 happened before. So you take each step as we
18 go along, and I'll look forward to -- well
19 before next year, I'd love to get together
20 with you individually and talk about what
21 we're doing.

22 But these are the first couple of
23 steps that I think are very important. And
24 so I think out of these conversations will

1 come creative ideas to further the
2 preparation of our teachers to be even more
3 successful in the classroom.

4 CHAIRWOMAN WEINSTEIN: Thank you.
5 Assemblyman Stirpe.

6 ASSEMBLYMAN STIRPE: Good morning.

7 CHANCELLOR JOHNSON: Good morning.

8 ASSEMBLYMAN STIRPE: When we met back
9 in November, you gave a little presentation
10 and you talked about one of your goals was to
11 double the amount of research and development
12 that flows through SUNY.

13 And, you know, you having been in that
14 world a little bit in the past, do you have a
15 specific plan of action of how to do that?
16 Any organizations you know about that you're
17 going to? And how might that help SUNY in
18 general during times of government financial
19 stress?

20 CHANCELLOR JOHNSON: Well, thank you
21 for that question. And you're right, in
22 November -- and I repeated it again yesterday
23 at my State of the University System,
24 broadened it a bit to talk about really not

1 just research in terms of external funded
2 research dollars, but really doubling our
3 scholarly work, our start-ups, our research,
4 our outreach and our engagement.

5 And so I'm very passionate about that.
6 When anybody says double, you know, you ought
7 to ask how long is that going to take, right?
8 It could take 50 years, it could take one
9 year. I've set a goal for the next decade to
10 at least double.

11 And so then you look at -- in order to
12 be successful, you need a strategy, which is
13 what I think you're asking and where are you
14 going to put those investments. And so one
15 of the areas that I believe that the State of
16 New York and SUNY needs to be front-runner
17 in -- and that's going to be in artificial
18 intelligence and augmented intelligence,
19 because that will affect every single
20 industry in the State of New York.

21 Automation -- a lot has been said
22 about the number of jobs that automation will
23 disrupt and already has disrupted. It's
24 actually entire industries that will

1 disappear. When you have 57 Fortune 500
2 countries that are headquartered in New York,
3 that's the future of the State of New York.

4 So I think in terms of us being
5 targeted and strategic about where we place
6 our investments. And so the major ones are
7 going to be education, healthcare, of course,
8 and it's also going to be understanding how
9 multidisciplinary and educated the students
10 of the future and the workforce needs to be.
11 So it's going to be liberal arts that
12 understand how cognitive computing is going
13 to impact the ability for them to be creative
14 and successful, and how STEM students are
15 going to need to have persuasive oral and
16 written skills as well as a concept of
17 history and politics and philosophy. So it's
18 a new way of thinking about education.

19 I think that these ideas are
20 compelling. They're not just mine, they're
21 already being done throughout SUNY. We are a
22 leader in a lot of these areas. So advanced
23 materials -- it just came out in the paper
24 that there's been over a thousand or 1100

1 patents in the Capital Region alone. Seven
2 hundred are from Global Foundries and IBM
3 working in the facilities that created that
4 5-nanometer transistor.

5 We've got to build on those. We build
6 on those -- what people want to invest in is
7 not just an individual anymore, because they
8 understand that the problems are very
9 complicated and you need a team. So we're
10 going to build teams, and we're going to
11 build on the teams we already have, and we're
12 going to connect the dots.

13 So one of the strategies that we've
14 put in place is that we've started these
15 workshops across SUNY, all inclusive, invited
16 people, we've done them in AI, we've done
17 them in opioid abuse, and get the best
18 researchers together to talk about where is
19 the future going. And then through these
20 investment programs, we will seed money in
21 order to get early data, because that's what
22 makes our proposals then successful.

23 And then the last thing, I've met with
24 the Distinguished Faculty. We have a

1 thousand Distinguished Faculty members, and
2 over half of them have said they still want
3 to be active, they still want to help us. So
4 I propose, well, why don't you help review
5 the proposals? Because they'll be colleagues
6 like yourself. And studies have shown that
7 when you have somebody review the proposal,
8 especially our Distinguished Faculty is more
9 than just somebody, the chances of getting
10 that funded go up by a factor of two to four.

11 So that's just one idea of what we're
12 working with right now. And so I'm pretty
13 passionate, as you can tell, about this. I
14 think that it's going to help be that
15 economic engine in the future. And just
16 remember, every dollar that's invested in
17 SUNY has a return on investment of about \$5,
18 in addition to the social and economic return
19 on investment. So we can double our research
20 and go from a billion to 2 billion in this
21 next decade. We're going to increase the
22 number of jobs, the number of patents, the
23 number of start-ups, the impact and the
24 outreach in our communities.

1 ASSEMBLYMAN STIRPE: Thank you.

2 CHAIRWOMAN WEINSTEIN: Assemblywoman
3 Glick.

4 ASSEMBLYWOMAN GLICK: Thank you very
5 much. Just a few follow-ups.

6 The area of student fees. The cost of
7 going to school, most people understand it's
8 tuition, room and board. But then there's
9 this entire area of student fees. And that
10 is generally not covered by -- it's certainly
11 not covered by TAP.

12 And so I have two questions about
13 that. Are those set by individual campuses?
14 And whether the system looks at it and
15 whether what has been a growing trajectory of
16 larger and larger -- is there any thought or
17 consideration of across the system of either
18 standardizing certain aspects of it or trying
19 to figure out how to fold some of them into a
20 tuition so that, for some students, that too
21 would be covered by TAP?

22 CHANCELLOR JOHNSON: I'll ask Eileen
23 to give some of the details on that, but I
24 will say that we are looking at it at the

1 system level.

2 And maybe you can comment about how
3 the fees are set at the campuses and at the
4 system.

5 SUNY CFO McLOUGHLIN: So the campuses
6 do not set fees on their own, they do come to
7 System for us to approve, and we do have a
8 process, which I can give you the details on
9 where they cannot increase those fees above
10 what's called the HEPI index, which is the
11 Higher Ed Price Index, without demonstrating
12 need and support for the particular service
13 they're trying to collect the fee for. And
14 part of that demonstration has to include
15 student input, that the students want these
16 services.

17 So we can share a very brief summary
18 with you of what that process is.

19 ASSEMBLYWOMAN GLICK: That would be
20 helpful.

21 SR. VICE CHANCELLOR MEGNA: I think,
22 Assemblywoman, there's also an issue of
23 uniformity -- you raised it -- across the
24 campuses that probably, as part of that,

1 should be looked at; how we can kind of get
2 everyone on the same footing.

3 ASSEMBLYWOMAN GLICK: I look forward
4 to having a more detailed conversation on
5 that.

6 First of all, let me say that I'm very
7 pleased to hear that you're committed to
8 doing more with renewables and retrofits that
9 are cleaner. And obviously it's an enormous
10 payback if we can do that. It's not just
11 payback in dollars, which we're always
12 concerned about, but also in making the
13 campuses cleaner and healthier, for them and
14 the surrounding community.

15 So at some point if we could get a
16 little bit more of what your plan is or where
17 you're targeting. I don't expect that today.
18 But I would like to understand where you're
19 headed and to be somewhat certain that that
20 is geographically balanced. I know that
21 Oswego did a tremendous job in their new
22 science building, and that is a great model
23 for the rest of SUNY. So I'd like to
24 understand more where that's headed on your

1 facilities.

2 VICE CHANCELLOR HAELEN: Yeah, we can
3 get back to you on that.

4 ASSEMBLYWOMAN GLICK: Finally, I do
5 want to have a little bit more of a
6 conversation at some point about the theory
7 behind differential tuition.

8 Fifty percent of your students are not
9 going to school with assistance. And so I
10 would not want to see a student in one
11 school -- I know that this has been a
12 long-standing issue, long before you arrived
13 on the scene -- that the university centers
14 have always felt that they have to support a
15 tremendous overhead and a wide range of
16 programs, and so they want to charge more.
17 To some extent, they are charging a little
18 bit more.

19 I don't know what you're thinking
20 about in terms of how you would determine who
21 would get to have a differential bump, but I
22 would not want us to see students in the
23 future decide that they cannot go to Buffalo
24 because it's an extra few hundred dollars,

1 and they make their choices and we lose out
2 on perhaps somebody who could in fact be the
3 next Nobel Prize winner down the road because
4 for the want of a few hundred dollars.

5 Now, I did have a conversation with an
6 enormously wealthy human being who said, I
7 can't imagine that for \$200 or \$300, someone
8 would choose not to go to a particular
9 school. And I said, Well, in your world that
10 is true, but in the rest of the state where
11 you need to see -- you know, \$25,000 is a
12 good salary in a lot of small towns. And
13 that I presume was, you know, like the fee at
14 the golf course for membership.

15 So that is a concern that I have
16 around that issue.

17 SUNY CFO McLOUGHLIN: So thank you for
18 your concern. Where we really want to focus
19 looking at differential tuition right now is
20 in border states. So our schools like
21 Fredonia, who border some other type of
22 states, to be able to charge more than the
23 in-state tuition rate but a little bit less
24 than our current out-of-state rate.

1 We can get you the data on this, but
2 many New Yorkers leave the State of New York
3 to go to Pennsylvania or New Jersey or some
4 of our bordering states to get their
5 education there, because our neighboring
6 states are offering more competitive tuition
7 rates to them.

8 So we would like to be able to
9 position our border-state campuses in that
10 market, as well as attract students into the
11 State of New York, that's one.

12 And then the other area we're looking
13 at is our graduate and professional master's
14 programs. So these are our professional
15 master's programs where the return on
16 investment for that individual student is
17 pretty tremendous. And we have some
18 specialized graduate programs that really
19 cost us more, so if we can have some level of
20 differentiation on some of these specialized
21 programs.

22 To get back to your tuition and fees,
23 I just wanted to also let you know that the
24 average fee across the system is about

1 \$2,000, and our tuition and fees in total is
2 still among the lowest in the nation.

3 CHAIRWOMAN WEINSTEIN: Thank you.

4 And before we conclude your first
5 testimony before the joint budget committees,
6 I had two quick questions.

7 In the Governor's proposed budget I
8 see that the funding for the community
9 college childcare centers, the SUNY community
10 college childcare centers, is reduced by \$1.1
11 million. And I was just wondering who
12 utilizes the services. Is there a reduction
13 in the use of the services that would warrant
14 a reduction in the dollars to support these
15 centers?

16 SUNY CFO McLOUGHLIN: I didn't quite
17 get that question.

18 CHANCELLOR JOHNSON: I apologize,
19 Chairperson. Oh, is it childcare, did you
20 say?

21 CHAIRWOMAN WEINSTEIN: The childcare
22 centers. The Executive Budget shows a
23 \$1.1 million reduction.

24 CHANCELLOR JOHNSON: So as I mentioned

1 before, one in five women attending college
2 are single mothers. So this will be
3 difficult for women that need childcare in
4 order to pursue advancement in terms of a
5 degree and also in terms of their life.

6 CHAIRWOMAN WEINSTEIN: And would
7 additional support for the childcare centers
8 enable additional women with children to be
9 able to partake of the community college
10 experience?

11 SUNY CFO McLOUGHLIN: Yeah, we can get
12 that data to you, how much more children and
13 parents we can serve if we got increased
14 funding, and what the impact will be on the
15 reduction.

16 CHAIRWOMAN WEINSTEIN: And just -- I
17 know you spoke about this change of dollars
18 for the SUNY hospitals from operational to
19 capital. In your testimony you said you were
20 working with the Division of Budget to
21 mitigate the operational impact.

22 And I was just wondering what
23 specifically your conversations have been
24 around mitigating that negative impact.

1 CHANCELLOR JOHNSON: Go ahead, Bob, if
2 you'd like to.

3 SR. VICE CHANCELLOR MEGNA: I think,
4 Assemblywoman, there are alternative ways to
5 achieve the savings that I think would not
6 have an immediate or as devastating an impact
7 on the hospitals.

8 And I think their belief was that,
9 again, this operating/capital substitution
10 would not have an impact on the hospitals. I
11 think we believe that it would have a
12 significant impact on the hospitals, and
13 we're providing them three or four
14 alternatives that they can look at to see if
15 they work better.

16 CHAIRWOMAN WEINSTEIN: And could you
17 share, subsequent to the hearing, some
18 additional information about the specific
19 impact to each of the SUNY hospitals of loss
20 of operational funds?

21 SR. VICE CHANCELLOR MEGNA:
22 Absolutely.

23 CHAIRWOMAN WEINSTEIN: Thank you very
24 much for testifying, and we're going to move

1 on to our second witness, hopefully.

2 CHANCELLOR JOHNSON: Thank you very
3 much. Appreciate the time.

4 CHAIRWOMAN WEINSTEIN: As we move, we
5 won't be as long.

6 Our next witness is the chancellor of
7 the City University of New York, James
8 Milliken.

9 If we could take conversations outside
10 so we can continue the hearing.

11 Chancellor, thank you for being here.
12 You can begin.

13 CHANCELLOR MILLIKEN: Thank you.
14 Morning? Morning, yeah, still morning.

15 Members of the committee, guests, I'm
16 James B. Milliken, I'm the chancellor of the
17 City University of New York. This is my
18 fourth time to appear before you to discuss
19 the goals and priorities of the City
20 University of New York and the state's
21 budget.

22 I want to thank my friend and new
23 colleague Chancellor Johnson for joining us
24 in higher education in New York and for doing

1 what Chancellor Zimpher used to do, which is
2 to take all the tough questions for about two
3 hours from this group before I take the hot
4 seat.

5 I'm joined by several of my
6 colleagues, and I'll introduce them at an
7 appropriate time if there are questions that
8 I need some assistance with.

9 So I just want to start by saying
10 something that I know you all know, and it's
11 evident from the questions that you asked
12 during the testimony of Chancellor Johnson,
13 and that is that despite the skepticism that
14 we read about, astonishingly enough to me,
15 about the continuing value of higher
16 education in this country, there has never
17 been a time when it's more important. Most
18 of the new jobs created require education
19 beyond high school. So the opportunity that
20 we provide as a nation, as a state, and as a
21 city in New York depend on higher education.

22 I'm a firm believer that talent is
23 evenly distributed across all areas of
24 demography. It does not depend on race,

1 ethnicity, wealth, or national origin. But
2 opportunity is not equally distributed. And
3 one of the ways in this country that we
4 address that inequality is through higher
5 education, and CUNY is one of the great
6 engines of social and economic mobility in
7 this country that allow us to address that.

8 So I want to thank this Legislature --
9 it was mentioned earlier by Chancellor
10 Johnson that New York is in a better position
11 than many states in terms of the public
12 support for higher education. That's
13 absolutely true. The TAP program in New York
14 is known across the country as an effective
15 way of supporting low-income students. Add
16 to that the Governor's Excelsior program from
17 last year, again in this year's budget and
18 increasing the income eligibility, which adds
19 additional members of the middle class to the
20 ranks of students that are supported by the
21 State of New York and able to attend college.

22 So all of this support has helped CUNY
23 to advance its essential mission of access,
24 of inclusion, of high quality, and makes me

1 -- and I believe the members of my board and
2 my presidents -- optimistic about the future
3 of the City University of New York. And if
4 you haven't seen it, I hope that you will see
5 some of our billboards, our advertisements.
6 Those of you who are on the subway may have
7 already seen it.

8 In light of the attention that CUNY
9 has gotten over the last year as the
10 unparalleled leader of social and economic
11 mobility in this country, we have decided to
12 demonstrate that recognition through our new
13 marketing effort, which unabashedly and I
14 think quite deservedly refers to CUNY as the
15 greatest urban university in the world. And
16 if you have any questions about why that's
17 the case, I'd be happy to get into that
18 later.

19 Nothing is more important to the
20 economic strength of the state and to
21 individual opportunity than having a talented
22 workforce to attract investment and good jobs
23 and to foster the innovation necessary to be
24 competitive. And increasingly, as I

1 mentioned, college education is essential to
2 that.

3 High-growth industries need employees
4 with not only technological skills, but they
5 also need a workforce that is nimble, that
6 collaborates effectively, and that functions
7 in different cultures and languages. In
8 short, they need talent, they need skills,
9 and they need diversity, and that is what
10 CUNY offers on a scale that no other
11 university in the country can match.

12 I know that you have seen and are
13 familiar with the landmark study that was
14 released just about a year ago from a group
15 of Stanford and other economists with
16 actually an amazing amount of research, with
17 30 million IRS records and 30 million student
18 enrollment records. So this groundbreaking
19 research demonstrated really for the first
20 time which institutions across this country
21 are the ones that are most effectively
22 propelling students from the lowest quintile
23 of wealth, the lowest-wealth students, to the
24 middle class and beyond.

1 So the good news is while not every
2 institution is doing a terrific job of
3 that -- not every institution is enrolling,
4 in my view, enough low-income and
5 underrepresented students -- of the top 10 in
6 the country, CUNY occupied six of the top 10
7 spots in terms of moving students from the
8 lowest quintile of wealth to the middle
9 class. CUNY sends more students from
10 low-income to the middle class than the eight
11 Ivy Leagues, Duke, MIT, Chicago, and Stanford
12 combined.

13 So this is a badge of honor, I think,
14 for New York and speaks well of support from
15 the Governor and this Legislature for the
16 programs at CUNY that make this kind of
17 social and economic mobility possible.

18 Our students are exceptional. And if
19 you ask me about them, I'll give you specific
20 examples. But I want to keep my comments now
21 brief and get into questions, but I can't
22 move on without giving responsibility for the
23 great achievements that CUNY has made to our
24 outstanding faculty. And we look to you, to

1 the state, and we look to the city for
2 continuing help to allow us to recruit and
3 retain the highest-quality faculty who make
4 possible the work that we do with our
5 students, make possible the research that's
6 done at CUNY, make possible our outreach
7 programs.

8 I'm particularly proud of the fact
9 that since I arrived at the City University
10 of New York almost four years ago, we have
11 strengthened our faculty considerably while
12 increasing diversity markedly among the
13 faculty. Almost 44 percent of new faculty
14 hires last year were from underrepresented
15 groups, which is a continuation of an upward
16 trend. The result is the percentage of
17 minority faculty members has reached an
18 historic high at CUNY of 36 percent today.
19 It's not enough, but it is progress, and
20 we're moving strongly in the right direction.

21 Also, I listened earlier to the
22 discussion of adjunct and full-time faculty.
23 I'm sure we'll have an opportunity to mention
24 that, but I do want to mention that I am very

1 pleased that we have been able to
2 significantly improve terms for our adjunct
3 faculty over the last few years, including
4 through our work with the Professional Staff
5 Congress, including health insurance for
6 eligible adjuncts and greater job security in
7 the last contract that we settled with
8 providing for three-year appointments for
9 eligible adjuncts.

10 So the investment in the Executive
11 Budget that's been made will help further
12 advance our strategies, and I believe there's
13 compelling evidence that the investment in
14 CUNY is paying off dramatically. A couple of
15 data points. Last year we graduated 52,000
16 students, the most in the history of the City
17 University of New York, and we had a freshman
18 enrollment last year that was at a record.
19 We had an applications increase last year of
20 almost 10 percent, and this year an over
21 10 percent increase, year to year, over that
22 all-time high last year in terms of
23 applications to CUNY.

24 So we are growing, and that is a good

1 thing. One of the most important elements of
2 our strategy is what we do when those
3 students arrive, and that is to help them be
4 successful and complete their college
5 education on time. And part of our new
6 strategic plan is a focus on success and
7 increasing the graduation rates at the
8 community college and the baccalaureate
9 level.

10 There is a new university-wide culture
11 of completion across CUNY. Nothing could be
12 more important than students taking as many
13 courses as they can reasonably manage to
14 graduate on time. We talk about the cost of
15 education all the time. The greatest single
16 way to reduce the cost of education is to cut
17 the number of years that students are
18 pursuing their education. They're a fixed
19 cost that students pay every year they're
20 pursuing -- so if we can reduce from five
21 years to four years the time in school, we've
22 just cut 20 percent of the cost of a
23 student's education.

24 So I am very pleased that our

1 presidents, our faculty, have taken this
2 challenge on and are working on strategies to
3 help our students increase graduation rates.

4 So an example. Last year the number
5 of full-time students taking a 15-credit-hour
6 load was 31 percent. This year it's
7 41 percent, a 10 percent increase in one year
8 of the students taking a 15-a-year credit
9 load, which will keep them on track to
10 graduate in two and four years.

11 We are on track to meet the ambitious
12 goal that we announced last year with our new
13 strategic plan, and that is to double the
14 graduation rates of our community colleges.
15 Double them.

16 The urban community college graduation
17 rates in this country are a scandal. They
18 are way too low, and they have been too low
19 at CUNY, but we are now ahead of the national
20 average -- and over a five-year period, we
21 will double the graduation rates and be the
22 national leader. There are already several
23 states, including California, Ohio, Virginia,
24 Tennessee, that are adopting CUNY's

1 strategies to increase their graduation rates
2 at their community colleges, and we're
3 working with them.

4 The good news for this progress is
5 that the impact, the disproportionate impact
6 at CUNY that increasing graduation rates will
7 have on low-income, immigrant, and
8 underrepresented groups who represent by far
9 the dominant share of CUNY's enrollment.

10 A second element of the plan is to
11 increase our ability to help students launch
12 great careers. We own the space, we believe,
13 with employers, preparing our students
14 adequately for the workforce, giving them the
15 experiential learning and internships they
16 need to increase their networks, to increase
17 their performance in school -- which research
18 demonstrates that it does -- have them become
19 acquainted with businesses, not-for-profits
20 where they want to work, and give them a
21 positive step to employment.

22 So we are spending a great deal of
23 effort, have raised a significant amount of
24 private funding to increase our internship

1 programs and our workforce preparation
2 programs.

3 With regard to the specifics of the
4 Executive Budget, there's a \$70 million
5 increase for the senior colleges, which is
6 critical to our progress and includes
7 mandatory fringe benefit increases which
8 would be essential to us in the future. It
9 also includes a second year of the use, the
10 promotion, the development of free online
11 textbooks and course materials, which is one
12 of those elements of the cost of college we
13 have traditionally had the least control over
14 and has probably increased at a rate higher
15 than almost any other element of cost.

16 This is an exciting story for both
17 CUNY and SUNY, and I believe a part of the
18 future of maintaining costs will be reducing
19 significantly the amount of textbooks and
20 course materials, and our faculty have taken
21 on this assignment with great enthusiasm.

22 The Executive Budget also includes
23 adoption of the DREAM Act in New York. And I
24 want to say a word about this, because this

1 is something that is extremely important to
2 me personally and something that our board
3 has always advocated in favor of. So
4 everybody knows about the intense national
5 debate, not yet over -- hopefully will be
6 successfully over soon -- to renew the DACA
7 program. But I don't know that everyone is
8 as familiar, and I think as policymakers in
9 the state you should be familiar with the
10 actual impact that the program has on
11 students.

12 So students -- there may be 5,000 or
13 6,000 undocumented students at CUNY, and
14 there are a large number of DACA students at
15 CUNY, between a thousand and 2,000, not
16 eligible for any public support -- TAP, Pell,
17 any other -- that their high-school
18 classmates are eligible for.

19 But we have pursued aggressively
20 private funding to be able to close that gap,
21 and we have a robust partnership with
22 TheDream.US, which is the brainchild of Don
23 Graham, a former publisher of the Washington
24 Post. When I arrived at CUNY four years ago,

1 there were 30 students that were receiving
2 TheDream.US scholarships allowing
3 undocumented students to have their tuition
4 paid for. Since that time, almost 800 CUNY
5 students have gone to school because of
6 TheDream.US program.

7 Last year there were 475 Dream.US DACA
8 students enrolled at CUNY, and these students
9 do tremendously well. The retention rate
10 year to year for our DACA students who were
11 receiving Dream.US scholarships is
12 90 percent. It is higher than their US
13 citizen peers in the classroom. Of these
14 475 scholarship winners, I mentioned last
15 year 70 percent maintained a GPA of over 3.0.
16 These students are mentors, leaders in
17 student government, club officers, and
18 valedictorians. So I can't say enough about
19 how important it is to us at CUNY, to our
20 students, to the community in New York that
21 the Governor has once again advocated for the
22 DREAM Act, and we hope that the Legislature
23 will support that.

24 I mentioned the second phase of

1 Excelsior, increasing the income eligibility
2 level to add even more students to the group
3 that will receive it. I think another very
4 important initiative this year, the No
5 Student Goes Hungry initiative of the
6 Governor's, something that we at CUNY have
7 been concerned about for some time -- our own
8 faculty at the School of Public Health have
9 done significant research on this and
10 identified food insecurity as one of the key
11 factors for students dropping out and
12 underperforming in school.

13 And about half of our campuses have
14 food pantries now, but we hope to increase it
15 to all. We have a number of campuses also
16 that have single-stop offices that help
17 students with all of the benefits to which
18 they are entitled already and may not be
19 getting, and that's something that we have
20 continually sought additional investment in
21 so we can expand it to all of our campuses --

22 CHAIRWOMAN WEINSTEIN: Chancellor, I
23 don't mean to interrupt -- I wonder if you
24 could just wrap up, because we'd really like

1 to start to get to some questions. The
2 members are very anxious --

3 CHANCELLOR MILLIKEN: I was hoping to
4 filibuster completely and then everybody
5 would be going to lunch.

6 (Laughter.)

7 CHAIRWOMAN WEINSTEIN: So far you've
8 done a good job.

9 CHANCELLOR MILLIKEN: Okay. So you've
10 caught me. Even though this is your first
11 year of chairing here -- Senator LaValle must
12 have mentioned something to you about my
13 testimony.

14 A quick word on the capital budget.
15 Very pleased, second year in a row,
16 \$284 million in critical maintenance for the
17 senior colleges, hugely important. CUNY,
18 like SUNY, has an aging capital
19 infrastructure and we need this investment,
20 and the same thing with the community
21 colleges.

22 We need to be able to use our space
23 effectively. We have added 40,000 students
24 to CUNY over the last decade, which is the

1 size of the University of Michigan, without
2 significant new space. So our capital
3 request also includes the opportunity to
4 expand to support this group.

5 So on behalf of the Board of Trustees
6 of the City University of New York, my
7 colleagues at the colleges, and myself, we
8 thank you for your investment, and I look
9 forward to the opportunity to address any
10 questions you may have.

11 CHAIRWOMAN WEINSTEIN: Thank you.

12 We'll move on to Assemblywoman Glick.

13 ASSEMBLYWOMAN GLICK: Thank you.

14 Thank you very much, Chancellor. A
15 few questions.

16 I know that because CUNY is a more
17 compact set of schools, you have had for
18 quite some time a large number of students
19 who have gone to school with appropriate
20 supports. The student body tends to be less
21 wealthy than students who go to SUNY, so more
22 of your student body, a larger percentage,
23 have for a long time between TAP and Pell
24 been able to attend without tuition costs.

1 But I'm wondering, there does seem to be,
2 based on some of the numbers we have, an
3 increased number for the Excelsior program,
4 which has brought more students than you had
5 before.

6 And I'm wondering if there are
7 particular campuses which have seen that
8 cohort go to more than others, and whether or
9 not those particular campuses are already
10 overcrowded. How is the system dealing with
11 that?

12 CHANCELLOR MILLIKEN: So I do believe
13 that the announcement of Excelsior and the
14 very discussion about making access,
15 improving access last year, helped increase
16 the number of applicants that we had. And so
17 I do think that it's a contributing factor.

18 I have a list of the campuses and how
19 many students they have, but I don't happen
20 to have it in front of me. You know, I would
21 say that in a university that's increased by
22 40,000 students over the last 10 years
23 without significant new physical space, this
24 is an issue that we have been facing for some

1 time. And while Excelsior has no doubt added
2 additional students, it's a bigger issue than
3 just the Excelsior students.

4 One of the things that we are going to
5 have to do that I talked to this committee
6 about, these committees about before, is the
7 increased use of online education, increased
8 partnerships with other entities, whether
9 they're libraries or other probably public
10 and in some cases private entities, to use
11 space effectively in one of the most
12 expensive real estate markets in the country.
13 But there is a need for expansion, and there
14 is also a need for investment in laboratory
15 space and others that we can't replicate in
16 partnerships, and we can't simply add more
17 students to the classrooms in those cases.

18 So this is a long-term issue that we
19 need to deal with, with your help, to address
20 what I hope will be continuing growth in
21 enrollment at CUNY.

22 ASSEMBLYWOMAN GLICK: Were there
23 particular campuses that seemed to have been
24 the focus of these new applicants

1 specifically from Excelsior? And do you even
2 know whether they're applicants that are -- I
3 mean, I'm not quite certain whether the
4 Excelsior scholarships in some instances may
5 have already been students who are currently
6 enrolled but were able to, because of the
7 change in the eligibility at the higher end
8 of the salary/income range, have been able
9 to -- they were sophomores, they're going to
10 be able to get their junior and senior year
11 covered in a way that had not occurred
12 before.

13 So I'm just wondering -- and if you
14 don't have it in front of you, that's fine, I
15 just would like to understand that later --

16 CHANCELLOR MILLIKEN: Yeah.

17 ASSEMBLYWOMAN GLICK: -- what your
18 analysis of the numbers are and whether there
19 were particular campuses that attracted
20 students more than others.

21 CHANCELLOR MILLIKEN: Right. So as I
22 look through the list of 24 campuses and --
23 well, not 24 because of undergraduates -- but
24 those that are receiving students with

1 Excelsior, the numbers are as you might
2 expect. The largest campuses receive the
3 largest number of them and the smallest the
4 smallest.

5 But they are not the kinds of numbers
6 that in and of themselves would create a
7 significant drain on the resources of a
8 campus or tax the facilities. Again, the
9 larger question of the total enrollment
10 growth over a period is a little different
11 issue, but it all adds up.

12 ASSEMBLYWOMAN GLICK: On that matter,
13 when it comes to the facilities, there has
14 been over the last 10 years some tremendous
15 improvement in the facilities of some of the
16 campuses. That was some long-range planning.
17 We have not been successful at getting a
18 five-year capital plan embraced by the
19 Executive.

20 But within that context, where do you
21 see the ability of the system to address both
22 some really needed new facilities -- science
23 buildings in particular are expensive -- but
24 I know that there are at least a couple that

1 need to be addressed soon. And yet you, with
2 40,000 other students, there are other kinds
3 of facilities you need. Where are you in
4 your planning? What are you targeting?

5 CHANCELLOR MILLIKEN: Well, I'm a fan
6 of planning. And despite the lack of a
7 five-year plan, we have a five-year plan
8 which identifies our priorities for capital
9 needs across the university. And as you
10 mentioned, several of the highest priorities
11 relate to science and health professions
12 because of areas of growth in the economy.
13 And there are several of these facilities
14 which have been a part of our request for a
15 number of years.

16 We know this is a tough budget period
17 this year, but we will continue to make the
18 case for new facilities at both the senior
19 colleges and the community colleges. Some of
20 this is probably going to have to be done
21 with private investment. Increasingly we are
22 raising money for some kinds of facilities at
23 CUNY, and this is a trend across the country,
24 as you know.

1 But I don't see the time in the near
2 future when we are going to be able at CUNY
3 to raise the kinds of private funds we need
4 to invest in some of the most important,
5 sophisticated science and health science
6 kinds of facilities.

7 ASSEMBLYWOMAN GLICK: You talked about
8 the terrific faculty -- as a Queens College
9 graduate, I will say that they are
10 exceptional. And you have done -- you know,
11 you're in a marketplace where you can attract
12 more diversity to the faculty than perhaps in
13 some other parts of the state. So I'm very
14 proud of the record that you've established.

15 But I'm wondering where you are in
16 your ratio of full-time faculty to adjuncts
17 at this point. Kudos for trying to be more
18 supportive of adjunct faculty, giving some --
19 instead of the year-to-year situation where
20 so many faculty members didn't know until
21 classes were starting whether they had a job
22 or not, weren't eligible for unemployment
23 because they had a letter that said "You're
24 likely to get a spot," but it wasn't clear.

1 So that put a lot of very intelligent, smart,
2 hard-working people in a very difficult
3 place.

4 So where are we on the full-time
5 faculty trajectory?

6 CHANCELLOR MILLIKEN: One to 1.5, over
7 7,000 full-time faculty, 7,500 -- about
8 11,500 adjunct faculty. Part of our request,
9 part of what we will be using funds for in
10 the budget is to hire more full-time faculty.

11 I do want to remind you -- which I
12 know you know well -- it's something I
13 mentioned earlier, which is the establishment
14 in our agreement with the PSC in the last
15 budget cycle to create a three-year
16 appointment process for eligible adjunct
17 faculty, which I personally am hugely in
18 favor of and think it's a step forward for
19 just the reason that you mentioned.

20 But of course our goal is to increase
21 the number of full-time faculty who are
22 necessary to the sort of academic community
23 that we are creating at CUNY, with a culture
24 of completion where there are faculty

1 available to do academic advising in addition
2 to their teaching, who are available and have
3 the time to do research and other scholarly
4 work, to keep them at the top of the game and
5 benefit our students.

6 ASSEMBLYWOMAN GLICK: My time is
7 expired, but I would be interested in finding
8 out what your year-to-year movement will be
9 in increasing full-time faculty.

10 CHANCELLOR MILLIKEN: Sure.

11 CHAIRWOMAN WEINSTEIN: Senator
12 LaValle.

13 SENATOR LAVALLE: Thank you.

14 Good to see you again, Chancellor.

15 CHANCELLOR MILLIKEN: Thank you.

16 SENATOR LAVALLE: There was no mention
17 of the maintenance of effort, and how are you
18 going to be handling the additional costs
19 that you are incurring? How are you going to
20 deal with that?

21 CHANCELLOR MILLIKEN: Well, the
22 Executive Budget and -- including the
23 recognition of our tuition increase, will
24 provide the funding that we need in our

1 financial plan to support CUNY's goals in the
2 next year.

3 Could we do more if we had additional
4 funding? Absolutely. We could hire more
5 full-time faculty. We could implement
6 programs more rapidly to accelerate the
7 graduation rates and build the workforce
8 linkages. But we recognize the constraints
9 on the budget this year.

10 We are pleased that things like the
11 fringe benefits, which is a significant
12 investment, is there so we don't have to
13 reallocate to fund that. And the tuition
14 increase of \$200 at the senior colleges will
15 provide that additional funding that we need
16 to support our faculty contract and to do
17 some additional hiring.

18 SENATOR LAVALLE: One of the things
19 that CUNY has always had a voracious appetite
20 for is for -- and you have a book that you
21 held up before, "Five-Year Capital Plan."
22 The presidents lobby heavily for projects --
23 critical maintenance is very important,
24 facilities age -- but in order to keep up

1 with both equipment and physical space, we
2 need capital. So will you be dragged a bit
3 -- will there be some drag on you? Because
4 that book that you have looks pretty thick.

5 CHANCELLOR MILLIKEN: CUNY's a big
6 place with a lot of students and an aging
7 infrastructure where I think the average age
8 of our building is over 50 years old. With
9 the investment in critical maintenance, we'll
10 do the best we can to keep those buildings up
11 and rehabilitate them to be at 2018 standards
12 for what they're used for.

13 But there's no question, as I
14 mentioned before, because of the increased
15 enrollment at CUNY, which is significant,
16 some of our campuses are experiencing space
17 challenges. And we're pretty efficient in
18 the use of space across CUNY. But also those
19 high-end buildings that the State of New York
20 wants SUNY and CUNY to have available to
21 train the next generation of healthcare
22 professionals, research scientists,
23 information technology workers, engineers.

24 So we will have to keep making our

1 case and, when the state is in a position to
2 be able to invest in new facilities at CUNY,
3 we certainly hope it will do so.

4 SENATOR LAVALLE: I wanted to make a
5 comment that both Assemblymember Glick and I
6 and our colleagues on our respective
7 committees have been strong proponents of
8 full-time faculty. It's a key element in
9 our -- how the members feel on the committee
10 and the committee's feel.

11 The area of workforce development
12 programs, how the Governor has some specific
13 ideas on that -- can you tell me how you're
14 going to move forward on workforce?

15 CHANCELLOR MILLIKEN: Yeah. So our
16 strategic plan basically has three main
17 pillars, and the third one is this whole idea
18 of helping launch our students on great
19 careers. And I mentioned earlier it's partly
20 done through expanding across CUNY our
21 internship opportunities.

22 We're working in 10 segments in the
23 economy that we believe are the most
24 important growth areas in the economy in the

1 City of New York. It's IT, it's healthcare,
2 it's finance, it's arts and culture. So
3 we're developing relationships with specific
4 businesses -- whether it's Infor, Revature,
5 IBM, Accenture, others -- to help set up
6 internships, recruit mentoring opportunities
7 and have students be first in line for jobs,
8 and we're doing it with entire segments of
9 the economy.

10 New program a year ago for internships
11 in the arts programs and culture programs in
12 New York City where students have paid
13 internships to work in this area where they
14 wouldn't have before, and they are hiring our
15 graduates now as full-time employees.

16 So this is a major effort. So it's
17 partly done at the college level, and they
18 build relationships -- and I don't want to
19 interfere with those -- they build
20 relationships with employers based on the
21 strengths of their programs at that college.

22 But there are also things that we need
23 to do at the system level, and that's why the
24 philosophy here is a sort of a hub and a

1 spoke. Where we can provide one-stop
2 shopping to an industry, to a particular
3 large employer, and help position our
4 colleges and their students for access, we're
5 going to do that. We're going to try to take
6 some of the friction out of the recruiting
7 process so a large New York City employer
8 does not need to go to 24 colleges, they may
9 go to a central hub where we will facilitate
10 the recruitment of students across CUNY.

11 SENATOR LAVALLE: A couple of years
12 ago I felt we needed some oversight with the
13 foundations, and the Governor has weighed in
14 on this issue. So where are you?

15 CHANCELLOR MILLIKEN: Where I am is
16 over the last year, together with our board
17 and our presidents and working with these
18 affiliated foundations, we have significantly
19 improved the oversight, we have put in place
20 new overarching policies on financial
21 management across CUNY, including new
22 guidelines for every one of the affiliated
23 foundations, new MOU agreements with every
24 one of our affiliated foundations, a number

1 of other improvements across CUNY -- a new
2 freestanding audit committee, I recommended
3 to the board and it was adopted, a new
4 position -- a university-wide risk management
5 and compliance.

6 So I feel like the university is in a
7 good spot today in terms of the extensive
8 work that we have done over the past year on
9 this area.

10 SENATOR LAVALLE: Recently there was
11 an article that I read about the presidential
12 housing allotment. Do you feel you have a
13 tight reign on what we're spending as a
14 housing allotment for presidents? Or how
15 they -- I guess there are options that they
16 can choose?

17 CHANCELLOR MILLIKEN: So as is the
18 case at most universities across the country,
19 there is some provision for housing for CUNY
20 presidents. There's not an option for them.
21 There's an option that the CUNY Board of
22 Trustees has. This is a matter that is in
23 the executive compensation policy of the
24 board, always has been. So it is set by the

1 Board of Trustees.

2 At some point in the '60s there was a
3 decision by the board to increase the number
4 of university-owned residences for presidents
5 as part of a way to help recruit presidents
6 into a very-high-cost real estate market.
7 That has shifted some over time. CUNY has
8 sold some of those residences, may have --
9 may own, I would say, five, probably five or
10 six residences now where presidents are
11 required to live as a condition of their
12 employment.

13 For those presidents -- where CUNY
14 does not own residences, they provide a
15 housing allowance. And that's the case for
16 every CUNY president.

17 SENATOR LAVALLE: Just this one last
18 question. Excelsior program, overcrowding.
19 Is that an issue at CUNY, overcrowding?

20 CHANCELLOR MILLIKEN: That's not a
21 cause and effect, I don't believe. And so
22 I -- overcrowded is a generalization.
23 Obviously at our campuses some are more taxed
24 with regard to space than others.

1 But I believe if CUNY is successful in
2 continuing to increase enrollment, which I
3 hope it is -- we have 800,000 people in
4 New York City who have college credit and no
5 college degree. I want those people to come
6 to CUNY, whether it's online or in-person, so
7 they get the benefit of a college degree. I
8 want more students who are leaving our high
9 schools to come to CUNY.

10 We're going to have to address this
11 situation, Senator, and I think it's going to
12 be a combination of things. It's going to be
13 more space at CUNY, significantly more online
14 -- and I want to -- I'm sure you saw this,
15 that CUNY has the highest-rated online
16 undergraduate program in the State of New
17 York, and the top 20 in the country. We need
18 to increase the number of students we serve
19 that way. And I think we need to do this
20 through partnerships with other institutions
21 in the city so that we find creative ways to
22 make space available.

23 We have an employer, a major employer
24 in the city now, where they have provided

1 space in their facility where we're educating
2 CUNY students who are -- as part of their
3 internship program, and hopefully go on to
4 work there. And I think we're going to have
5 to develop more of those kinds of things.

6 SENATOR LAVALLE: Thank you.

7 CHANCELLOR MILLIKEN: Thank you,
8 Senator.

9 CHAIRWOMAN WEINSTEIN: Thank you.

10 We've been joined by Assemblyman
11 Colton and Assemblyman Pichardo.

12 Assemblywoman Bichotte has some
13 questions.

14 ASSEMBLYWOMAN BICHOTTE: Hello. How
15 are you?

16 CHANCELLOR MILLIKEN: Good morning --
17 afternoon.

18 ASSEMBLYWOMAN BICHOTTE: Afternoon.

19 It's really good to see you here,
20 Mr. Chancellor, and I want to thank you for
21 your commitment and dedication to the CUNY
22 community and all of our students, so thank
23 you so much. And I'm happy to see you.
24 You're looking great.

1 I also appreciate the fact that you
2 mentioned a student who is a daughter of
3 Haitian immigrants such as myself, by the
4 name of Thamara Jean, who lives in my
5 district who was named a Rhodes Scholar.
6 We're very proud that she is the first
7 Hunter College student to be named a
8 Rhodes Scholar. And I just hope that the
9 president of the United States takes a little
10 lesson on what Haitians in our community --
11 how they can contribute.

12 My question was around the capital
13 budget. As you may know, I am the chair of
14 the Minority and Women-Owned Business
15 Enterprises. And over more than \$284 million
16 is dedicated to the capital budget. I wanted
17 to know what percentage is dedicated to
18 MWBEs. Are we going to hold to the standard
19 that the state is expecting us, which is to
20 the 30 percent MWBE goal?

21 That's one question. I also want to
22 say that we really need to address the
23 maintenance-of-effort issue. It's been an
24 ongoing issue for many years, and it just

1 needs to be addressed.

2 And lastly, Excelsior. I wanted to
3 get a sense of how many students are
4 benefiting from the Excelsior program. In
5 one sense, we raise tuition by \$200 and we're
6 telling the whole world that we incorporated
7 a free college tuition program -- but again,
8 it's only a very small sliver percentage of
9 students who are already getting aid are
10 being subsidized with this scholarship. The
11 vast majority of families across the State of
12 New York and the City of New York are not
13 benefiting.

14 And it becomes a problem for me
15 because I have parents who are thinking that
16 their students can go to college for free,
17 and that's not true.

18 Thank you.

19 CHANCELLOR MILLIKEN: Okay. Thanks.
20 And I want to thank you -- I do know of your
21 position, and I want to thank you each year
22 for participating in the CUNY MWBE
23 conference.

24 So a couple of things. It's easier to

1 look at the operating side in the capital
2 because there's a spend every quarter and
3 every year that we can look at. And I would
4 say that we are very close, we have a little
5 bit of fluctuation to the 30 percent goal in
6 operating and capital.

7 Our contracts that we are letting are
8 all meeting the goal, but if you measure it
9 by the spends, some of which date back years
10 on contracts that were let, there's a
11 discrepancy there.

12 ASSEMBLYWOMAN BICHOTTE: Okay.

13 CHANCELLOR MILLIKEN: So those would
14 not be as high MWBE as the more recent ones
15 are.

16 So it is a high priority at CUNY, a
17 high priority of our board. I don't think
18 there's a meeting that goes by that this
19 isn't a meeting of discussion at our board
20 meeting, and so I think we share your concern
21 and your interest and are pursuing it
22 aggressively.

23 Excelsior -- so I do think it has
24 helped grow our enrollment, I think it has

1 certainly helped grow interest and
2 applications to CUNY. With Excelsior, we
3 have a total of over 60 percent of our
4 undergraduates who pay no tuition at CUNY, so
5 for those students it is free in the sense
6 that we talk about free tuition. Obviously
7 there are other costs of attendance that are
8 not covered for all of those people. But
9 it's in excess of 60 percent today.

10 ASSEMBLYWOMAN BICHOTTE: Okay. And
11 those are for only students who are receiving
12 aid.

13 CHANCELLOR MILLIKEN: I'm sorry?

14 ASSEMBLYWOMAN BICHOTTE: Those are --
15 the students who are eligible to receive the
16 Excelsior scholarship, those 60 percent, they
17 are all receiving aid?

18 CHANCELLOR MILLIKEN: Well, so the
19 60 percent is the total percentage of
20 undergraduates at CUNY that are not paying
21 tuition. Now, a very significant part of
22 that is Pell from the federal government, TAP
23 from the State of New York, Excelsior as the
24 newest component of this aid. So I'm putting

1 all of them together.

2 ASSEMBLYWOMAN BICHOTTE: Oh, okay.

3 You don't want to say the percentages of
4 Excelsior, of that 60 percent?

5 CHANCELLOR MILLIKEN: There are about
6 5,000 students -- you heard earlier from
7 Chancellor Johnson, 23,000 total CUNY and
8 SUNY students receiving Excelsior.

9 ASSEMBLYWOMAN BICHOTTE: Okay.

10 CHANCELLOR MILLIKEN: About 5,000 at
11 CUNY and 17,000 at SUNY.

12 ASSEMBLYWOMAN BICHOTTE: A low
13 percentage. Okay, thank you.

14 CHAIRWOMAN YOUNG: Thank you.

15 Senator Stavisky.

16 SENATOR STAVISKY: Thank you,
17 Chancellor, for your service.

18 CHANCELLOR MILLIKEN: Thank you.

19 SENATOR STAVISKY: I appreciate each
20 year that you come, and we do appreciate
21 everything that you have done to continue the
22 traditions of CUNY.

23 You didn't introduce your colleagues,
24 but I see Vice Chancellor Sapienza. And I

1 have a constituent here, Vice Chancellor
2 Christopher Rosa.

3 CHANCELLOR MILLIKEN: Thank you.

4 SENATOR STAVISKY: I have a couple of
5 questions.

6 I found the 60 percent number that you
7 just mentioned interesting, because I assume
8 a large number of those students are not
9 full-time; am I correct? And is that the
10 reason why -- I'm sorry, of the 40 percent
11 who are not receiving the full amount.

12 CHANCELLOR MILLIKEN: It's a
13 combination of eligibility, income
14 eligibility, but it's also credit hour
15 eligibility. It's also those that are taking
16 enough credits to get a Pell or a TAP.

17 So yes, a combination of them. And it
18 probably is significantly part-time.

19 SENATOR STAVISKY: Have you found that
20 of the students who have opted to take the
21 Excelsior program plus the Pell grants plus
22 the TAP, that their graduation -- that
23 they're on track to graduate? This is the
24 same question I asked the SUNY chancellor.

1 The 30 credits plus maintaining a grade point
2 average.

3 CHANCELLOR MILLIKEN: Well, if they
4 are eligible for Excelsior and maintain their
5 eligibility for Excelsior, they will
6 absolutely be on track for timely graduation
7 because of the requirements of the program.
8 But the most important thing I think,
9 Senator, that I can say about this is a point
10 I mentioned earlier about how one of the key
11 elements of our strategic plan is to increase
12 graduation rates, and we went from last year
13 with 31 percent of our full-time students
14 taking 15 credits to this year 41 percent of
15 full-time students taking 15 credits.

16 SENATOR STAVISKY: That's my point.

17 CHANCELLOR MILLIKEN: That's going to
18 keep a very significant number of students on
19 the pathway to graduation.

20 And it's all good.

21 SENATOR STAVISKY: That was the
22 purpose of my question. I assumed this to be
23 the case.

24 Would the increase of \$200 in tuition,

1 and with the Excelsior amount being somewhat
2 flat, there's a gap that has always been
3 there where we've had that problem with --
4 how is CUNY dealing with the what I used to
5 call the TAP gap, the gap between what the
6 students have to pay out and what they
7 receive?

8 CHANCELLOR MILLIKEN: Well, that's a
9 cost that CUNY has to bear, which is about
10 \$59 million right now, the gap.

11 SENATOR STAVISKY: And can you tell
12 us -- again, I asked this question of SUNY --
13 what is the cost of remediation for those
14 students who come to CUNY and are not
15 prepared for college work?

16 CHANCELLOR MILLIKEN: Did SUNY tell
17 you that number?

18 (Laughter.)

19 SENATOR STAVISKY: Yeah.

20 CHANCELLOR MILLIKEN: I didn't
21 remember hearing it, so maybe I should say
22 "What she said."

23 SENATOR STAVISKY: I think that was
24 one of the "I'll get back to you" answers.

1 CHANCELLOR MILLIKEN: You know, I
2 think in the past we have estimated our
3 number to be about a little less than half of
4 what SUNY's is.

5 You know, it's no secret that we have
6 had a challenge with students requiring
7 remedial education, and we used to -- when I
8 came before this committee I talked to you
9 about 80 percent, give or take a couple
10 percentage points, of students who present at
11 our community colleges who required some
12 remedial education before they could
13 matriculate.

14 That number is down significantly now,
15 and there are a number of factors for that.
16 One of them is that I believe we have
17 significantly, after a year of study
18 university-wide, improved our approach to
19 remediation and adopted some national best
20 practices in remedial education. I could
21 give you some details about it, but what it
22 has done -- in no way changing the
23 requirements for admission and the
24 requirements for graduation, so students are

1 still meeting the same obligations -- but I
2 think CUNY was a little out of step with
3 national best practice on how to do
4 remediation.

5 To give you one quick example,
6 students who scored right below the cut line
7 on being admitted, there's a lot of research
8 that demonstrates that if you allow those
9 students to matriculate, their chances of
10 success are considerably higher than the
11 students who are not allowed to matriculate
12 but go into remedial courses without making
13 any progress towards their degree.

14 So if we know that and can do a
15 provisional admit, or an admit at the same
16 time to get credit for courses while they're
17 becoming proficient, we've increased our
18 success and we've done those students, I
19 think, a great service.

20 SENATOR STAVISKY: Thank you. Because
21 I've always felt that that is not a cost that
22 should be borne by CUNY, the failure to
23 prepare adequately for college.

24 Thank you. Thank you for your

1 service, again.

2 CHAIRWOMAN YOUNG: Thank you.

3 CHAIRWOMAN WEINSTEIN: Thank you.

4 I have a couple of quick questions,
5 and I think then we just have a few more
6 members.

7 The Executive proposal allows for
8 \$60 million from the sale of CUNY property to
9 be used for state support. Is CUNY planning
10 on selling any assets for \$60 million?

11 CHANCELLOR MILLIKEN: I don't believe
12 there's a plan at this time to sell any of
13 our assets.

14 CHAIRWOMAN WEINSTEIN: And then on --
15 I know you were just talking about some of
16 the support for students, and I know that
17 CUNY has been focusing on supports for
18 students to aid in both retention and
19 graduation. How will the Executive Budget
20 proposal impact your strategies to further
21 improve student success? I'm thinking in
22 particular of the \$4-million-plus reduction
23 in SEEK funds.

24 CHANCELLOR MILLIKEN: Well, the first

1 thing that it does is by including the
2 mandatory costs, it keeps us from having to
3 reallocate those funds within our senior
4 college budget. So that allows us not to
5 have to make up ground for that, that's very
6 positive.

7 Second, it continues a \$4 million
8 investment in the online resources for
9 textbooks and course materials, a
10 significant, we believe -- which will pay off
11 many times that investment in terms of the
12 amount that we can save our students, and of
13 course cost is always one of the top factors
14 in students not persisting. So we think
15 that's a positive.

16 Recognizing the increase in tuition at
17 our senior colleges will allow us to have a
18 significant level of funding, over \$30
19 million, to invest primarily in faculty
20 resources. So that, together with some
21 adjustments that we have made recently in
22 agreement with the PSC, which will provide
23 opportunities for more academic advising by
24 our faculties so that students will have the

1 benefit of that and be able to continue
2 progress towards degrees. There's really
3 nothing more important than that, I think, in
4 terms of students staying on track.

5 CHAIRWOMAN YOUNG: Thank you very
6 much.

7 We have, as our next speaker, Senator
8 Savino.

9 SENATOR SAVINO: Thank you. Thank
10 you, Senator Young.

11 Thank you, Chancellor. It's good to
12 see you, and for once I don't have to ask you
13 about the fate of the Murphy Institute
14 becoming a full school, so I want to thank
15 you for making good on that commitment. It
16 seems like yesterday we were meeting in your
17 office to talk about it. I know it's very
18 important to CUNY, it's very important to the
19 labor movement, and it's personally very
20 important to me, so I want to thank you for
21 your efforts on that.

22 I want to follow up on something you
23 said in your testimony about one of the ways
24 we can reduce the burdens on students and the

1 costs on students is to make sure that they
2 graduate on time and get out of school
3 sooner. One of the ways we can do that, I
4 believe, is through advanced placement
5 courses, AP courses.

6 There was a recent report put out by
7 the Independent Budget Office, though, that
8 shows that participation in advanced
9 placement courses at the high school level is
10 significantly below what we would like. Only
11 about 30 percent of students are taking them,
12 and in low-income neighborhoods where you
13 have poorer communities, they are even less
14 likely to do so.

15 So now while it really is the
16 responsibility of, I would say, the
17 Department of Education to encourage advanced
18 placement, since it benefits students who
19 eventually become your students, is there a
20 role that CUNY can play in expanding access
21 to information about advanced placement
22 courses or working with local high schools to
23 see to it that students enroll in those
24 courses?

1 CHANCELLOR MILLIKEN: Yeah. So you're
2 right.

3 SENATOR SAVINO: I love it when they
4 say that. Thank you.

5 CHANCELLOR MILLIKEN: Increasing
6 advanced placement would be fine, but I do
7 think there are other ways at CUNY that we
8 are doing things which in my view are even
9 more important than that.

10 One is we have between 25,000 and
11 30,000 students in New York City who are
12 taking college courses now throughout high
13 schools in New York. So not just advanced
14 placement, these are courses for which they
15 are getting college credit, and they are
16 taking them free now in the high schools and
17 getting acquainted with college-level work.
18 I see no reason why we can't significantly
19 expand that number, and I would like us to do
20 that.

21 So Early College and College Now
22 programs that CUNY has been a pioneer in --
23 the P-TECH model high schools, combination
24 high school two-year programs of which we

1 support -- I can't think of the number right
2 now, 14 or 15 in New York City are partners
3 with DOE and individual industries, the first
4 one being IBM and DOE and CUNY -- where
5 students go through the program, get a high
6 school degree, get a two-year degree, and
7 then get a job. I think those are other
8 ways.

9 So I think there are -- advanced
10 placement is one of the strategies, but I
11 don't think it's the only one.

12 SENATOR SAVINO: Oh, that's good to
13 know.

14 But I'm just concerned about what
15 appears to be a disconnect at schools between
16 the DOE and -- just letting students know
17 that advanced placement is one of the tools
18 that they can use, and it is literally money
19 in your pocket. You know, if it's a course
20 you don't have to take at CUNY that they --
21 it comes out of your budget, but it doesn't
22 come out of their budget. So I just think we
23 need to do more, so.

24 And again, let me just say one more

1 time, thank you for the commitment on Murphy
2 Institute. Thank you.

3 CHANCELLOR MILLIKEN: You're very
4 welcome.

5 CHAIRWOMAN WEINSTEIN: Thank you.
6 Assemblywoman Glick.

7 ASSEMBLYWOMAN GLICK: Just a couple of
8 follow-ups.

9 The graduation rates that have been
10 deemed to be so dismal -- is it not true that
11 if a student starts in a community college
12 and goes for a year and then transfers to a
13 four-year school, they have not actually
14 completed a degree at the community college
15 and the community college doesn't actually
16 get credit for a graduation at that point?

17 CHANCELLOR MILLIKEN: Used to be. It
18 used to be the case, and I think that's a
19 significant problem for a variety of reasons.

20 But we have instituted about two years
21 ago something which is unartfully referred to
22 across the country as reverse transfer, and
23 how it works is this: You go to Bronx
24 Community College for a year, you transfer to

1 Lehman, you spend another year at Lehman --
2 your credits that you have earned at Lehman
3 would be sufficient for you to have received
4 an associate's degree at Bronx. We are now
5 providing the associate's degree.

6 One of the reasons is that we believe,
7 I think like you, that if a student has
8 earned a credential, they should receive that
9 credential. And if they leave early and are
10 successfully pursuing a four-year degree,
11 they shouldn't be penalized in this way, not
12 receiving the other earned credential. Maybe
13 that student will drop out in three years,
14 but in this case they'll now have the
15 community college degree.

16 So I think it's an important point,
17 and I'm very pleased with the numbers that we
18 are seeing now. It's been a successful
19 program.

20 ASSEMBLYWOMAN GLICK: At some point
21 perhaps you can share with the committee --
22 since it's two years old, it's not going to
23 have a long trajectory --

24 CHANCELLOR MILLIKEN: Correct.

1 ASSEMBLYWOMAN GLICK: -- but just if
2 you could give us some information on that.

3 In addition, there are many people
4 that already have a degree but for one reason
5 or another -- perhaps it's a requirement of
6 their employer, that they take a couple of
7 credits or a couple of courses, and they show
8 up as a student at a community college, never
9 intending to graduate. Do we have any idea
10 of what that universe might be?

11 CHANCELLOR MILLIKEN: I don't, off the
12 top of my head. I can get it to you -- it's
13 probably pretty hard to unwrap that with
14 precision.

15 But I would say to you I want that
16 number to get much bigger. Because, you
17 know, what they say -- when I went to school,
18 you graduated and thought you'd get a job and
19 you'd be there and you'd retire later. Now
20 they estimate that students who graduate with
21 a four-year degree are going to have over
22 five career changes, five or seven, by the
23 time they're 35. Often they're going to need
24 to retool.

1 I read a statistic the other day that
2 said that over half of the jobs that will
3 exist 15 years from now haven't been
4 conceived of yet. It would be tough for us
5 to prepare students, except in a general way,
6 for those. So the retooling that has to be
7 done, the new skills that people are going to
8 learn and that kind of thing, I want them to
9 come to CUNY for that, whether it's for a
10 short credit load certificate or whether it's
11 just for a course or two.

12 And so I'll give you the numbers we
13 have on this, but I think it will be
14 successful if we can increase those numbers.

15 ASSEMBLYWOMAN GLICK: I don't disagree
16 with you. My concern is that as we do
17 that -- which I think you're 100 percent
18 right, lots of people are going to find the
19 need to find a new way of making a living --
20 that we not penalize or denigrate our
21 community colleges with a false notion that
22 their graduation rate, which is tagged to
23 something different, makes them less
24 successful if they have larger numbers of

1 people coming back for three or four courses
2 that were never intended to get a specific
3 credential but have been encouraged.

4 So unless we're going to be doing much
5 more in the way of identifying "these four
6 courses provide you with this kind of
7 certificate" --

8 CHANCELLOR MILLIKEN: Right. I don't
9 think we'll do that. Typically we measure
10 graduation rates based on a cohort of
11 first-time full-time freshmen. So the person
12 coming back years later is not going to be
13 part of that mix and not drag down the
14 graduation rates.

15 ASSEMBLYWOMAN GLICK: Great.

16 One final question is, how many
17 education programs do you have? I have
18 talked to the DOE chancellor; she identifies
19 a couple of the programs that she thinks are
20 fabulous and then some that she doesn't think
21 are so great. What's happening with
22 producing New York City teachers?

23 CHANCELLOR MILLIKEN: We produce a
24 huge number, between 30 and 40 percent of

1 New York City's teachers.

2 So let me take a quick step back. A
3 huge part of our strategic plan, I would say
4 the first third of it -- it's all called
5 Connected CUNY. And the reason it's called
6 that is because we realized that we can't
7 achieve what we need to achieve without deep
8 partnerships with a whole lot of
9 institutions. The most important one is DOE,
10 and we're taking responsibility for that part
11 of the education, the life from early
12 childhood education -- where we're a leader
13 on -- so students are college-ready when they
14 come to CUNY.

15 We can't point fingers at each other.
16 We produce a huge number of the teachers in
17 DOE, and so we believe we are responsible in
18 significant part for the quality of education
19 there. So the more we can deepen that
20 relationship, the more our teacher candidates
21 can get experience in New York City schools,
22 the better prepared they are when they get
23 there -- we think the better those students
24 will be prepared -- and our students when

1 they get to CUNY will succeed.

2 So we have a number of initiatives
3 going on now where we have -- we're bringing
4 together all of the deans of education,
5 working closely with the DOE and with the
6 academic -- with the provost's office at
7 CUNY.

8 ASSEMBLYWOMAN GLICK: Thank you.

9 CHAIRWOMAN YOUNG: Thank you.

10 Senator Krueger.

11 SENATOR KRUEGER: Good afternoon,
12 Chancellor.

13 CHANCELLOR MILLIKEN: Hi.

14 SENATOR KRUEGER: So many questions
15 have been asked, so just a few, I think,
16 follow-ups.

17 It's a question I asked SUNY as well.
18 Have you implemented adopting bylaws and
19 fiscal management policies for all the
20 CUNY-affiliated organizations, and can those
21 be made available to us?

22 CHANCELLOR MILLIKEN: I'm sorry, we
23 adopted what?

24 SENATOR KRUEGER: Bylaws and fiscal

1 management policies --

2 CHANCELLOR MILLIKEN: Oh, yes.

3 SENATOR KRUEGER: -- for all of the
4 affiliated organizations.

5 CHANCELLOR MILLIKEN: Yes, we
6 absolutely have. We've put in place new
7 guidelines specifically for related
8 fundraising foundations and new guidelines
9 for all auxiliary operations, completely
10 revised and adopted by the Board of Trustees,
11 and a new required MOU to be signed by every
12 auxiliary operation and every affiliated
13 foundation. And that has been done.

14 SENATOR KRUEGER: So as I asked SUNY,
15 if you could please get that to me
16 afterwards.

17 And do you know approximately how many
18 organizations there are under CUNY? SUNY
19 said they thought about 30.

20 CHANCELLOR MILLIKEN: So I'm going to
21 let the chief financial officer answer this,
22 because I can't tell what he's whispering to
23 me --

24 (Laughter.)

1 CHANCELLOR MILLIKEN: But if the
2 question is about affiliated foundations, the
3 supporting foundations, there's essentially
4 one per college. So there are 24 of those
5 fundraising foundations, and frankly there
6 will be 25, because we will -- with the
7 hiring of a new vice chancellor for
8 advancement at the systemwide level, we will
9 create a foundation to support CUNY-wide
10 initiatives as well which will comply with
11 the same requirements that the college
12 foundations comply with.

13 SENATOR KRUEGER: But there are others
14 besides foundations, and I guess what I'm
15 also asking for is those reports that would
16 be publicly available to show us how much
17 money is going through each of these.

18 CUNY CFO SAPIENZA: Yeah, Senator, in
19 total we have 86 affiliated organizations, as
20 the chancellor said, including the college
21 foundations, the auxiliary enterprises, the
22 student associations, the childcare centers.
23 In total, there's 86.

24 And all of the new policies that we

1 have in place that the chancellor mentioned
2 earlier in response to your question, they're
3 all available on our website. We'll have to
4 send you and the rest of the members the link
5 to the website.

6 So we're very pleased at all of the
7 work that has been done over the last year to
8 get us to this place.

9 SENATOR KRUEGER: Good. I look
10 forward to seeing that. Thank you.

11 And Chancellor, you actually talked
12 about the CUNY sort of open education online
13 system that has actually gotten awards. I'm
14 curious whether you have looked at what
15 online coursework has translated into as far
16 as student success. Do students who use
17 online programs graduate sooner, less soon?
18 Do they have to repeat -- I mean, do they
19 fall into certain categories?

20 I'm just curious, in this world that's
21 ever-changing, what online college means for
22 us.

23 CHANCELLOR MILLIKEN: There's a fair
24 amount of research on this now, and I believe

1 we're getting new and better data. It
2 wouldn't surprise you that student success in
3 online mirrors in some degree their success
4 in physical delivery. The better prepared a
5 student is, the more mature a student is, the
6 better they will do with online. In fact,
7 the level of independence probably requires
8 that a student, to be successful, be even
9 more mature and ready.

10 You know, there's a huge benefit to
11 physical delivery, and in many areas -- your
12 lab courses, et cetera -- while there are
13 great digital models now, they're still
14 required. And the best education -- and
15 fortunately at CUNY, where we're all in one
16 place, I believe we're going to be able to be
17 leaders in this sort of hybrid and blended
18 educational opportunities where students are
19 taking some of their courses -- some portion
20 of it online, some portion of it in classroom
21 discussion.

22 And actually what the research
23 demonstrates is that that may be the most
24 effective learning for many students, is some

1 combination of this. And I frankly
2 personally believe that as students continue
3 to be more and more sophisticated in the use
4 of technology, that will only increase, that
5 the demand to deliver at least a portion of
6 the curriculum online is going to continue.

7 SENATOR KRUEGER: So is there data,
8 what percentage of CUNY students are using
9 online or what percentage of your total
10 coursework is allowed to be online? Is it
11 more in the senior colleges than in the
12 community colleges, based on what you just
13 said?

14 CHANCELLOR MILLIKEN: Yes. There is
15 more at the senior colleges.

16 I'd have to get you the percentage of,
17 for instance, credit hour delivery that's
18 done online versus physical. I don't know it
19 offhand.

20 I can tell you that there is great
21 interest, my own and many of my presidents,
22 in significantly increasing the number that
23 is available online. There's been a good
24 deal of work that's gone into this, and as I

1 mentioned, CUNY has a very successful track
2 record with online bachelor's courses.

3 SENATOR KRUEGER: And is there a
4 maximum that you can take as your total
5 credits, being online versus in a classroom?

6 CHANCELLOR MILLIKEN: No. It would
7 depend on the mix of courses available in a
8 major.

9 At the School of Professional Studies,
10 you could take 100 percent of your courses
11 online for particular degree programs. The
12 rate-limiting factor would be the course
13 availability in the program.

14 SENATOR KRUEGER: Thank you.

15 CHAIRWOMAN WEINSTEIN: Thank you,
16 Chancellor, for being here. Your filibuster
17 seems to have worked; we're on our schedule.

18 SENATOR STAVISKY: Can I just add
19 one --

20 CHAIRWOMAN WEINSTEIN: Senator
21 Stavisky, yes.

22 SENATOR STAVISKY: One quick point.
23 There was a story in the New York Times
24 within the last couple of days that talked

1 about online and it added that it was even
2 more successful when it was a combination of
3 a teacher and online.

4 CHANCELLOR MILLIKEN: Yeah. Exactly
5 right, and I agree with that.

6 CHAIRWOMAN WEINSTEIN: Okay. Thank
7 you again for being here, and there may be
8 some followup questions from the committee.

9 CHANCELLOR MILLIKEN: Thank you very
10 much. Happy to answer any questions that
11 come up later.

12 Thank you.

13 CHAIRWOMAN WEINSTEIN: Our next
14 witness is the commissioner of the New York
15 State Education Department, MaryEllen Elia.

16 I'll give you a moment to catch your
17 breath. We're earlier than we anticipated.

18 COMMISSIONER ELIA: It's been a busy
19 morning over at State Ed.

20 CHAIRWOMAN WEINSTEIN: Whenever you're
21 ready.

22 COMMISSIONER ELIA: Great, thank you.
23 I have another person joining me.

24 Well, good afternoon, Chairs Young,

1 Weinstein, LaValle and Glick, and members of
2 the Senate and Assembly here today. My name
3 is MaryEllen Elia, and I'm the Commissioner
4 of Education.

5 I will be joined by Deputy
6 Commissioner for the Office of Higher
7 Education John D'Agati. I'm sure he's on his
8 way over. We also have Deputy Commissioner
9 for the Office of Professions Doug Lentivech
10 and Deputy Commissioner for the Office of
11 Adult Career and Continuing Education
12 Services Kevin Smith.

13 You have my full testimony before you.
14 Before I begin, I want to also welcome
15 several members of the Board of Regents who
16 are either in the audience or on their way
17 over, and they include Chancellor Betty Rosa,
18 Regents Ouderkirk, Mead, Cashin, Collins,
19 Tilles and Hakanson.

20 The Regents' priorities in higher
21 education are laser-focused on equity and
22 access to post-secondary education
23 opportunities, particularly for our
24 underrepresented students, because we know

1 from multiple indicators, as you can see on
2 Slides 2, 3 and 4, that college completion
3 leads to better employment opportunities and
4 higher income.

5 As you can see on Slides 5 through 9,
6 the Regents recommend an increase of
7 \$10 million for our higher education
8 opportunity programs. These programs provide
9 access to post-secondary education for
10 students that are at the highest risks of
11 either not attending college or not
12 completing their degree. Almost 37,000
13 students are served by one of these programs.
14 And with the additional investments we've
15 recommended, we would reach more students
16 across the state as well as provide them,
17 under our STEP and CSTEP programs, for
18 examples, with opportunities to participate
19 in STEM-based research, internships, or
20 exploratory career opportunities at area
21 facilities.

22 On Slide 10, our teaching workforce
23 should be as diverse as the student
24 populations being served by our schools.

1 This benefits all of our students. Our new
2 Teacher Opportunity Corps, or TOC II program,
3 continues to be funded by the My Brother's
4 Keeper initiative, for which we want to thank
5 all of you again, especially Speaker Heastie.

6 TOC II is designed to increase the
7 participation rate of individuals identified
8 as underrepresented and underserved in the
9 teaching professions -- African-American,
10 Hispanic-American, American Indian, or Alaska
11 natives. The program also aims to enhance
12 the preparation of teachers in addressing the
13 learning needs of students in high-needs
14 districts to become culturally responsive
15 educators.

16 And finally, TOC II will assist in the
17 recruitment, retention and certification
18 activities necessary to increase the supply
19 of qualified teachers in schools and in
20 districts experiencing teacher shortages,
21 schools and districts having a high
22 concentration of students at risk, and in our
23 most troubling schools.

24 We appreciate the strong support that

1 you have demonstrated for our opportunity
2 programs. These programs work, and your
3 support and funding has made the difference.

4 Our access and opportunity agenda also
5 includes enactment of the New York State
6 DREAM Act. The Regents and the department
7 have long been advocates of this important
8 legislation, which is highlighted on Slide
9 11. We're glad to see this proposal included
10 within the Executive Budget once again, and
11 we're hopeful that this is the year when the
12 DREAM Act is finally signed into law and
13 these young New Yorkers are no longer
14 punished for decisions that they had no
15 control over.

16 And as you negotiate this budget,
17 please remember that our workforce and our
18 workforce pipeline are the state's most
19 important infrastructure and our best
20 economic development program. A
21 state-of-the-art workforce pipeline does not
22 depend only on traditional college pathways.

23 As you can on Slide 12, the Regents
24 are requesting a \$3 million investment in

1 Bridge programs, to enable out-of-school
2 youth and adults to obtain essential basic
3 skills, a high school equivalency or HSE
4 diploma, industry recognized credentials, and
5 preparation for post-secondary study and
6 careers. The programs would consist of
7 partnerships between an adult education
8 program and colleges or training providers of
9 demonstrated effectiveness. This proposal
10 could pilot up to 10 Bridge programs across
11 New York State. One of the best examples of
12 this Bridge program model exists in CUNY's
13 LaGuardia Community College.

14 One of our new priority budget
15 proposals, described on Slide 13, would be to
16 enhance supports and services for
17 post-secondary success of our students with
18 disabilities. In May 2017 the department's
19 Advisory Council on Post-Secondary Education
20 for Students with Disabilities recommended --
21 and our Board of Regents adopted -- a
22 proposal to work with representatives from
23 our higher education sectors to develop a
24 funding proposal that would provide

1 much-needed enhanced supports and services to
2 over 61,000 identified New York students with
3 disabilities in degree-granting colleges and
4 universities, to aid in their success.

5 Since May, the department has been
6 engaged in collaborative efforts to establish
7 a legislative framework advocating for
8 critical new funding that would supplement,
9 not supplant, any other funding in existence
10 for such purposes. The idea, which we've
11 been working on finalizing with our
12 higher-education-sector stakeholders, would
13 be to allocate \$15 million in a proportionate
14 manner by each identified student with
15 disability per sector, to SUNY, CUNY and our
16 New York State degree-granting independent
17 and proprietary colleges, pursuant to an
18 approved plan.

19 This program would be designed to
20 supplement funding for support and
21 accommodations of students with disabilities;
22 support summer college preparation programs
23 to assist individuals with disabilities
24 transition to college and prepare them to

1 navigate campus facilities and systems;
2 provide full- and part-time college faculty
3 and staff with disability training; and
4 improve the identification process of
5 individuals with disabilities and enhance
6 data collection capabilities.

7 I'm mindful that this is a new
8 initiative in a difficult fiscal environment.
9 However, I want to start this critical
10 conversation of how we need, collectively, to
11 better support our students with disabilities
12 to be successful in college.

13 Moving on to Slide 14, during this
14 past 2017 session, both Chairs LaValle and
15 Glick introduced and, along with their fellow
16 legislators, overwhelmingly passed
17 legislation that would ensure that the
18 department has sufficient staff and resources
19 to continue our important institutional
20 accreditation work. And we want to thank you
21 for this.

22 There are currently 14 institutions of
23 higher education in New York that are
24 accredited by the Board of Regents, such as

1 Cold Spring Harbor Lab, the American Museum
2 of Natural History, and the Gerstner School
3 at Sloan-Kettering, and your efforts
4 demonstrate support not only for the
5 department to continue to do this work, but
6 dedication to these important programs.

7 I was very pleased to see that the
8 Governor included within his proposal the
9 establishment of a special revenue account
10 with over \$500,000 to support institutional
11 accreditation work at the department, through
12 staffing and related expenses.

13 This provision, along with the
14 authority to charge a fee for this very
15 labor-intensive accreditation work to provide
16 staff and resources which the Division of
17 Budget would approve, will hopefully allow
18 the department to once again obtain approval
19 by the U.S. Department of Education to remain
20 as an accrediting agency for these
21 institutions, as well as new ones. I'll be
22 traveling to Washington, D.C., in February to
23 seek this approval and will keep you posted
24 as we continue our move through the federal

1 process.

2 On Slides 15 through 19, we provide
3 you with updates on the work of the Office of
4 Professions. I want to bring particular
5 attention to e-licensing on Slide 18. In
6 2009, the Legislature and Executive approved
7 a 15 percent registration fee increase so
8 that we could replace a 35-year-old
9 COBOL-based licensing system and enhance our
10 customer experience. We again thank you for
11 the bipartisan efforts to make these
12 resources available to the department.

13 The department has developed and
14 rolled out over 20 online license
15 applications, but this is only the very
16 beginning of the work that needs to be done.
17 We're requesting authority to spend funds we
18 already have on hand in the Professions
19 account to develop our own custom-built
20 electronic licensing system.

21 We want to thank the Governor for
22 including this critical provision in his
23 proposed budget this year, as well as the
24 Assembly for including this in their

1 one-house the previous two years. We hope
2 that the Senate will join the Assembly and
3 the Executive in supporting this, as it would
4 have no fiscal impact to the state. Your
5 support would remove a significant barrier in
6 helping the department assist your
7 constituents by having a faster and more
8 efficient professional electronic licensing
9 system, rather than the largely paper-based
10 system we now have.

11 If we want to ensure that New York
12 State is business-friendly, ensuring that our
13 future doctors, nurses, accountants, and
14 engineers are able to obtain their licenses
15 in an efficient manner only makes sense.

16 Before I take your questions, I want
17 to once again thank you for all the
18 opportunities we've had to discuss our
19 priorities with you, and for your support
20 last year. We look forward to working with
21 you again on our shared goals.

22 And thank you, and we can move to
23 discussion now.

24 CHAIRWOMAN WEINSTEIN: Thank you. I

1 call upon our Higher Ed chair, Deborah Glick.

2 ASSEMBLYWOMAN GLICK: Thank you,
3 Commissioner. Just a few questions.

4 I know you said that there were,
5 overall, 37,000 students who are assisted by
6 a variety of different programs for
7 opportunity programs.

8 COMMISSIONER ELIA: Yes.

9 ASSEMBLYWOMAN GLICK: At some point if
10 we could have a breakdown of how many
11 students are in each of those groups, it
12 would be helpful.

13 COMMISSIONER ELIA: Okay, we will
14 provide that for you, and the differences in
15 the various programs, and give you particular
16 numbers that we have on students from each of
17 the institutions that are serving them.

18 I think it's an eye-opener in terms of
19 those colleges and universities that really
20 take this seriously and are very focused on
21 it. So we'll be happy to do that, and we'll
22 provide it for everyone.

23 ASSEMBLYWOMAN GLICK: As well as for
24 things like Liberty Partnership, how many --

1 COMMISSIONER ELIA: Yes.

2 ASSEMBLYWOMAN GLICK: Because those
3 are -- and CSTEP, those are -- different
4 areas of the state maybe have a greater
5 participation rate.

6 So we'd kind of like to understand --
7 I personally believe that the opportunity
8 programs serve an incredible range of young
9 people and are vital to ensuring that we have
10 a diverse college demographic, as well as
11 encouraging kids who -- at a younger age to
12 look at certain programs.

13 Now, I know that everybody is into
14 STEM. I'm wondering what the department
15 views as -- and what you're doing to deal
16 with STEAM.

17 COMMISSIONER ELIA: So STEM has now
18 evolved to STEAM.

19 So we have focused -- in fact, some of
20 the programs that you have, the Science and
21 Technology Entry program, the STEP program
22 and the CSTEP program, have a focus on STEAM.
23 And we will be, in the next -- probably the
24 next several months be rolling out an

1 opportunity for students to actually, in our
2 K-12 system, to be able to use an arts major
3 and certify and get their diploma through
4 that 4+1 category.

5 So there's a number of things that
6 we're doing. We've just recently adopted, in
7 K-12, the new art standards, so we're moving
8 on establishing them as well.

9 I have to say that when you look at
10 the opportunity programs that we have in
11 place and then you look at the graduation
12 rates for those students, they're -- because
13 of the support that they receive through
14 these programs, it is clear that they have --
15 those programs are working in the fact that
16 they have a high graduation rate compared to
17 all of the other institutions and the
18 students in the institutions where they're
19 attending. So those support programs are
20 very powerful for students.

21 ASSEMBLYWOMAN GLICK: There's no
22 question. And I think that there are some
23 institutions that have those programs and see
24 the value of them and are trying to figure

1 out how they can, for students who have been
2 accepted without being part of those
3 programs, how some of their students who
4 appear after a year to be more at risk for
5 retention purposes, to apply some of those
6 same principles to giving supports to those
7 students who were otherwise accepted on their
8 own merits.

9 And retention in the second year of
10 college is a key indicator of whether
11 somebody will succeed or not, and I've talked
12 to a number of presidents who see the value
13 particularly of their opportunity programs.

14 When it comes to the e-licensing,
15 obviously I'm very pleased to see that the
16 resources that have been collected over a
17 period of time for this purpose will be able
18 to be directed, hopefully, at the end of the
19 budget in that direction.

20 What is the projection of how long it
21 will take to move towards e-licensing in
22 those 20 licensed areas?

23 COMMISSIONER ELIA: Well, let me point
24 out that that fund is now at \$4.2 million and

1 that this is something that will take a
2 longer -- as you pointed out, this isn't
3 going to happen overnight. We're building a
4 system that can support it.

5 I'm going to ask Doug Lentivech if he
6 could respond on the specific timeline.

7 DEP. COMMISSIONER LENTIVECH: Yes,
8 thank you, Chair.

9 The 20 you speak about, these are
10 online applications we have out there now so
11 people don't have to put a postage stamp on
12 things and do things they did a hundred years
13 ago.

14 We're moving on a pretty rapid basis
15 to get all of the 54. It took 20 in, say,
16 the last year, so, you know, we could do the
17 math. In the next couple of years it would
18 be helpful to get all 54. But the real bulk
19 of the issue for the e-licensing program is
20 to get the back-office stuff going on. And
21 that's so that, you know, nurses around the
22 country, first, and then around the globe
23 will be able to get information to us and
24 they won't touch human hands.

1 And, you know, eventually we will get
2 there. But that's probably depending upon
3 what stage of the process -- if you're
4 talking about, say, New York nurses, that's
5 the easier lift, because they go to a program
6 in the state electronically connected to us,
7 they take an exam electronically connected to
8 us, and there's no experience requirement.
9 That's one you would expect to see in the
10 first year or so after implementation.

11 An engineer who's practiced in the
12 U.K., now you're talking about a more
13 difficult scenario. But that's our plans.

14 ASSEMBLYWOMAN GLICK: So for the most
15 difficult, maybe that's a five-year horizon,
16 10-year horizon? I'm just trying to
17 understand.

18 DEP. COMMISSIONER LENTIVECH: Well, I
19 would say probably, you know, five years gets
20 us -- you know, I'm optimistic, although
21 we've been at this since 1977. But I'm
22 optimistic here that we get the program, we
23 start doing it, and in five years we're
24 touching all the professions in ways that

1 we're licensing all the professions.

2 If you want to talk about those last
3 remnants, the very difficult cases, the
4 people that are educated and, you know,
5 seeking documentation from places that aren't
6 even hooked up to the internet, places that
7 are difficult to even find the schools,
8 they're not very comfortable with our
9 e-licensing system and the world is going to
10 have to come up to them.

11 So, you know, I can't make a guess.
12 I'm saying in five years we should be
13 touching all the professions; in 10 years,
14 hopefully, we're really running in the world.

15 ASSEMBLYWOMAN GLICK: So within about
16 five years New York State residents will find
17 themselves in most professions being able to
18 make the application online. And then your
19 ability to move through that review will also
20 theoretically be much more expedited because
21 you'll have documentation submitted also --
22 not just an application, but the backup
23 material will also be electronically
24 transferred. So that for New York State

1 residents, we should see a dramatic
2 improvement within the five-year period.

3 DEP. COMMISSIONER LENTIVECH: Oh, I
4 would think so. I think that's --

5 COMMISSIONER ELIA: Much earlier than
6 that.

7 DEP. COMMISSIONER LENTIVECH: Yeah, I
8 think maybe earlier than that.

9 I think we are going to struggle --
10 and I have talked to other members of the
11 committee about, you know, some of the most
12 challenging aspects of licensing are for
13 people that we're not even certain that the
14 institution exists, and we use various
15 methods to try to do that. Those are always
16 going to be a struggle for us.

17 But I think, you know, you take the
18 group that can give you the most benefit --
19 there's 300,000 licensed nurses. They're a
20 big portion of what we do. And the majority,
21 the vast majority, come from New York. So if
22 you take care of licensed nurses coming from
23 New York, you're talking about a lot of our
24 licensed members.

1 So, you know, it's optimistic but I
2 think we'll -- I think we can put all the
3 resources that we saved on that on the next
4 level. So we're optimistic.

5 ASSEMBLYWOMAN GLICK: One last
6 question at this point. The ability for the
7 department to review new programs that
8 colleges and universities -- they want to add
9 either a BA or an MA in a particular area
10 which they had not previously been authorized
11 to do so. That has been an issue that has
12 been raised over time, and some of it was,
13 you know, a lack of personnel.

14 I'm wondering where that stands and
15 what your outlook is for the next year or
16 two.

17 COMMISSIONER ELIA: So I want to
18 appreciate the support that a number of both
19 Assemblymen and -women as well as our
20 Senators have done in supporting the
21 department and facilitating getting staff
22 appointed through the Division of Budget.
23 And we have in fact seen some support come
24 through for us. So in that particular

1 function that you're talking about, we have
2 been able to fill a number of positions.

3 As you're I'm sure aware -- and a
4 number of you have contacted us when there's
5 issues, and when we check back with John and
6 his staff, the reality is that very often the
7 process that's put in place -- that we have,
8 by the way, expedited, put reauthorizations
9 for various departments online, we have
10 streamlined the application so that it's much
11 easier now for them to do that. And in fact
12 I talked to Chancellor Johnson about looking
13 at ways that we can continue that work of
14 streamlining that process.

15 But given all that, when the
16 applications come to us and we're reviewing
17 them, there very often is this give and take
18 between the department staff going back and
19 saying, We need to have additional
20 information or additional guarantees on staff
21 members that you may be putting in place to
22 support the students in these programs. And
23 if that's missing, then it takes time between
24 the two agencies to do that.

1 So we're working very hard to make it
2 as expedited as possible, but also make sure
3 that when a program is opened, that it in
4 fact can serve the students that it accepts
5 into that program well, and support them so
6 that they can graduate with a degree.

7 ASSEMBLYWOMAN GLICK: Thank you very
8 much.

9 COMMISSIONER ELIA: Thank you.

10 CHAIRWOMAN YOUNG: Senator Stavisky.

11 SENATOR STAVISKY: I notice on your
12 slide on page 19 that the licenses were
13 processed within two weeks. And
14 incidentally, I know you mentioned in your
15 testimony the increase in the licensure fees;
16 that was my bill, almost ten years ago. And
17 I'm obviously concerned about the use of
18 those fees.

19 Since the costs presumably are
20 declining, it's costing less and less to
21 process, and yet we increased the fees -- as
22 we should have. What is happening to those
23 fees? That's the first question.

24 COMMISSIONER ELIA: Well, right now

1 those fees are collected in an account, and
2 we don't have access to the ability to use
3 the fees. So that's one of the reasons that
4 we're coming to you and supporting, in fact,
5 the ability for the department to use the
6 fees that have already been collected and
7 establish an e-licensing procedure that
8 ultimately would really make that a much more
9 efficient approach.

10 SENATOR STAVISKY: Yup, I think that's
11 reasonable.

12 During the last two years of your
13 testimony, I've asked about the foreign
14 nurses. We've brought this issue up twice;
15 this is the third time. And I thank the
16 deputy commissioner for his responsiveness on
17 that issue.

18 But there have been terrible delays
19 when you use that foreign accrediting company
20 called CGFNS. And it's extremely difficult
21 for the graduate of a legitimate foreign
22 school who holds a bachelor's and a master's
23 degree. It happened to somebody I know very
24 well. She is from the Philippines, she has a

1 master's and a bachelor's degree from a very
2 legitimate university, and it took her almost
3 nine months to get the licensure approved by
4 SED because she was forced to go through this
5 licensure company.

6 And my suggestion to you is that you
7 should, I think, put the material from the
8 licensure, from this company that does the
9 foreign accreditation. If it's online, then
10 perhaps we might be able to speed up the
11 process.

12 I know that nurses pay something like
13 \$140; I don't remember the exact amount. It
14 costs \$390 to use that accreditation company,
15 and it doesn't work because they don't do
16 what they're supposed to do. And you're not
17 allowed, according to the old website at SED,
18 to contact them because then you would void
19 the entire process completely.

20 So this is something that perhaps the
21 Commissioner would address and look at how we
22 can make it easier. And the reason I'm so
23 concerned is that I represent a district in
24 Queens that is really a high-immigrant

1 population, particularly from Asia. And we
2 have many really wonderful people coming to
3 the United States with advanced degrees, and
4 we should be using them if there's a nursing
5 shortage. It ought to be addressed.

6 COMMISSIONER ELIA: Well, I appreciate
7 your comment. I remember last year you
8 brought it to us, and Doug and I had specific
9 conversations about it. We changed the
10 website in many areas. We are still making
11 updates in our website.

12 And one of the other things that we
13 did was that we took away that requirement
14 that they had to have gone through that other
15 agency. But it doesn't take away our
16 responsibility to make sure that they in fact
17 have the requisite training so that we can
18 license them.

19 So you're absolutely right, Senator
20 Stavisky, that is an issue for us. And as we
21 are becoming more attuned to how we can get
22 -- how we can find agencies that either are
23 good and responsible about getting those
24 records to us, or we can encourage

1 individuals who are trying to get their
2 certifications and licensure to come and work
3 with us closely.

4 I know that Doug has taken specific
5 time working with some of the individuals
6 that are here in areas -- as you pointed out,
7 nursing is one of the ones that we need staff
8 across the state, and actually across the
9 country. So it does open up lots of
10 opportunities. It's an issue and a challenge
11 for us that we know we have to take on.

12 SENATOR STAVISKY: Thank you.

13 CHAIRWOMAN WEINSTEIN: Thank you.

14 Assemblywoman Hooper.

15 ASSEMBLYWOMAN HOOPER: Thank you.

16 Commissioner, thank you so very much
17 for being here today. It's a delight to see
18 you here.

19 COMMISSIONER ELIA: Thank you very
20 much.

21 ASSEMBLYWOMAN HOOPER: I want to
22 really impart to you how much I appreciate
23 what you have been doing -- certainly it's
24 probably statewide, what is happening in the

1 Hempstead Union Free School District. And
2 your input, your staff, your communication
3 with me, ongoing, your tenacity is greatly
4 appreciated, and it's felt.

5 And I want to apprise you and to
6 assure you that I look forward to working
7 with you as we begin to turn around these
8 long-term, overdue issues that permeate the
9 inability for students to get education in
10 that district, as well as the professionals
11 and the support staff who have a right to ply
12 their trades.

13 I encourage your continued attention.
14 I thank you for going to the district last
15 week and speaking to the appropriate persons.
16 And I want to assure you that it would be
17 unfair for me to ask you to give me a
18 detailed premature outcome of what you have
19 so far begun, but I want you to know that we
20 in the Hempstead community look forward to
21 working with you, and we thank you for
22 working with us to assure that this is
23 resolved once and for all.

24 Thank you so much for being here.

1 COMMISSIONER ELIA: Well, I appreciate
2 your comments, Deputy Speaker Hooper. And as
3 we've talked, I am committed to the Hempstead
4 School District and to the work that my staff
5 and I are doing there. And we believe we'll
6 be moving forward.

7 ASSEMBLYWOMAN HOOPER: Thank you
8 kindly. Good to see you.

9 COMMISSIONER ELIA: Thank you.

10 ASSEMBLYWOMAN HOOPER: And please let
11 the persons who work with you, Bianchi and
12 the other staff and the Deputy Commissioner
13 and Rosa, I thank them very, very much for
14 all the help we're getting from the State
15 Education Department. Again, thank you.

16 COMMISSIONER ELIA: Thanks.

17 SENATOR SAVINO: Thank you,
18 Commissioner.

19 I just have a couple of questions.
20 And they're really less budget-related than
21 they are issues that come under your purview.
22 As you may or may not know, in 2014
23 Assemblymember Gottfried and I sponsored the
24 Compassionate Care Act in New York State,

1 which is the program that created medical
2 marijuana. And I realize now that I'm
3 probably going to spend the rest of my career
4 working on that program. It's like an onion;
5 we just keep peeling back layers. So we're
6 constantly finding new areas that we have to
7 work on.

8 One of the issues that came to our
9 attention in the past year is many of the
10 patients are children, and they attend
11 schools. And so they're attending school and
12 they're certified medical marijuana patients,
13 they bring their medication with them, but
14 nurses in many of the schools were afraid to
15 dispense it because they felt that there was
16 a conflict with their license.

17 Now, I know recently your department,
18 your deputy counsel issued a response to our
19 request for clarification about nurses who
20 were dispensing medical marijuana in --
21 whether it's a school or somewhere else, that
22 the department won't hold that against them,
23 that it won't be considered illegal. And I
24 thank you for that; it's very important.

1 What I would ask you to do, though, is
2 to more widely distribute that to school
3 districts around the state because we are
4 constantly getting requests from schools to
5 clarify this policy.

6 And then there's also the issue that
7 some nurses and some practitioners may not
8 want to participate in the program, and
9 that's fine. They're allowed to refuse to do
10 so. But then there has to be some way that a
11 student who attends school, brings their
12 legal medical marijuana medication with them,
13 is able to have it administered to them.

14 Some school districts have suggested
15 the parents come to school, which may be --
16 it may not be possible. I got a letter from
17 one school that was really struggling with
18 how to solve this, but they believed that
19 even if they allowed a parent to attend the
20 time of day that the child needed to have
21 their medication dispensed, that they would
22 have to remove the child from the school a
23 thousand feet away so as not to conflict with
24 the federal Drug-Free School Act.

1 So again, any effort that your
2 department can play in clarifying and widely
3 distributing the answer to this -- because I
4 believe as the program grows and more
5 children are enrolled in it, it's going to
6 become a bigger problem. So I think clarity
7 is critically important in a program like
8 this.

9 COMMISSIONER ELIA: When that was
10 brought to us, as you pointed out, we did a
11 clarification. We also distributed that
12 clarification to every district in New York
13 State.

14 SENATOR SAVINO: Good, thank you.

15 COMMISSIONER ELIA: So letting us know
16 that we have an issue with people not
17 understanding or perhaps not seeing it, we
18 will move forward on that. I do understand
19 the situation.

20 SENATOR SAVINO: Thank you.

21 CHAIRWOMAN WEINSTEIN: Assemblywoman
22 Nolan.

23 ASSEMBLYWOMAN NOLAN: Thank you. So
24 glad to see the Commissioner here --

1 COMMISSIONER ELIA: Great to see you.

2 ASSEMBLYWOMAN NOLAN: -- and with the
3 full support of Chancellor Rosa and so many
4 members of the Board of Regents and your
5 wonderful staff. I see Jen -- tireless
6 workers, Jen {inaudible} from this
7 department.

8 So really glad to be here on a great
9 day with women leading all over the place --
10 chancellors, commissioners, chairs of
11 committees. It's very exciting after so many
12 years of sitting here when it was different.

13 But I have one quick question about
14 the Bridge to College and Careers Pilot
15 Program. And you were nice enough to give a
16 shout-out to LaGuardia Community College,
17 which does such a wonderful job. And you're
18 requesting \$3 million, and I guess I'd like
19 on the record, where is it in the budget
20 proposal?

21 COMMISSIONER ELIA: It is in one of
22 the agendas that we have --

23 ASSEMBLYWOMAN NOLAN: Right. But is
24 it in the Executive's proposal?

4 We would like it to be in everyone's
5 proposal. We think that this is a great
6 opportunity. And I believe that you -- you
7 actually were the one that facilitated the
8 meeting that I had at LaGuardia concerning
9 their program and reviewing it. And they
10 have incredible data to show the success of
11 that program, and that really led to the
12 Regents feeling that this was a great model
13 for us to attempt to take across the state.

17 ASSEMBLYWOMAN NOLAN: Well, we're
18 excited about it.

1 It's an outstanding thing. Disappointing it
2 wasn't in the budget, but you know, the
3 Legislature -- I know Assemblywoman Glick has
4 made it a priority, and certainly adult ed is
5 a priority of mine, representing many people
6 in my district who continue to struggle later
7 in life, maybe not having the skills to read
8 and write well in English.

9 So we thank you for the work you do,
10 and thanks for the shout-out for LaGuardia,
11 and all the Regents that are here, all these
12 hardworking -- I don't want Bill Colton to
13 feel bad. We've got a lot of hardworking
14 women at the panel here, and it's exciting --
15 a few others. But very excited to be here
16 today, and congratulations to you again,
17 Commissioner, for your work.

18 COMMISSIONER ELIA: Thank you, Chair
19 Nolan.

20 CHAIRWOMAN WEINSTEIN: Thank you.
21 Senator Krueger.

22 SENATOR KRUEGER: Thank you.

23 And I'm sorry, I had to run out for a
24 sub meeting.

1 So in your material -- and if someone
2 asked while I was gone, just tell me too
3 late, I missed it. But in your materials you
4 talk about the data on if you have a college
5 degree, if you don't, your first slide. And
6 then I think your second and third slides.

7 COMMISSIONER ELIA: Right.

8 SENATOR KRUEGER: And the data appears
9 to be from national statistics. Are those
10 New York-specific data pulled out of a larger
11 national statistical bank?

12 COMMISSIONER ELIA: So the references
13 are on each specific slide. The first slide
14 specifically is from the National Center for
15 Education Statistics, and that's the national
16 view. And that's the most up-to-date; it's
17 2017.

18 And then when you look on the second
19 page, the most up-to-date that we have there
20 is the new skills at work, and it looks
21 specifically for New Yorkers. And the source
22 is "Closing America's Skills Gap: A Business
23 Roundtable Vision and Action Plan." However,
24 that is not updated from the 2014. So that's

1 the most up-to-date information there.

2 And then the next one is actually the
3 College Access & Completion Matters, and that
4 is from Career Outlook from the U.S. Bureau
5 of Labor Statistics, and again that's a 2017.

6 So two of them are very, very current,
7 and one of them is from 2014.

8 SENATOR KRUEGER: So my reason for
9 asking whether we had New York-specific data,
10 I was wondering whether you can then in fact
11 go in and see by institution or field.
12 Because we talk about you have X degree and
13 it means Y, but it doesn't always mean Y. It
14 could mean, you know, one-half of Y, or 3
15 times Y.

16 And do we do anything where we look at
17 the correlation of specific kinds of degrees
18 or specific degrees from specific
19 institutions and outcomes?

20 COMMISSIONER ELIA: Well, let me point
21 out, in my experience that really should be a
22 requirement that is placed on those
23 institutions that give the degrees. And one
24 of our issues that we have in New York is we

1 aren't always connected.

2 And so you have degree-granting
3 institutions where we don't know exactly what
4 jobs the person may go into, what
5 opportunities they've had after they've
6 received their degree. And I know that I've
7 had conversations with SUNY and CUNY about
8 the need for a connected data system so that
9 we have that kind of data and we can make
10 decisions and you can make decisions based on
11 where we can really target and know where we
12 have to put programs that will support
13 students to complete and then, once they
14 complete, to get into the job market.

15 SENATOR KRUEGER: So yesterday I
16 participated with some colleagues and the
17 Erie County D.A. in a press conference about
18 the fact that private schools in New York --
19 this would be K through 12, even though this
20 is a higher ed hearing, but you're both --
21 don't have to report as mandatory reporters
22 when there are abuse situations. And I'm
23 curious what the SED's position is, either
24 for colleges or for the K-12 world about

1 people who receive state money having to
2 report when they know that there's abuse
3 going on.

4 COMMISSIONER ELIA: I'm adamant that
5 that should be a requirement across the
6 state.

7 SENATOR KRUEGER: And is it a
8 requirement for our colleges?

9 COMMISSIONER ELIA: We have the
10 college program Enough is Enough that was
11 passed at -- in fact, that's the Campus
12 Sexual Assault Prevention Act that was
13 passed.

14 There are multiple agencies that work
15 to support that, including the Division of
16 State Police, the services of the rape crisis
17 centers across the state, and college
18 campuses themselves. SED's role in that is
19 to collect the data and then make that
20 available.

21 And since this program was put in
22 place -- it was passed in 2015 -- there was a
23 lag time of getting all of those different
24 agencies on page. We are now -- I think

1 we're in the process of putting out an
2 interim report on where we are, but we'll
3 have the full report in September -- October
4 of this year.

5 But yes, we do believe that we have
6 covered the colleges, but we don't have those
7 same rules in place for other schools.

8 SENATOR KRUEGER: And you talk
9 about -- I'm sorry, on page 16, disciplinary
10 investigations completed, 6,576. Are these
11 on individuals that are licensed in
12 professions, or institutions, or some
13 combination? What does that data actually
14 mean?

15 COMMISSIONER ELIA: So your referral
16 was to the disciplinary investigations
17 completed?

18 SENATOR KRUEGER: Yes, it's on
19 page 16, "Professions 2017 Results."

20 COMMISSIONER ELIA: Okay. Doug?

21 DEP. COMMISSIONER LENTIVECH: Yeah,
22 those are -- we have disciplinary authority
23 over primarily individuals, but also we have
24 disciplinary authority over professional

1 corporations, pharmacy registrants, that sort
2 of thing.

3 This is the totality of anybody that
4 calls us on all those things, but the
5 overwhelming majority is individuals. The
6 majority is individuals, but we do have
7 authority over corporations. If a pharmacist
8 is the supervising pharmacist of a pharmacy,
9 they will both end up being disciplinary
10 cases, they will both be investigated. But
11 most of our cases are individuals. Most of
12 our licensees are nurses, so they make up
13 close to 40-some percent, and those are all
14 individuals.

15 SENATOR KRUEGER: Thank you. Thank
16 you.

17 CHAIRWOMAN WEINSTEIN: Assemblywoman
18 Hyndman.

19 ASSEMBLYWOMAN HYNDMAN: Thank you very
20 much, Chancellor Elia. Thank you for coming
21 to Queens on behalf of Chairwoman Nolan, and
22 just the work that you're doing throughout
23 the state. I think you're bringing a breath
24 of fresh air, and you're very accessible.

1 And thank you to Jennifer and your staff,
2 who's been helpful in answering my questions.

3 Just kind of along the lines of what
4 Senator Krueger was asking when it comes to
5 the proprietary school sector, you're dealing
6 with a lot of private schools, but at the
7 same time they are subject to rules and
8 regulations. What if anything is being done
9 regarding sexual harassment reporting?

10 Or if nothing's being done, is that
11 something we can work on making sure that the
12 schools put something in their catalog or
13 printed materials what their policies are and
14 what reporting they will be doing regarding
15 sexual harassment, whether it's staff or
16 students?

17 COMMISSIONER ELIA: So Jen just
18 informed me, the Enough is Enough campus
19 sexual assault prevention and reporting is
20 for degree-granting institutions. And not
21 all of the proprietary schools are
22 degree-granting. So there is that issue that
23 some are and some are not.

24 ASSEMBLYWOMAN HYNDMAN: So my question

1 is, don't you think that this sector -- that
2 has over 400 schools with over 15,000
3 students throughout New York State -- should
4 have some type of reporting in place or
5 policy looked at regarding those schools?

6 COMMISSIONER ELIA: Well, I do. And
7 that gets back to Senator Krueger's comment.
8 I do believe that that should be part of what
9 is an overall review of what's happening in
10 our campuses. So the fact that we have a
11 group that are not, I would suggest that that
12 be addressed.

13 ASSEMBLYWOMAN HYNDMAN: Okay. My
14 other question is I notice in the handout
15 there's no place at all that speaks to those
16 schools, the proprietary sector, at all. And
17 those schools do generate revenue which is --
18 which they are assessed on through assessment
19 and fees. And their budget is swept every
20 time there's a -- usually during the budget
21 process, they are swept.

22 You didn't include any of that
23 information in this report. Is it not
24 relevant or is it not part of this --

1 COMMISSIONER ELIA: So we didn't have
2 any specific references to proprietary
3 schools. We do have data on proprietary
4 schools, and we'd be happy to provide that to
5 you.

6 ASSEMBLYWOMAN HYNDMAN: Okay, thank
7 you.

8 COMMISSIONER ELIA: We'll make sure
9 you get that.

10 CHAIRWOMAN YOUNG: Thank you.

11 Hi. I just wanted to say hello. I
12 apologize, I had to duck out to go over to
13 the chamber for session. But I just wanted
14 to say so glad that you're here, and I look
15 forward to the Education Hearing also.

16 COMMISSIONER ELIA: Thank you.

17 CHAIRWOMAN WEINSTEIN: Thank you.
18 Thank you for being here also, and we'll see
19 you next week.

20 COMMISSIONER ELIA: That's it. Next
21 week.

22 CHAIRWOMAN WEINSTEIN: So next we have
23 the New York State Higher Education Services
24 Corporation, Elsa Magee, executive vice

1 president.

2 Whenever you're ready.

3 EX. VICE PRESIDENT MAGEE: Good
4 afternoon, Chairwoman Young, Chairwoman
5 Weinstein, Chairperson Glick, and members of
6 the Senate and Assembly. Thank you for the
7 opportunity to speak today about the
8 Governor's 2018-2019 Executive Budget
9 recommendations that impact the New York
10 State Higher Education Services Corporation,
11 or HESC.

12 I'm Elsa Magee, executive vice
13 president of HESC, and today I'm providing
14 testimony on behalf of Acting President
15 Dr. Guillermo Linares.

16 HESC does not participate in the
17 policy-making process but is instead
18 responsible for administering more than two
19 dozen New York State student financial aid
20 and college access programs that help to ease
21 college costs for New York State residents.
22 Collectively, these programs provide nearly
23 \$1.1 billion in financial aid awards to
24 support the costs of approximately

1 400,000 students who are attending public and
2 private colleges inside our state. This
3 includes roughly \$750 million for students
4 attending public colleges and over
5 \$300 million for students attending a private
6 college.

7 Governor Cuomo's 2018-2019 Executive
8 Budget continues to ensure all New Yorkers
9 can go to college and achieve their dreams by
10 providing full support for all existing state
11 grant, scholarship and loan forgiveness
12 programs.

13 Last year, building on the state's
14 generous tuition assistance programs, the
15 Governor launched the Excelsior Scholarship,
16 which provided tuition-free college for
17 middle-class families. The first-of-its-kind
18 program in the nation covers tuition at New
19 York's public colleges and universities to
20 families making up to \$125,000 a year,
21 ensuring this year that more than 53 percent
22 of full-time SUNY and CUNY in-state students
23 are going to school tuition-free. For
24 2018-2019, the Excelsior Scholarship will

1 enter the second of its three-year phase-in,
2 under which the income eligibility threshold
3 will increase to allow New Yorkers with
4 household incomes up to \$110,000 to be
5 eligible to attend a public college
6 tuition-free, and ensure that more families
7 have access to a quality education and the
8 skills needed to succeed in the 21st-century
9 economy.

10 To continue this landmark program, the
11 Executive Budget includes \$118 million to
12 support 27,000 students in the Excelsior
13 Scholarship program in 2018-2019 and provides
14 \$22.9 million for the Enhanced Tuition Awards
15 program.

16 Each year, many talented students
17 remain unable to fulfill their potential
18 because they lack access to tuition
19 assistance to help pay for college. The
20 Governor's 2018-2019 budget proposal
21 reintroduces the DREAM Act and includes
22 \$27 million to open the doors of higher
23 education to thousands of New Yorkers.

24 At a time when a college education is

1 more important than ever, student debt
2 continues to reach record highs, accounting
3 for 10 percent of our nation's debt balance
4 and amounting to \$1.48 trillion. To combat
5 the exploding student debt, the Governor has
6 proposed a series of new reforms that will be
7 managed by the New York State Department of
8 Financial Services, which I'd like to
9 highlight briefly including the creation of a
10 Student Loan Ombudsman; requiring that all
11 New York State colleges annually provide
12 students with estimated amounts incurred for
13 student loans; increasing consumer protection
14 standards throughout the student loan
15 industry, including requiring student loan
16 servicers to be licensed, and including
17 consumer protections for student debt
18 consultants to operate in NY State; and,
19 fourth, prohibiting the suspension of
20 professional licenses of individuals who are
21 behind or in default on their student loans.
22 Through these measures, the Governor will
23 ensure that current and future New Yorkers
24 are protected.

1 In closing, Governor Cuomo is leading
2 the nation in expanding access to a quality
3 and affordable college education. The
4 2018-2019 Executive Budget increases state
5 support for higher education to \$7.5 billion,
6 an increase of \$1.4 billion -- or 24 percent
7 -- since fiscal year 2012. Under his
8 leadership, New York has implemented an
9 unprecedented number of new and strategic
10 student financial aid programs and
11 initiatives to make college more affordable
12 and encourage the best and brightest students
13 to build their future in New York, including
14 the landmark Excelsior Scholarship, the
15 Enhanced Tuition Awards Program, the STEM
16 Incentive Program, the NYS Get On Your Feet
17 Loan Forgiveness Program, the
18 Masters-in-Education Teacher Incentive
19 Scholarship, and the New York State Standard
20 Financial Aid Award Letter. His
21 recommendations for higher education programs
22 continue to pave a path to an affordable and
23 high quality college education.

24 The 2018-2019 Executive Budget enables

1 HESC to continue administering an array of
2 programs and services that support the
3 attainment of a college degree for all
4 New York State students. On behalf of
5 Governor Cuomo, HESC is pleased to play a
6 vital role in providing New York State's
7 students with a gateway to a successful
8 college career.

9 Thank you, and I'd be happy to answer
10 any questions.

11 CHAIRWOMAN WEINSTEIN: Thank you.
12 Assemblywoman Glick.

13 ASSEMBLYWOMAN GLICK: Good afternoon.

14 EX. VICE PRESIDENT MAGEE: Good
15 afternoon.

16 ASSEMBLYWOMAN GLICK: And thank you
17 for your assistance in understanding some of
18 the more arcane portions of the TAP program.

19 Not only do you administer TAP and now
20 Excelsior, but there are a host of smaller
21 programs -- I don't expect you to have that
22 information with you today, but if you could
23 provide the committee with an understanding
24 of -- I mean, we see the numbers, but how

1 many students are assisted in each of those
2 individual scholarship or loan forgiveness
3 programs? That would be helpful for us to
4 understand the context.

5 Somewhere between 22,000 and 23,000
6 students are being assisted by Excelsior.
7 How many applications did HESC receive?

8 EX. VICE PRESIDENT MAGEE: So we
9 received 95,000 applications for students
10 applying for Excelsior. 46,000 students are
11 actually eligible, they meet the eligibility
12 requirement. Roughly half of those, 23,000,
13 had their tuition covered through programs
14 such as TAP and Pell, and 23,000 had
15 remaining tuition expense which is being
16 covered by Excelsior.

17 ASSEMBLYWOMAN GLICK: What was the
18 last thing you said?

19 EX. VICE PRESIDENT MAGEE: 23,000
20 students are having their tuitions covered by
21 Excelsior, but there are actually 46,000
22 students who are eligible.

23 ASSEMBLYWOMAN GLICK: And what
24 happened to the other 23,000?

1 EX. VICE PRESIDENT MAGEE: 23,000
2 students had their tuitions covered through
3 programs such as TAP and Pell. When they
4 combined those awards, it was already
5 covering their tuition.

6 But those students would not have to
7 apply again if their other awards were
8 reduced; they would then simply be receiving
9 awards. So we have the potential for 46,000
10 students to be receiving a payment under the
11 program.

12 ASSEMBLYWOMAN GLICK: There may have
13 been some students who were in the other
14 upper ranges of income who wouldn't qualify
15 for Pell but might qualify for some TAP but
16 not a lot. At some point if the committee
17 could sort of see what that distribution was
18 like for Excelsior, that would be helpful.
19 Obviously there were lots of students who
20 applied who were above the 80,000, so they
21 would never have gotten any TAP, but there
22 were folks along that continuum.

23 So at some point we'd really like to
24 understand the distribution that actually

1 occurred.

2 EX. VICE PRESIDENT MAGEE: And we're
3 still working through the process. We're now
4 just certifying the first fall semester
5 recipients. But once we have a full year's
6 data, we can certainly provide it by income
7 range for you.

8 ASSEMBLYWOMAN GLICK: That's great.
9 Thank you.

10 Along with that, since we believe that
11 computers can help you do anything,
12 understanding how many were new students and
13 how many were current students who may have
14 been sophomores or juniors or what have
15 you -- we'd like that distribution as well.
16 We really want to get a good handle on who
17 was actually participating and if somebody
18 was near the end of their college career,
19 that would perhaps open up more resources for
20 students coming in at some point.

21 So we'd like to see all of those
22 distributions when you have the full
23 shake-out.

24 EX. VICE PRESIDENT MAGEE: We can

1 certainly do that.

2 ASSEMBLYWOMAN GLICK: Now, because it
3 was a large onslaught -- we recognize it was
4 an overwhelming avalanche -- how long did it
5 take for the bulk of students to get
6 notified?

7 EX. VICE PRESIDENT MAGEE: It ranged.
8 There were students who were notified within
9 days of applying because they were, as you
10 can expect, new students. Once they were
11 verified that they did not previously attend
12 colleges and these were first-time freshmen,
13 they could receive notification.

14 But then we also had students who were
15 looking to catch up on credits during the
16 summer. So it took us until -- schools not
17 able to really verify until the end of August
18 whether these students had earned enough
19 credits to become eligible. So it ranged
20 greatly depending on a particular student's
21 situation.

22 ASSEMBLYWOMAN GLICK: I was in touch
23 with folks -- both the Governor's office and
24 at HESC. It seemed there were about 6,000

1 students in October who still weren't sure
2 whether they were in or out. What accounted
3 for that?

4 EX. VICE PRESIDENT MAGEE: We worked
5 with SUNY and CUNY, who was looking to do the
6 verification. The holdup was really in being
7 able to verify credits that the student was
8 earning. There were some students who had
9 been doing study abroad, and it was our
10 understanding that it takes longer for the
11 credit information to come for study-abroad
12 students.

13 There were students that we were still
14 waiting for information on where income may
15 not have been able to be verified for various
16 reasons. So we did, you know, numerous
17 outreach to students where we could triage if
18 we were still waiting for income information.
19 There were students who it was unclear
20 whether they were state residents, they met
21 the 12 continuous months, where they had to
22 provide supporting documentation.

23 ASSEMBLYWOMAN GLICK: Going forward,
24 having had this experience, are there things

1 that HESC believes it can or should do to
2 improve the application information -- or the
3 criteria, I guess is what I'm saying, the
4 eligibility criteria.

5 Because it seems that there were -- if
6 you're saying that, well, 23,000 were
7 accepted and there were 23,000 others who
8 could have been if it hadn't been for the
9 fact they were already getting full
10 assistance -- so between 95,000 and 46,000,
11 there are tens of thousands of families and
12 youngsters who may have thought that they
13 were eligible but for some reason weren't.
14 That could have been -- some of it could be
15 accounted for: You know, apply, throw it
16 over the wall and hope. And then there were
17 some who perhaps could not figure out clearly
18 what the criteria was and whether they
19 actually met it.

20 So what has HESC done to figure that
21 out and do a better job of making it clear to
22 students who are perhaps in school now, and
23 those who are new students, whether they have
24 a good chance of being part of the Excelsior

1 Scholarship?

2 EX. VICE PRESIDENT MAGEE: Well, our
3 experience with Excelsior just in this first
4 term alone shows it's consistent with our
5 experience with the TAP program. Which after
6 45 years, we're still seeing a roughly 50
7 percent approval ratio of students who are
8 applying for TAP.

9 The reasons for the ineligibility is
10 very consistent -- including residency,
11 income -- between TAP and Excelsior. But as
12 far as notification of students, I think what
13 -- we provide full information on our
14 website. I think one thing that we know is
15 that the generation of students that we work
16 with are less likely to read, so we are going
17 to be making information available via video
18 as to what the eligibility requirements are
19 for the programs, in the hopes that people
20 will, you know, be able to get a better
21 understanding from the videos if they're not
22 looking to go read all of the information
23 that we make available as to the eligibility
24 requirements.

1 ASSEMBLYWOMAN GLICK: And I probably
2 should have done this before the hearing, but
3 I didn't go on the website to see whether
4 it's updated or not. I know that over time
5 there have been some additional programs that
6 have been added, and they sort of got added
7 at the bottom after the how do you get -- you
8 know, re pay. So people who may have been
9 looking didn't look all the way down.

10 Have you reconfigured the website so
11 that all of the programs are higher up so
12 that anybody looking at the website will know
13 all of the options that are available?

14 EX. VICE PRESIDENT MAGEE: From our
15 website, if you're looking to look for
16 scholarships to pay for college, there is a
17 tab that goes to pay, how to pay for college.
18 And when you click on that, you will see all
19 of our grant programs and then you can look
20 for all of our scholarships as well.

21 But you would be able to find the
22 Excelsior Scholarship and Enhanced Tuition
23 Scholarships easily from our site.

24 ASSEMBLYWOMAN GLICK: Well, what I was

1 thinking of were some of the -- there was a
2 veteran program and the foster youth, which
3 at some point was added on and actually
4 didn't pop up immediately on the tabs. So
5 you're saying that's been corrected.

6 EX. VICE PRESIDENT MAGEE: I'll take a
7 look to see where the veterans and foster
8 youth programs are. But I know the
9 scholarships are all listed under "How to pay
10 for college."

11 ASSEMBLYWOMAN GLICK: Thank you.

12 CHAIRWOMAN YOUNG: Thank you.

13 Well, welcome, Executive Vice
14 President Magee. We're glad to have you here
15 today.

16 And I would like to piggyback on
17 Assemblywoman Glick's comments, first of all,
18 regarding the Excelsior program.

19 And it recently came to my attention
20 that there was a FOIL document that was
21 submitted and that it revealed that Empire
22 State Development spent \$3 million last May
23 and June in marketing Excelsior. And while
24 those dollars aren't HESC dollars, there is a

1 concern to Assemblywoman Glick's point that
2 there are several programs that operate under
3 HESC that maybe aren't being marketed as they
4 should be so that people know about them.

5 So one, for example, that we've heard
6 from advocates about has to do with the
7 social work loan forgiveness program and
8 marketing that. So there is kind of a little
9 alluding in the Governor's Executive proposal
10 that there would be an internal review of
11 marketing for HESC programs. Can you tell us
12 about that, what that might entail?

13 EX. VICE PRESIDENT MAGEE: Well, we
14 currently do not have funding that's targeted
15 for advertising, currently for any of our
16 programs. We typically work with sectors
17 like licensed social workers. We do work
18 with the professional organizations for
19 licensed social workers, to spread the word
20 about the program, and they tend to be more
21 targeted.

22 We similarly work with the Department
23 of Ag and Markets and the farming industry to
24 advertise information about the young

1 farmers' loan forgiveness programs.

2 So we have really tried to engage with
3 the professional organizations for these
4 specific programs to ensure that anyone who
5 would be eligible for the program would be
6 aware of it, especially when the time frame
7 for applying is limited. We make sure we
8 notify them in time, just ahead of when the
9 application becomes available each year.

10 CHAIRWOMAN YOUNG: Thank you for that
11 answer.

12 As far as the Excelsior program goes,
13 it seems to me that there was a lot of
14 confusion when it was first rolled out. And
15 it also seems to me that the most effective
16 entities that you can deal with to educate
17 students about the program would be guidance
18 counselors. Instead of spending \$3 million,
19 for example -- I know it wasn't your money --
20 but spending \$3 million on TV ads, that it
21 should be outreach about educating guidance
22 counselors.

23 Is HESC doing anything along those
24 lines?

1 EX. VICE PRESIDENT MAGEE: Yes, we
2 work directly with guidance counselors to
3 inform them about the programs, and that was
4 done for both Excelsior and ETA.

5 For Excelsior, there were also emails
6 sent to every high school junior and senior
7 who took the SAT or PSAT exam, so they
8 directly received information. Families were
9 informed through school portals as well as
10 about the program and the eligibility
11 requirements for the program, so there was --

12 CHAIRWOMAN YOUNG: Okay, so that's an
13 ongoing thing, that you continue to talk to.
14 How do you communicate with them? Is it
15 through emails, or --

16 EX. VICE PRESIDENT MAGEE: We provide
17 newsletters. We're actually working with
18 school district superintendents now to make
19 sure that we're touching every guidance
20 counselor, because right now we contact those
21 who notify us. But now we're going to just
22 be more proactive to ensure that we have,
23 from school districts, the contact
24 information for every guidance counselor, so

1 everyone is sure to know about the programs.

2 CHAIRWOMAN YOUNG: Thank you. And I
3 would encourage you to continue to do that,
4 because that makes a lot of sense.

5 Switching gears, Senator LaValle, as
6 you know, is our chair of the Higher
7 Education Committee in the Senate, and one of
8 his priorities last year during the budget
9 negotiations was developing an award to
10 provide assistance to students attending
11 community college on a part-time basis. As
12 we know, oftentimes students at community
13 colleges are what we would term
14 nontraditional students -- maybe they're
15 older, maybe they've lost their job and they
16 need to develop new work skills, and they may
17 have the demands of a family or not enough
18 resources to go to school full-time. So we
19 put \$3.1 million in the budget for this
20 program last year.

21 But although the Governor's proposal
22 actually appropriates an additional
23 \$3.1 million for the program, it's my
24 understanding that the HESC governing board

1 has not approved any regulations allowing the
2 program to be created. And it's been eight
3 months since the board approved regulations
4 to establish the Excelsior Scholarship and
5 Enhanced Tuition Award last May, and over
6 nine months since the scholarship program was
7 actually enacted into law.

8 So the question that I have is when
9 can we expect the part-time program to be put
10 into place, established and off the ground?

11 EX. VICE PRESIDENT MAGEE: The program
12 will be put in place this semester. We have
13 been providing information on our website
14 about the program. We have students or
15 parents who want to register to be notified
16 as soon as the application becomes available.

17 We -- the application will be
18 available -- we hope to meet soon with the
19 board and we're ready to launch the program.
20 And when we do launch the program, students
21 will be getting the awards retroactive for
22 the whole year. No one will be harmed.

23 CHAIRWOMAN YOUNG: Oh, okay, so that
24 was a question.

1 Is there any particular issue that
2 held up the implementation?

3 EX. VICE PRESIDENT MAGEE: No, we've
4 just been working through the regulations for
5 the program. And again, we're trying to make
6 sure as we roll out each new program, we
7 streamline the process as much as possible so
8 we're prepared to move quickly.

9 CHAIRWOMAN YOUNG: Thank you. I'm
10 glad to hear you say that it would be
11 retroactive, I think that's really good.

12 So when can we realistically expect
13 students to benefit? Because you said this
14 semester. But do you have kind of a target
15 date that you're working toward?

16 EX. VICE PRESIDENT MAGEE: We would
17 hope -- we can roll it out as soon as we have
18 our board meeting. We're ready to roll it
19 out the next day. So we're hoping very soon.

20 CHAIRWOMAN YOUNG: When is your board
21 meeting?

22 EX. VICE PRESIDENT MAGEE: We're
23 looking to schedule a board meeting within
24 the next week or two.

1 CHAIRWOMAN YOUNG: Great, okay. Well,
2 thank you very much.

3 Oh, we're back to the Senate. Very
4 good. Senator Stavisky.

5 SENATOR STAVISKY: Thank you. And
6 thank you for your explanations for many
7 issues, and your experience, which is really
8 invaluable.

9 One question. What is happening to
10 student debt? And do you track the
11 individual students and help them understand
12 the financial implications?

13 EX. VICE PRESIDENT MAGEE: As a
14 guaranty agency, we guarantee federal student
15 loans. What we are finding is that -- what
16 we're seeing at our agency is that
17 students who are going into default --
18 there's fewer going into default, but the
19 volume of debt that they carry is larger.

20 What we try to inform students of is
21 the availability of the many income-driven
22 repayment programs that are available through
23 the federal government, where no one really
24 should be struggling to repay their student

1 loans. These programs, you can pay as little
2 as zero or up to 10 to 15 percent of your
3 disposable income.

4 So that's what -- we try to encourage
5 everyone, before they enter into default, to
6 take advantage of these programs.

7 SENATOR STAVISKY: Thank you.

8 CHAIRWOMAN YOUNG: Thank you.

9 Senator Krueger.

10 SENATOR KRUEGER: Hi. So about a
11 month ago, Congress proposed a bill they're
12 calling PROSPER, 542 pages. It covers
13 everything from free speech on campus to the
14 application for federal aid. It calls for
15 reducing the number of federal loan types,
16 capping the amount graduate students and
17 parents can borrow, changing the current
18 suite of student loan options, doing away
19 with the rules that the last administration
20 had implemented to assure that if you flunk
21 some basic tests in successful completion
22 rates by students, you weren't eligible for
23 federal loans and you actually had to allow
24 the students to write off the debt.

1 I don't know if you have had a chance
2 to look at this proposal yet, but it would
3 seem to me to fly in the face of pretty much
4 everything the Governor and the Legislature
5 here in New York is trying to do.

6 Is there anyone looking at what this
7 federal proposal is and what we would need to
8 do to protect our students here in New York
9 if in fact this package of seven proposals --
10 as far as I can tell, five of which are
11 fairly terrifying -- actually got implemented
12 by Congress?

13 EX. VICE PRESIDENT MAGEE: I'm not
14 familiar with the package. We do have
15 someone -- we would be happy to take a look
16 at that and discuss the impact that it may
17 have on students here in New York.

18 SENATOR KRUEGER: I would urge you to
19 do so and then to help us understand the
20 ramifications for all our college students
21 here in New York. Because my minimal
22 understanding, in reading the summary of the
23 542-page bill, is this will be a tragedy for
24 students attempting to go to college in

1 New York State if not the other 49 states.

2 Thank you.

3 CHAIRWOMAN YOUNG: Thank you. I think
4 we're done.

5 ASSEMBLYWOMAN GLICK: Thank you very
6 much. We look forward to having some of
7 those -- you know, when you have run all the
8 numbers, we look forward to having that
9 information.

10 EX. VICE PRESIDENT MAGEE:

11 Absolutely.

12 ASSEMBLYWOMAN GLICK: Thank you very
13 much.

14 EX. VICE PRESIDENT MAGEE: Thank you.

15 CHAIRWOMAN YOUNG: Thank you for being
16 here today.

17 ASSEMBLYWOMAN GLICK: The next panel
18 is the NYSUT panel: Andy Pallotta, Fred
19 Kowal, Barbara Bowen, Chris Black.

20 Thank you, one and all, for being
21 here. If I haven't had a chance to say so,
22 Happy New Year.

23 CHAIRWOMAN YOUNG: Hi, everybody.

24 MR. PALLOTTA: Hi.

1 CHAIRWOMAN YOUNG: So we're
2 summarizing today rather than reading.

3 MR. PALLOTTA: Yes, yes, there will be
4 quick summaries, no reading.

5 Chairperson Young and Chairperson
6 Weinstein and members of the Assembly and
7 Senate, thank you for having us here today to
8 be able to present before you. We represent,
9 at NYSUT, over 600,000 teachers,
10 school-related professionals, professional
11 faculty in higher ed and healthcare. Today
12 we're representing over 80,000 faculty and
13 professional staff at colleges and
14 universities around the state.

15 I am joined by Dr. Fred Kowal from
16 UUP, Dr. Barbara Bowen from PSC, Dr. Mike
17 Fabricant from PSC, and Chris Black from
18 NYSUT Legislation.

19 You have a copy of my testimony, so
20 I'll be very brief. We start out with the
21 concept here today that due to years of
22 austere budgets, CUNY and SUNY have not had
23 the resources they need to address the
24 demands for additional full-time faculty, and

1 this is the major issue we're facing.

2 The enactment of the Excelsior
3 Scholarship Program last year was a first
4 step, and this year we hope that the second
5 step is taken to focus on quality education.
6 And we say we shouldn't speak about access to
7 public higher education without discussing
8 funding to preserve and enhance the quality
9 of that education. As enrollment increases
10 at four-year campuses, we know that we have
11 to do this. It's an imperative.

12 We would like to thank the Legislature
13 for once again unanimously passing
14 legislation to enact an enhanced maintenance
15 of effort. We thank you for that. And we
16 are also aware that it was very unfortunate
17 that this bill was vetoed.

18 Providing funding to cover mandatory
19 costs for CUNY and SUNY should be covered by
20 the state. We understand the financial
21 challenges that lie before us and ask the
22 Legislature to make a down payment on this
23 investment by reimbursing campuses for
24 tuition credits, also known as the TAP gap,

1 which is estimated at \$113 million.

2 On the issue of full-time faculty,
3 NYSUT is pleased to see that a budget
4 appropriation previously allocated for
5 performance-based funding has been modified
6 to allow these funds to be used for new
7 classroom faculty, which will directly help
8 students. We believe that this
9 acknowledgment substantiates the fact that
10 more full-time faculty are needed. We look
11 forward to working with the Legislature to
12 make funding for new classroom faculty a
13 reality in this year's budget.

14 I'd like to talk a little bit about
15 community colleges. The Executive Budget
16 proposes flat funding per FTE for community
17 colleges. While state-base-aid funding is
18 flat, some of our community colleges will
19 receive less funding due to enrollment
20 fluctuations.

21 NYSUT will ask the Legislature to
22 increase base aid by \$253 per FTE. This
23 would raise the level per student to \$3,000.
24 This funding will help enhance the course

1 offerings that are in demand by local
2 businesses and industry and will offset the
3 decline from the local sponsor.

4 Finally I'd like to discuss the SUNY
5 hospitals and the Executive Budget proposal
6 to eliminate the state subsidy and replace it
7 with a state capital appropriation. The
8 elimination of this subsidy is deeply
9 troubling.

10 We thank the Legislature for your
11 efforts in the past to restore the state
12 subsidy and urge you to once again restore
13 this subsidy, which is a vital lifeline to
14 hospitals.

15 In conclusion, New York took a step
16 forward last year with the Excelsior
17 Scholarship Program, which will increase
18 access to higher education. We must now move
19 on that next step and provide the funding to
20 preserve and enhance the quality of
21 education. We ask the state to increase its
22 state investment in SUNY and CUNY.

23 And again, I thank you for this
24 opportunity to testify here today.

1 I now turn it over to Dr. Kowal, who
2 will be followed by Dr. Bowen.

3 DR. KOWAL: Thank you.

4 Chairperson Young, Chairperson
5 Weinstein, distinguished members of the
6 Senate Finance Committee and the Assembly
7 Ways and Means Committee, thank you for
8 granting me the opportunity to speak to you
9 today on behalf of the 42,000 members of
10 United University Professions.

11 I would also like to thank and
12 recognize Senator Ken LaValle and
13 Assemblymember Deborah Glick for their
14 aggressive support for the university that
15 UUP serves -- most notably, your leadership
16 on the maintenance of effort legislation over
17 the past couple of years. We deeply
18 appreciate that support.

19 Also, we applaud the Legislature for
20 the work that you did last year in helping to
21 restore the \$9.3 million to the SUNY hospital
22 subsidy, and also your steadfast support for
23 opportunity programs.

24 I will speak about opportunity

1 programs first, and that is to basically
2 emphasize that here we have incredibly
3 successful programs that unfortunately once
4 again have received a cut in the Executive
5 Budget proposal. We propose not only that
6 that cut be restored, the funding be
7 restored, but that these programs be
8 expanded.

9 In response to a question that was
10 raised earlier today in the hearing
11 concerning retention of students, I'll have
12 you know that in the educational opportunity
13 program in SUNY, the retention rates at
14 doctoral-degree-granting institutions from
15 the first to second year is 92 percent, far
16 above the national average. At the
17 comprehensive campuses in SUNY, it's 81
18 percent.

19 These programs work. And though we
20 don't have a lot of UUP members who work in
21 these programs, we believe they are crucial
22 for the future of SUNY in serving
23 underrepresented and underresourced families.

24 In a similar vein, we advocate

1 strongly for SUNY's academic medical centers.
2 They provide healthcare to hundreds of
3 thousands of New Yorkers who otherwise would
4 not have access to quality healthcare.

5 It's important to remember as well
6 that these state-operated public hospitals
7 are also teaching hospitals: 85 percent of
8 first-year students at SUNY's medical schools
9 are from New York State, and the vast
10 majority of graduates from these medical
11 schools stay in New York State upon
12 completion of their education and training.

13 The education, research, and
14 healthcare that takes place in these
15 institutions are a state responsibility. At
16 a time when the federal government is
17 attacking healthcare for those least able to
18 pay, we request that New York commit itself
19 to SUNY's academic medical centers at Stony
20 Brook, Brooklyn, and Syracuse by fully
21 restoring the state subsidy to the academic
22 medical centers to where it was in 2008.

23 UUP's other main concern is the
24 long-term flat state funding. Since 2010,

1 that has been the financial reality facing
2 SUNY. In 2007-2008, state support for SUNY
3 was at \$1.36 billion; this year,
4 \$694 million. The result of that has been
5 the loss of full-time faculty, and that's
6 where you see it most egregiously. At the
7 turn of the century, 10,000 full-time faculty
8 were teaching 185,000 full-time students.
9 Now, there are 8,000 full-time faculty within
10 SUNY teaching 222,000 students.

11 We believe that the best way to
12 address this shortfall in these tough times
13 is to add \$265 million to cover the so-called
14 TAP gap. This will free up resources to hire
15 the full-time faculty so necessary to
16 maintain quality education in SUNY.

17 Finally, I would draw your attention
18 to my written testimony where there is also
19 discussion of some other proposals that we're
20 making that address issues such as the lack
21 of diversity in education from pre-K through
22 professional education; changing the nature
23 of medical education; and the need for green
24 energy careers in upstate New York

1 especially.

2 Once again, thank you for the time
3 that you have granted me to discuss UUP's
4 priorities, and I look forward to working
5 with you to make our State University better
6 than ever. Thank you.

7 DR. BOWEN: Thank you very much. I'm
8 pleased to be joined by Dr. Mike Fabricant,
9 who's the vice president of the PSC.

10 And thank you all so much for
11 listening to us today, for being here and
12 giving us this opportunity. And also we want
13 to give a special thanks to the
14 Legislature -- I join my colleagues in
15 this -- in your advocacy for the enhanced MOE
16 bill. That was bipartisan support. You did
17 a fabulous job getting that passed. As we
18 know, it's been vetoed twice. But the
19 existence of even the basic MOE shielded CUNY
20 in this very challenging budget and made sure
21 that we had the addition of the increased
22 costs for fringe benefits. That's
23 \$44 million. Every single dollar counts at
24 CUNY.

1 So we thank you for those efforts and
2 we look forward to working with you on some
3 structural solutions, especially to something
4 that was in the initial enhanced MOE, and
5 that's the TAP tuition credit waiver that
6 Fred Kowal and Andy spoke about.

7 So I start with thanking you. I
8 really have a story to tell about what has
9 happened in New York. How is it that we keep
10 hearing that the state's Executive proposals,
11 Executive Budgets for higher education,
12 public higher education, are increases, and
13 yet you listen to us and we say there's been
14 a decrease?

15 New York has invested strongly in
16 access to higher education, and that is a
17 great thing. And it was especially important
18 when the funding for higher education was at
19 a high level; then the access was to
20 institutions that could support the students
21 who go there. What has happened in New York
22 State is that the funding for access is not
23 met by funding for resources. That's the
24 basic story.

1 When you look at New York in terms of
2 funding for higher education, you see high
3 numbers. That's because of TAP. Excelsior
4 is relatively small in that, but we heard
5 it's been very highly promoted. And yet what
6 you don't always see is the story that the
7 state appropriations for the operating
8 budgets -- I'll just talk about operating for
9 a minute -- the operating budgets have gone
10 down year after year.

11 So this year's Executive proposal,
12 which is presented as an increase, is
13 actually another decrease. You have to look
14 at it in terms of per-student money. I mean,
15 there's no way of really measuring what's
16 happening without looking at the per-student
17 money. So in per-student and
18 inflation-adjusted terms, New York's funding
19 for CUNY, state funding for the senior
20 colleges, is down 18 percent since 2008, and
21 it's down 4 percent since Governor Cuomo took
22 office.

23 We know this is a very challenging
24 budget year, but we have to look at the

1 reality that one of the most powerful
2 solutions to challenging times -- higher
3 education, and public higher education in
4 particular -- is being systematically -- not
5 accidentally, but systematically underfunded.
6 And we are asking you to work with us to
7 change that.

8 My colleagues have mentioned one of
9 the key things we'd like to focus on, which
10 is the gap between the cost of full tuition
11 and the maximum TAP award. As the law
12 currently stands, CUNY and SUNY must absorb
13 the cost of that. So for every student who
14 receives TAP, there is a gap, and the
15 institutions are covering that. That money
16 should not be paid by CUNY and SUNY. It's
17 \$59 million at CUNY, it's going up. I worry
18 that it will be a disincentive to accepting
19 students with TAP; I think that is a real
20 issue. And we are calling on you to find a
21 solution for that, which I think has to be a
22 structural solution outside the bounds of
23 just incremental additions.

24 You heard Chancellor Milliken this

1 morning talk about the extraordinary record
2 that CUNY has as an institution that propels
3 people from the poorest communities in this
4 country into stable and steady middle-class
5 incomes. That's an amazing record. And we
6 as faculty, here representing all the faculty
7 and staff, we're very proud to own that
8 record. It's there because our students are
9 incredible with their explosive knowledge
10 from their own histories and struggles, and
11 it's there because of the hard work of the
12 faculty and staff.

13 But many, many students from CUNY do
14 not graduate. That study measures the
15 progress of graduates, not students. Imagine
16 how powerful CUNY's record and potential
17 would be if more students graduated, if twice
18 the number graduated.

19 We already have the example of the
20 ASAP program at CUNY to show us that when you
21 invest less than \$4,000 more per student, the
22 graduation rate more than doubles.

23 So what we say to you as faculty and
24 staff members, as representatives of the

1 30,000 faculty and staff at CUNY, is if
2 New York is serious about student success,
3 about students really succeeding in
4 college -- not just adding up the numbers and
5 going to college, but succeeding in
6 college -- then there is a simple solution
7 that's sitting right out there, and it's
8 investment.

9 So we call on you to work with us on
10 several areas. One is on the tuition waiver
11 credit, the TAP gap. We also ask you to look
12 closely at Excelsior, which has, as we've
13 heard earlier today, increased the number of
14 applications. It has probably been
15 responsible for some of the large enrollment
16 growth at CUNY. CUNY has added the
17 equivalent of two full colleges since 2000,
18 but Excelsior is responsible for part of
19 that. Excelsior should have come with
20 substantial funding per student so that those
21 students actually could progress through
22 college. So with an increased census of
23 students must come increased funding.

24 And I just mention a few other things

1 quickly; there's more in our testimony. But
2 CUNY is now 4,000 full-time faculty short.
3 You know, as you heard earlier, we now have
4 more than 12,000 adjuncts who are teaching.
5 We have about 7600 full-time faculty, about
6 12,000 adjuncts. They teach the majority of
7 courses at CUNY, and they earn about \$3,500 a
8 course. Several thousand of them are earning
9 their whole living teaching courses here and
10 there at CUNY. They're living on \$25,000 a
11 year in New York City. They're people with
12 Ph.D.s. That is cruel to them, and it sends
13 absolutely the wrong message about the value
14 of college teaching. And it sends the wrong
15 message to students because it does not
16 enable those faculty to help our students
17 work towards completion in the way that
18 full-time faculty are able to do.

19 So we ask you to look at that.
20 Obviously, there are collective bargaining
21 issues, and we are proud to have made
22 progress on collective bargaining issues for
23 adjuncts. But we need the budget to be able
24 to restore full-time faculty positions, to

1 pay something other than a shameful wage to
2 the adjunct faculty, and to address the other
3 needs throughout the system.

4 So we look forward to working with
5 you. You'll see our other testimony strongly
6 supporting the DREAM Act and the funding that
7 is needed for collective bargaining in this
8 budget. And we're happy to take questions.
9 Thank you so much.

10 CHAIRWOMAN YOUNG: Thank you. Is that
11 the end of the presentations?

12 MR. PALLOTTA: That is it. Thank you.

13 DR. BOWEN: We can say more, but --

14 (Laughter.)

15 CHAIRWOMAN YOUNG: Assemblywoman.

16 ASSEMBLYWOMAN GLICK: Thank you very
17 much.

18 I know that you made reference to
19 seeking an increase in the FTE for community
20 colleges. SUNY is in part looking at -- and
21 I don't know if it's the same situation in
22 CUNY, but SUNY, because of the wide range of
23 diversity in geographic numbers of people who
24 can attend -- I mean, you know, you don't

1 want to have to travel a hundred miles to go
2 to college. Some don't have to travel that
3 far, but some might.

4 So there have been some reductions in
5 enrollment, and they are concerned, the
6 colleges are concerned about the funding
7 formula and whether or not there is some
8 different way to approach funding our
9 community colleges. I think it's exacerbated
10 by counties that, out of their own economic
11 shortfalls, are looking at wanting to get out
12 from under their responsibility.

13 So I'm just wondering whether you've
14 thought about or have an opinion on what
15 might be a different model for support for
16 our community colleges.

17 MR. BLACK: That's a very good
18 question, Assemblymember. And we have
19 thought about it, and we are certainly for
20 always looking at different -- anything that
21 can stabilize our SUNY community colleges,
22 anything that could, you know, potentially be
23 a better way to fund them, certainly.

24 We will be meeting with SUNY. We

1 don't have all the details of their
2 particular plan, so we'll reserve judgment on
3 that. We'll be meeting with them to discuss
4 it. But certainly we want to hold harmless
5 those campuses that, for instance, may see
6 some small dips in enrollment because we know
7 year to year while enrollment may dip
8 slightly, costs don't go down, right? So we
9 certainly want to hold those campuses
10 harmless.

11 But I would say that said, we want to
12 ensure that the autonomy of these campuses
13 are maintained and that funding is, you know,
14 directly appropriated to them. So we
15 wouldn't want to see anything that would
16 hinder that current process.

17 ASSEMBLYWOMAN GLICK: I would just
18 opine that some of the problem for some of
19 the schools is that it's not even that they
20 have fewer students, it's that they have
21 fewer students that can add up to a full-time
22 equivalency.

23 So that was one of the issues that was
24 raised by the chancellor, that they have a

1 large number of students they're just -- the
2 mathematics of when you get -- what triggers
3 a full-time equivalency with credit hours is
4 a problem.

5 So it's not that they've necessarily
6 lost bodies -- they have plenty of bodies in
7 some instances -- but the way in which what
8 triggers a full-time equivalency may take --
9 what might have been two students in the past
10 now is three students.

11 So they're actually, in some
12 instances -- it's not that they have fewer
13 students. That may be true in some
14 instances, in a few instances, but in, I
15 think, a significant number. And it may be a
16 reflection of people having to have two jobs
17 while going to college, where in the past
18 maybe one job actually made it possible for
19 them to take enough credit hours to trigger a
20 full-time equivalency.

21 So I just want us to be thoughtful and
22 careful about trying to do that which is
23 stabilizing for the colleges and supports the
24 options and maintains the quality available.

1 I don't think the city is in the same
2 situation, because geographically we're
3 compact. And I don't know that the same
4 situation exists. It's something that we
5 would have to talk to CUNY and you folks at
6 PSC more. But it clearly is an issue for
7 SUNY.

8 MR. PALLOTTA: And we'll definitely
9 bring that up at the conference that we have
10 annually with the community colleges. We get
11 together with the presidents from the
12 colleges, and that definitely will be on the
13 agenda.

14 ASSEMBLYWOMAN GLICK: We'd be happy to
15 hear what comes out of that conversation,
16 because it is a concern.

17 Now, we've heard from the CUNY
18 chancellor a very positive picture of moving
19 towards more full-time faculty. Has there
20 actually been a moving in the dial, or is it
21 just that they're relieved that they're
22 getting some of the fringe benefits and so
23 they're -- you know, it's the exuberance of a
24 surprise that maybe puts a happier face on

1 things?

2 So I'd like your view of whether the
3 dial has moved at all on that full-time
4 ratio.

5 DR. BOWEN: Well, there always is the
6 exuberance of surprise when there's any
7 additional funding, so we do have that.

8 But there has been a movement of the
9 dial in terms of raw numbers, actual,
10 absolute numbers of full-time faculty. The
11 problem is that the number of students has
12 far outpaced that. And I can send you a
13 chart that shows the number of students
14 graphed against the increase in full-time
15 faculty and part-time faculty.

16 In 2000, there were about 7,000
17 part-time faculty. Now there are actually
18 14,000 people teaching as part-time faculty.
19 Some might do something else at CUNY, so
20 let's say about 12,000. And there are about
21 7600 full-time faculty.

22 So the growth -- I mean, what CUNY has
23 done in the face of that enormous growth in
24 students, which we all celebrate, and the

1 failure of state funding to keep up, is fill
2 in that gap with part-time faculty who are
3 radically underpaid. So yes, there has been
4 a growth in full-time faculty, but not nearly
5 fast enough. My own department had 80
6 full-time faculty when I came, you know, in
7 the late '80s, and about 40 part-time
8 faculty. Now it has about 40-full time
9 faculty and about 100 part-time faculty. I
10 mean, that tells the story.

11 So yes, there has been an improvement.
12 And we are happy to work with that and for
13 that and support the chancellor in doing
14 that. But the real story is that faced with
15 underfunding, CUNY has saved money on their
16 chief job, which is instruction, and found a
17 way to do it on the cheap and for about a
18 third of the cost of the full-time faculty.
19 And that is a terrible labor model, it's a
20 terrible message to the students about how
21 much this state cares about them, and it's a
22 terrible impediment to helping students move
23 forward. They are wonderful faculty, and
24 CUNY is very lucky to be in New York and

1 attract the adjuncts we have. But those
2 faculty are not on campus all the time, they
3 don't have the continuity. And it hurts them
4 and it hurts the students. So it really is
5 the most visible story of the underfunding.

6 ASSEMBLYWOMAN GLICK: The notion of a
7 three-year contract is a very positive one.

8 DR. BOWEN: Yes.

9 ASSEMBLYWOMAN GLICK: Are we in Year 1
10 of that?

11 DR. BOWEN: We are. And in the first
12 year -- well, we're just coming up to Year 2.
13 Just for people who aren't as up-to-date on
14 adjunct employment, usually in most places
15 they are employed semester by semester. And
16 they can prepare a full course and the day
17 before the course starts they're told, Oh,
18 sorry, full-time is going to teach that, you
19 get nothing. And often that means losing
20 their health insurance.

21 So with the university, a very tough
22 negotiation, but we succeeded in negotiating
23 a three-year contract with a provision to
24 guarantee income over that period. And we

1 did the first year of it last year, 1500
2 people benefited from that. That's
3 fantastic. We're just coming up to the
4 eligibility for this year. There probably
5 won't be as many this year because there was
6 kind of a backlog.

7 But it's been phenomenal. We would
8 like there to be better job security for
9 adjuncts. Some have taught 25, 30 years as
10 an adjunct, and they are holding up the basic
11 programs in math and English and other places
12 in the university. So they should have that
13 job security at a minimum. So we're very
14 pleased to have that. It's been working
15 really well, and we'd like to expand it.

16 ASSEMBLYWOMAN GLICK: I would say that
17 it's also -- for students, there's a certain
18 continuity. If you have an excellent
19 professor and you're taking a second-level
20 course and that professor is available
21 teaching that, you might in fact be more
22 encouraged to move forward.

23 DR. BOWEN: That's exactly right.

24 ASSEMBLYWOMAN GLICK: So it does seem

1 to me that even if somebody is not
2 full-time -- which is of course our goal, to
3 support more full-time faculty -- if you at
4 least have stability in the adjunct corps,
5 that is at least a step in the right
6 direction.

7 DR. BOWEN: That's right. That was
8 exactly our argument.

9 And we did do some conversion of
10 part-time to full-time positions. So far
11 we've done about 225 together. I'd like to
12 do many, many more because there are
13 part-timers with extraordinary
14 qualifications. It costs less to move them
15 to a full-time position than to create a
16 whole new position, and that would be a
17 beautiful use of the \$59 million from the TAP
18 waiver. I mean, it would really change the
19 complexion of CUNY in many ways.

20 ASSEMBLYWOMAN GLICK: Thank you.

21 CHAIRWOMAN YOUNG: Thank you.

22 So UUP has been without a contract for
23 two years; is that correct?

24 DR. KOWAL: It will be two years on

1 June 30th. Hopefully we won't get to two
2 years.

3 CHAIRWOMAN YOUNG: I know, I hope so
4 too.

5 DR. KOWAL: Thank you.

6 CHAIRWOMAN YOUNG: And I understand
7 that negotiations are still ongoing. So you
8 feel optimistic that there will be a
9 resolution this year?

10 DR. KOWAL: As the chancellor
11 responded this morning, she hopes so. As do
12 I. I think a great deal depends on the
13 uncertainties that transpire in the course of
14 collective bargaining discussions. But I
15 remain optimistic that we will have a
16 contract so that we won't reach that
17 second-year anniversary.

18 CHAIRWOMAN YOUNG: That would be
19 great. It would be wonderful for the members
20 to get that settled.

21 And, you know, we've heard a lot about
22 the TAP gap and some of the constraints that
23 we have on campuses. And you heard me talk
24 to the chancellor earlier, but the fact that

1 there's no money in state operations to pay
2 for a resolution is concerning, because
3 obviously it can only come from three places:
4 Cuts, out of tuition, or, you know, if we
5 increase aid to the colleges.

6 So I'm concerned that there's no plan
7 in place to really deal with that going
8 forward. And, you know, there's a lot of
9 concern in the Legislature. That's why we
10 passed that maintenance of effort bill. But
11 there's a lot of concern in the Legislature
12 about having the proper resources to make
13 sure that we're providing high-quality
14 education on our campuses.

15 So hopefully it does get resolved, but
16 I think we need to be forward looking as far
17 as making sure that the resources are there
18 to address the issue.

19 DR. KOWAL: I agree, Senator. And I
20 think what bears study is when you look back
21 at our previous five-year collective
22 bargaining agreement, which included three
23 zeroes -- and we do not have a step system of
24 automatic salary increases, so those were

1 real zeroes. But then also there were two
2 furlough days, there were lag days, seven lag
3 days, which for all intents and purposes was
4 an interest-free loan to SUNY.

5 You know, I think an appropriate
6 question for SUNY is to determine what has
7 transpired with those funds that literally
8 came out of our members' paychecks. And
9 those -- you know, the loans have been repaid
10 now. That was part of the contractual
11 agreement. But in fact as we went into this
12 round of negotiations, as I'm sure you've
13 heard from your constituents, especially from
14 Fredonia and Alfred, they really feel like
15 this is a round where there needs to be some
16 makeup because of what happened in the last
17 round.

18 And granted, though, we understand the
19 financial difficulties and challenges, and
20 we're hopeful that we can come to an
21 agreement that will benefit our members and
22 maintain SUNY's financial position.

23 CHAIRWOMAN YOUNG: Thank you for that.

24 DR. BOWEN: Senator, excuse me. May I

1 just say quickly, thank you so much for
2 raising that.

3 And we mentioned that there are no
4 funds, as you say, in the Executive Budget
5 for future collective bargaining costs for
6 CUNY either. We are starting bargaining for
7 a new contract, having waited six years for
8 the last one. And I really thank you and
9 your colleagues for calling attention to
10 that, because it should not be normalized
11 that the institutions do not get money to pay
12 basic raises. I mean, nobody goes into
13 academia to get rich. Even to have a cost of
14 living -- or public service, especially in
15 the Assembly and Senate.

16 But, you know, even to have a cost of
17 living increase is a minimum, and even that
18 is not covered in the funding. Which means
19 that the universities, as you say, end up
20 eating into academic programs to pay just
21 basic employee expenses. And that's not
22 fair, and it shouldn't be normalized year
23 after year.

24 So we really thank you for

1 highlighting that and ask you to work with us
2 to change that in an ongoing way. That
3 cannot become acceptable, because it's --
4 again, it's impoverishing the academic
5 programs for the students.

6 CHAIRWOMAN YOUNG: Thank you for that.

7 I also -- once you get together on the
8 community colleges proposal, I would be very
9 interested in hearing what you come up with
10 too. I think it's a little bit troubling
11 that although they're talking about
12 stabilizing the campuses, which I think is a
13 great goal to have, it was unclear to me,
14 even when I spoke to the chancellor today,
15 about how it actually would work. They
16 talked kind of vaguely about technical
17 programs. It almost sounds like block grants
18 or something like that. But who's going to
19 make those decisions? How are they going to
20 make those decisions?

21 As you know, in my area I have several
22 community colleges, and I'm concerned about
23 their future. And if it's more focused on
24 urban areas and not every area of the state

1 or whatever may happen, I'm very concerned
2 about getting left behind. And we need to
3 have that resource. As you know so well
4 through your members in our communities
5 across the state, whether it's rural, urban,
6 suburban, we need to have those educational
7 opportunities available.

8 So I just wanted to raise that. I
9 don't know if anybody wants to address it.
10 But please keep us informed as you move
11 forward.

12 MR. PALLOTTA: Will do.

13 CHAIRWOMAN YOUNG: Thank you.

14 ASSEMBLYWOMAN GLICK: Mr. Colton.

15 ASSEMBLYMAN COLTON: Yes, good
16 afternoon. I had just a couple of questions.

17 I have been becoming increasingly
18 alarmed over the strain that may be put on
19 CUNY and SUNY. The TAP gap and now
20 Excelsior, which is a good step in the right
21 direction, which benefits students -- but are
22 there warning signs? This is very early, but
23 my concern is that when we have an increasing
24 number of students and we don't provide

1 additional monies, that there's going to be a
2 strain that's going to basically undermine
3 the good that we're intending to do. And,
4 you know, we want to in the Legislature see
5 any warning signs early, because I think we
6 have to start drastically changing the
7 priority here. Education is the economic
8 engine for the state, and we need that most
9 importantly now.

10 So are there any things that we should
11 be looking for in terms of, you know, numbers
12 of increases in certain campuses or, you
13 know, where there's a warning sign that we
14 really need to do something that could prompt
15 us to then act upon it?

16 DR. KOWAL: Well, I would point you in
17 the direction, Assemblyman, towards any
18 indication that students are having
19 difficulty getting their courses that are
20 required for graduation, thereby threatening
21 their ability to complete in four.

22 And I know that later this afternoon
23 you will hear from the Student Assembly at
24 SUNY. And we've been working very closely

1 with them on just this issue, and that is to
2 track what's happening at the campuses.

3 I certainly would not expect anything
4 to have happened in this first semester, in
5 the fall semester. But in the spring and
6 then next year, as the numbers -- of
7 necessity -- will grow, then you may start to
8 see difficulty in getting classes. And then
9 you'll start to feel the pressure. And my
10 concern, like yours, is that this will happen
11 in isolated areas, in departments scattered
12 here and there in SUNY or in CUNY, but there
13 won't be the systematic situation that will
14 attract undue attention.

15 And that's why what's vitally
16 important is that we hear from our members
17 who are teaching and we hear from the
18 students as to what's happening in their
19 experiences. It's incredibly important that
20 that take place.

21 DR. BOWEN: Thank you for the
22 question.

23 The one thing I would add, I have
24 heard from Baruch College at CUNY, where

1 several of the majors have a very tight
2 sequence of courses -- you know, you have to
3 take Accounting 101 before you can take 102.
4 And if you can't get into 101, you might have
5 to wait a whole year, and then you can't take
6 102 and you get left behind in your major.

7 I have heard a concern at Baruch. I
8 wouldn't say that we've seen evidence yet,
9 because as Fred said, it's too early, but
10 that's the concern I've heard, that in
11 tightly sequenced majors where there is a
12 squeeze and our students have other things in
13 their lives -- you know, a huge percentage of
14 them are working and they're squeezing their
15 courses -- even Excelsior students might be
16 working to contribute to their families, and
17 so they don't have the freedom just to take a
18 course at any time of the day or week. And
19 in that kind of sequence, there may not be
20 enough sections offered so that they can
21 actually take one.

22 And that's a concern that's been
23 raised with so much pressure on the Excelsior
24 recipients to take the 15 credits. We're all

1 for that, but when students don't have the
2 support to do that and when they have to
3 scramble to get courses -- you know, there
4 are obstacles all over the place. It is not
5 given to them that they can move forward
6 smoothly. And so we are concerned that with
7 all that pressure and the penalty of
8 irrevocably losing your scholarship for not
9 keeping up, we do have that concern.

10 So -- and it's symptomatic, as you
11 say, it's symptomatic of the larger pattern
12 of bringing in students, bringing in
13 students, and celebrating that without
14 funding their success. And that is a very
15 disturbing pattern.

16 DR. FABRICANT: What I think may be
17 both offering great benefit to the university
18 but also represents a threat is online
19 learning. I think we've got to be very
20 clear. Online learning can be an
21 extraordinary experience for students, but it
22 can also become a safety valve, a way in
23 which an infrastructure that's crumbling,
24 students not getting what they need in the

1 classroom -- expanding the size of a class
2 online, not providing the supports that the
3 students need, becomes the safety valve for
4 continuing to reduce the budgets and moving
5 students into a virtual circumstance of
6 learning, for many of which it's a misfit.

7 So that, it seems to me, is something
8 to keep an eye on. You know, many of the
9 systems have talked about this. It can be a
10 great boon, but it can also undermine rapidly
11 the quality of education.

12 ASSEMBLYMAN COLTON: The other
13 concern, we go through this budget dance
14 every year with the opportunity programs --
15 among other things, but the opportunity
16 programs. What is the impact of the
17 uncertainty of whether the opportunity
18 programs -- do you feel any negative impact
19 to students when every year they hear they
20 may not have opportunity programs and then
21 finally the Legislature restores it?

22 DR. KOWAL: Absolutely. We know for
23 an absolute certainty that in the aftermath
24 of the proposed Executive Budget that we

1 heard from our members that students were
2 very upset, they were concerned if there was
3 going to be space for them going forward, let
4 alone the ability to recruit.

5 Remember that the application rates
6 for the SUNY opportunity programs, EOP
7 specifically, range between 20,000 and 30,000
8 per year, and yet the numbers that can be
9 admitted under the program is just in the few
10 thousands.

11 And so absolutely there is that impact
12 where students feel like they may be losing
13 their only opportunity to get a college
14 degree.

15 ASSEMBLYMAN COLTON: Thank you very
16 much.

17 CHAIRWOMAN YOUNG: Senator Savino.

18 SENATOR SAVINO: Thank you, Senator
19 Young.

20 Thank you, guys, for your testimony.

21 I'm going to ask you all your opinion,
22 because you mentioned the issue of the
23 hospitals, SUNY Downstate, SUNY Upstate, and
24 Stony Brook. And you were here earlier, so

1 you heard me ask the chancellor about it.

2 And I'm not sure I really got an answer to
3 that question, because in her testimony she
4 talked about stabilization and the health and
5 security of their healthcare delivery system
6 and wanting some flexibility. I still don't
7 understand what that means.

8 And as you all know, in the Governor's
9 budget he's suggesting that we zero out the
10 state subsidy, which is close to \$90 million,
11 and somehow that will be made up with capital
12 money of some sort, I don't know.

13 But do you have any idea what they're
14 talking about when they suggest they need
15 flexibility in the way they operate?

16 DR. KOWAL: Well, I do know, Senator,
17 that the word that we've gotten from the SUNY
18 leadership is that they are eager to work
19 with us, to move work with the Legislature to
20 get the subsidy reinstated. I know that.

21 Secondly, there are real concerns in
22 SUNY about the shift to capital funding.
23 Because even though in this proposed
24 Executive Budget there is some allowance for

1 the debt servicing, the fact is capital
2 expenditures are not the same as the subsidy
3 required for daily operations, literally.

4 And so what I can tell you is that we
5 will be advocating as strenuously as we can.

6 We're also encouraged that the new
7 president at Downstate is very assertive in
8 promoting that excellent institution. We
9 feel the same about the new leadership at
10 Upstate. Stony Brook is, you know,
11 potentially going through some transition on
12 the hospital side. But I think that that's
13 where I see a much more strenuous effort on
14 the part of the presidents at the hospitals,
15 the chief executive officers, to advocate for
16 their institutions.

17 There is absolutely no way that there
18 would not be great harm to the hospitals
19 without that subsidy. And I am hopeful that
20 if you read between -- or if I read between
21 the lines, that the chancellor was committed
22 to fighting hard for this. I can't imagine
23 why she wouldn't. These are world-class
24 institutions. They produce more

1 professionals in the medical field than any
2 other institutions in New York State. And as
3 I said in my testimony, the great majority
4 stay here.

5 And so there has to be that
6 commitment. So I'm hopeful. I'm not saying
7 I heard anything different than you did, but
8 I'm hopeful.

9 SENATOR SAVINO: I'm hopeful too. I'm
10 assuming -- well, perhaps we should assume
11 that she thinks you guys will lead the fight
12 and they'll just follow along. And perhaps
13 that is the way it will turn out.

14 But I agree with you, it's almost
15 impossible to absorb a cut that large without
16 it having an effect.

17 DR. KOWAL: Exactly.

18 SENATOR SAVINO: And, you know, to
19 simply say, Well, if we had some of the
20 flexibility that exists in other healthcare
21 institutions, that somehow that would make
22 the money magically reappear -- which of
23 course is absurd, so.

24 DR. KOWAL: Right. And as you know,

1 the hospitals provide a subsidy for the
2 medical schools. And so their financial
3 strength is crucial to the continued
4 operation of those medical schools.

5 SENATOR SAVINO: Right. Not to
6 mention the effect of a disastrous decision a
7 few years ago to marry SUNY Downstate to LICH
8 in an effort to save that hospital, which
9 eventually went the way of other closed
10 hospitals. So I think SUNY Downstate is
11 still reeling from that, and it has an effect
12 on SUNY Upstate as well.

13 So thank you.

14 DR. KOWAL: Thank you.

15 ASSEMBLYWOMAN GLICK: Thank you very,
16 very much. We appreciate it.

17 CHAIRWOMAN YOUNG: Thank you.

18 MR. PALLOTTA: Thank you.

19 DR. BOWEN: Thank you.

20 ASSEMBLYWOMAN GLICK: Our next witness
21 is Mary Beth Labate from CICU, the Commission
22 on Independent Colleges and Universities.

23 CICU PRESIDENT LABATE: Good
24 afternoon.

2 CICU PRESIDENT LABATE: And thank you,
3 Chairperson Young. It's a pleasure to see
4 and have two women at the helm of such
5 influential and important committees; it
6 really thrills me.

11 I'm Mary Beth Labate, president of the
12 Commission on Independent Colleges and
13 Universities, representing more than
14 100 private, not-for-profit colleges and
15 universities across the state. We are in
16 every corner of the state. Even if you don't
17 have a campus in your district, you can be
18 certain that we educate and employ your
19 constituents. We educate 500,000 students
20 annually; 300,000 of them are New Yorkers.

1 because their families earn less than \$80,000
2 annually. And our students hail from every
3 state in the nation and from around the
4 world.

5 We are major economic drivers in
6 communities across the state, from upstate to
7 Long Island to New York City. We bring
8 \$80 billion in economic activity to the
9 state, and our schools generate over 400,000
10 jobs.

11 We are keenly focused on college
12 access, affordability and completion, as
13 evidenced by the fact that our campuses give
14 \$5.4 billion in student aid from their own
15 resources every year and have the highest
16 graduation rates in the state.

17 Investment in New York's private
18 colleges allows the state to stretch its
19 higher ed dollars. New York could not
20 educate the 1.2 million college students
21 currently enrolled if it relied exclusively
22 on its public systems. We get just 5 percent
23 of the state's higher education budget, but
24 our campuses enroll 39 percent of all college

1 students in New York, and we confer
2 60 percent of bachelor's and graduate degrees
3 in the state.

4 The average net price that our
5 students pay for tuition, room and board at
6 one of our campuses is \$26,336, significantly
7 less than the so-called sticker price. And
8 after you adjust for inflation, that amount
9 has been basically flat over the past decade.

10 Three in 10 of our students don't
11 borrow at all to pay for their degree. Those
12 who do borrow owe on average \$30,824 when
13 they graduate with a four-year degree. And
14 just to put that in context, SUNY's average
15 four-year debt is \$27,425, and the average
16 car loan in the U.S. is \$30,032 -- and that
17 car will depreciate the moment you drive it
18 off the lot.

19 Like CUNY and SUNY, our schools launch
20 students towards upward mobility.
21 Unfortunately, despite our pivotal role in
22 educating students and serving as economic
23 and research engines for communities in every
24 corner of the state, some proposals advanced

1 in the executive budget threaten our ability
2 to consider serving the public, the public
3 good, and could derail our collective efforts
4 to keep college affordable.

5 So let me focus just for a minute on
6 actions that we would like to see in order to
7 preserve New York's carefully balanced higher
8 education ecosystem.

9 First and foremost, we urge you to
10 restore Bundy Aid. In the 1960s, New York
11 created the SUNY and CUNY systems. Prior to
12 that, New York had relied almost exclusively
13 on its private colleges. With the creation
14 of the public higher education system,
15 New York's lawmakers recognized that without
16 targeted support for private not-for-profit
17 colleges, many of those schools would not be
18 able to compete with a highly subsidized
19 public system.

20 Bundy Aid was born as a means to
21 insure a vibrant public and private higher
22 education landscape that offered student
23 choices. Without us, the fledgling public
24 institutions of the 1960s could not possibly

1 have absorbed all the students our schools
2 educated and supported all the communities
3 they anchored.

4 So you fast forward 50 years, and the
5 rationale that gave birth to Bundy is more
6 relevant than ever, particularly with the
7 state grappling with budget deficits and with
8 renewed concerns over a taxing structure that
9 makes it impractical to fund large-scale
10 expansions of the public systems.

11 Since 1968, the Bundy Aid program has
12 created a compact between the state and our
13 schools. Bundy Aid funds critical student
14 aid and is earned on the basis of the number
15 of degrees we award. This year's Executive
16 Budget proposes the unprecedented elimination
17 of the entire \$35.1 million program. This
18 proposal comes in the midst of particularly
19 acute enrollment challenges that many of our
20 schools now confront, in part as a result of
21 recent changes to student aid programs here
22 in New York.

23 We urge you to restore critical
24 Bundy Aid. We greatly appreciate that the

1 Executive Budget included \$35 million for the
2 HECap program. That funding had been
3 eliminated from the current year budget, and
4 we're very glad to have it back. It's an
5 important program for our campuses, and it
6 creates construction jobs across the state.
7 However, it is not an adequate alternative to
8 Bundy Aid, and its restoration does not
9 warrant the elimination of Bundy.

10 The two programs are in no way
11 alternatives for each other. Restoring HECap
12 funding for next year is the right thing to
13 do, but it does not justify eliminating
14 Bundy. As I shared, Bundy is used primarily
15 to fund student aid and other operating
16 supports that get students over the finish
17 line. Nearly all of our campuses receive it
18 and they receive it in regular, predictable
19 intervals throughout the school year.

20 In contrast, the HECap program
21 provides grants for capital projects to a
22 small group of schools and universities with
23 timelines that are often difficult to
24 predict. Both programs are important, but it

1 is critical that they not be conflated.

2 Funding for opportunity programs like
3 HEOP, C-STEP, STEP, and the Liberty
4 Partnership Programs suffered a 17 percent
5 cut in the Executive Budget. Each of these
6 programs expands access to higher ed and
7 degree completion for New York's neediest
8 students. We urge you to restore and
9 hopefully increase funding so that our
10 campuses can meet the demand for these
11 life-changing programs.

12 We want to thank the Governor for
13 fully funding the TAP program in the
14 Executive Budget, and we hope to see the
15 Legislature continue its long-time support
16 for this critical program.

17 Last year the Legislature created the
18 Enhanced Tuition Award Program to help
19 students at private colleges and universities
20 meet college costs. I was pleased to see
21 funding for this program increased to account
22 for the raised income eligibility. However,
23 unless the program is modified slightly to
24 make it possible for more students to

1 participate, I fear that it will be
2 underutilized again. There are several
3 improvements that you can make to the program
4 that would allow more students to take
5 advantage of the enhanced tuition awards.

6 In my written testimony I detail
7 changes to the tuition freeze, matching funds
8 requirement, and the program's timing that
9 would improve utilization of the program. I
10 hope that we can continue to have productive
11 dialogues with the Legislature and the
12 Executive about these changes.

13 Last year we were grateful to the
14 Legislature for passing bills that would have
15 allowed our students to participate in the
16 existing STEM and Masters-in-Education
17 Scholarship programs. Those bills were
18 vetoed in December with the veto message
19 citing the need to address these proposals
20 within the context of the budget. We
21 certainly hope you will do so this year.

22 New York really has one of the most
23 vibrant higher education systems in the
24 world. That didn't happen by accident. It

1 is the result of a strategic, sustained
2 investment in a robust public/private
3 partnership. After a year of unprecedented
4 challenges to our schools, the full impact of
5 which are still playing out, we find
6 ourselves once again at a crossroads. Only
7 with your leadership will not-for-profit
8 colleges be positioned to continue serving
9 not only as dedicated educators of our
10 current and future workforce but also as
11 major employers in their communities.

12 More than most people you will hear
13 from over the next three years, I completely
14 understand the challenges of developing a
15 responsible and responsive spending plan,
16 particularly as the purse strings begin to
17 constrict. In this context, we are not
18 asking for a significant expansion of
19 funding. We are, however, calling on each of
20 you today to reverse the reductions to the
21 opportunity programs and the unprecedented
22 elimination of Bundy Aid, a program that for
23 the past five decades has been a hallmark of
24 the covenant between New York and its

1 not-for-profit colleges.

2 Thanks for your time. I know it's
3 been a long day, but I welcome your
4 questions.

5 ASSEMBLYWOMAN GLICK: Let me ask you,
6 and you may not have the numbers with you,
7 but at some point we'd like to see -- I don't
8 know that all schools have subscribed to the
9 Enhanced TAP, the Enhanced Tuition from the
10 added Excelsior.

11 So maybe you could provide us with
12 those schools that have joined the program
13 and whether there are some other schools that
14 have indicated that if there were some
15 changes they too would step into the program,
16 just so we have an understanding -- you know,
17 you have a very large sector, some of the
18 schools probably have more of an endowment
19 than others, it's varied.

20 So we'd like to understand who's
21 joined and who hasn't and whether -- I know
22 you've made some recommendations, we'll look
23 at that in your written testimony -- what
24 might make it more attractive or doable, and

1 we'd like to understand more of that.

2 CICU PRESIDENT LABATE: Sure, we can
3 provide you with that. There are 30 schools
4 that have opted into the program for this
5 initial year. I'm quite confident that if
6 there were changes made to the program to
7 make it more conducive to some of the
8 challenges that our campuses face, I think
9 you will see more campuses participate and
10 therefore more students be able to take
11 advantage of it.

12 ASSEMBLYWOMAN GLICK: Right. And in
13 that, give us some of the demographics of the
14 school: how large the student body is --

15 CICU PRESIDENT LABATE: Yes. Sure.

16 ASSEMBLYWOMAN GLICK: -- and perhaps
17 some additional information about the makeup
18 of the school, so that we can understand
19 whether they are in a position by virtue of
20 having more full-pay students in essence
21 subsidizing their operation.

22 CICU PRESIDENT LABATE: Right.

23 ASSEMBLYWOMAN GLICK: I just want to
24 understand what the universe is so that we

1 can figure out if there's any maneuvering
2 that can be accomplished.

3 CICU PRESIDENT LABATE: Okay. Those
4 are important data points. We can get you
5 those.

6 ASSEMBLYWOMAN GLICK: I think many of
7 us were surprised at the elimination of Bundy
8 Aid. We understand that that's important.

9 I guess there's always been this
10 question, since most of the schools submit a
11 report that says that this is how much they
12 have used for student financial aid -- but
13 it's not required, it's unrestricted dollars.

14 I'm not asking you for an answer in
15 public. Have there been any thoughts or
16 discussions about any restructuring of it if
17 it is to be reauthorized or reappropriated?

18 CICU PRESIDENT LABATE: Well, we know
19 now that the vast majority of the aid is used
20 for student aid. It's also used for those
21 extra services that are needed really to get
22 students over the finish line, and because of
23 that we have the strongest graduation rate in
24 the state.

1 So I think you can be assured that it
2 is going for student services, and in going
3 for student services and student financial
4 aid -- because those dollars are there, that
5 is less pressure on tuition rates. That is
6 less pressure on the student to borrow.

7 So I do think it is a situation where
8 for many of our schools, every dollar counts
9 at this point.

10 ASSEMBLYWOMAN GLICK: I think that's
11 it. We'll go to you, and then we'll go back
12 to Ms. Peoples-Stokes.

13 CHAIRWOMAN YOUNG: Thank you.

14 Thank you, President Labate, for being
15 here today, and thank you for your testimony.

16 I had just a couple of follow-up
17 questions, because I think that there was a
18 misperception last year about some of our
19 private colleges where they were portrayed as
20 being extremely wealthy and that only rich
21 kids go there.

22 As you know so well, I have very
23 wonderful private colleges in my district,
24 whether it's St. Bonaventure University,

1 which has the history of Franciscanism and
2 being established in 1858, a very small
3 liberal arts college -- the same with
4 Houghton College, Alfred University. And the
5 vast majority of students that go to those
6 colleges are not wealthy.

7 Can you expound on that? Because you
8 touched on it in your testimony.

9 CICU PRESIDENT LABATE: Sure. As I
10 said in my testimony, 72,000 of our students
11 receive TAP, which means that their family
12 earns less than \$80,000 a year. Two-thirds
13 of our New York State students make under
14 \$125,000 a year.

15 CHAIRWOMAN YOUNG: So there is a wide
16 diversity also in the student population.
17 Could you talk about that?

18 CICU PRESIDENT LABATE: Certainly.

19 We are an extraordinarily diverse
20 sector. We graduate more students of color
21 than either of the other sectors. We attract
22 students from all over the world -- that is a
23 good thing for the economy. We're bringing
24 people into places where sometimes others are

1 leaving. As you said, we have great economic
2 and income diversity within our group.

3 I wish I could sit here and say all of
4 our schools are well-endowed and wealthy. It
5 would be an issue we'd love to have. But
6 that's simply not the case. We have -- about
7 80 percent of schools serve under 2,000
8 students. So changes in financial aid,
9 changes in enrollment, really can turn the
10 tide for these schools.

11 CHAIRWOMAN YOUNG: I assume you've
12 done studies on economic impacts -- speaking
13 of economic issues, of the colleges in the
14 communities -- and for example,
15 St. Bonaventure, again, it's one of the
16 largest employers in Cattaraugus County, and
17 many of those jobs are higher-paying jobs.
18 So could you expound on that?

19 CICU PRESIDENT LABATE: Sure.

20 Our overall economic impact is about
21 \$80 billion, 400,000 jobs. And what we know
22 is that jobs are directly -- and economic
23 impact is directly correlated with
24 enrollment. So when we see changes in

1 enrollment, we also see changes in jobs.

2 CHAIRWOMAN YOUNG: Thank you.

3 CICU PRESIDENT LABATE: And we know
4 that in many corners of the state, we are the
5 job market. And we're proud of that.

6 CHAIRWOMAN YOUNG: Thank you.

7 So private colleges in upstate
8 New York already have seen some demographic
9 changes prior to the Excelsior program.

10 CICU PRESIDENT LABATE: Right.

11 CHAIRWOMAN YOUNG: And were there any
12 indications that this trend, where they're
13 going with lower enrollments, was reversing
14 before the Excelsior program was established?

15 CICU PRESIDENT LABATE: We were
16 certainly -- the data suggest, when you look
17 at -- there was a study done by Georgetown
18 University that suggested that a movement
19 towards free college would impact enrollment
20 at private not-for-profit colleges. We have
21 seen that borne out.

22 Obviously, enrollment changes for many
23 reasons. We certainly can't ascribe all
24 changes to any single factor, including

1 Excelsior. But what you saw is that schools
2 that primarily served New York State students
3 saw an unusually large drop in particularly
4 New York State freshmen who were enrolling in
5 those schools.

6 For 30 of our schools, the aggregate
7 drop for New York State freshman was
8 8 percent. If you -- from the fall of 2006,
9 the fall of 2007 -- if you took a snapshot of
10 those same schools the year before, they
11 actually saw a small uptick in New York State
12 freshman enrollment.

13 So clearly the demographics are
14 challenging for everyone, and I don't want to
15 dismiss that, but I think what we're seeing
16 here is something different than that.

17 CHAIRWOMAN YOUNG: And obviously a
18 decline in enrollment in a freshman class is
19 a four-year problem.

20 CICU PRESIDENT LABATE: Right. It
21 will just ripple through the cycle.

22 CHAIRWOMAN YOUNG: So you're seeing an
23 uptick, and now you're seeing the enrollments
24 go down since the Excelsior program. What

1 are the private schools doing to try to
2 compete with free college education?

3 CICU PRESIDENT LABATE: Well, I think
4 we're stepping up the things that we've
5 always done that have always allowed us to
6 work collaboratively and be a competitive
7 alternative to the public systems, and that
8 is we continue to increase the amount of
9 financial aid we provide. Over the last
10 decade, it's increased almost threefold.

11 You can only do that for so long,
12 though, because you get that financial aid
13 from tuition resources. And obviously we're
14 always sensitive -- we're continually
15 sensitive about increasing tuition too much
16 in order to recycle it back into students who
17 really need the financial aid.

18 But we are making a very strong
19 investment in additional financial aid.
20 You'll see some colleges doing tuition
21 resets, you'll see colleges will do --
22 colleges that are adopting more programs
23 where students can graduate in three years.

24 So there is a lot that we're doing on

1 our own to make ourselves more competitive,
2 but there's only so much one can do.

3 CHAIRWOMAN YOUNG: Thank you. I too
4 am concerned about the proposal by the
5 Governor that actually would take away
6 Bundy Aid, \$35 million.

7 And you spoke briefly about the HECap
8 program, which is the capital program for
9 private schools. Are there barriers or
10 challenges in using that type of funding? Is
11 it difficult or easy to use?

12 CICU PRESIDENT LABATE: Well, there
13 are restrictions on it. They're not
14 unreasonable restrictions in many cases, but
15 there is a three-to-one match. Many of our
16 schools do not and are no longer in a
17 position to provide a three-to-one match.

18 It's also a cyclical program, so it's
19 a competitive program and it's really an
20 administrative decision when those
21 competitions will be run. So it's not
22 something our schools can always rely upon.
23 And it's the sort of program that in any one
24 cycle, competitive cycle, perhaps 10 to

1 20 schools might get an award, and they'll
2 get an award for a capital program. Some of
3 our schools are not delving into capital
4 projects right now because they have other
5 priorities.

6 And the main difference with Bundy is
7 Bundy is a source of operating aid that every
8 school gets, based on degree completion, so
9 it's an accountable program and it's very
10 predictable. So schools know that they will
11 be getting the money, provided they're
12 graduating the students that they typically
13 graduate, and it can be used for financial
14 aid, student supports -- it doesn't have to
15 be used to build a building or renovate a
16 building.

17 We like HECap. We'd like to see more
18 of it at some point. But it's not the
19 alternative to Bundy.

20 CHAIRWOMAN YOUNG: Thank you.

21 CHAIRWOMAN WEINSTEIN: Assemblywoman
22 Crystal Peoples-Stokes.

23 ASSEMBLYWOMAN PEOPLES-STOKES: Thank
24 you, Madam Chair.

1 And thank you, young lady, for your
2 presentation. I was --

3 CICU PRESIDENT LABATE: And thank you
4 for calling me "young lady."

5 (Laughter.)

6 ASSEMBLYWOMAN PEOPLES-STOKES: I guess
7 I would join my colleagues in being a little
8 surprised with the total cut of Bundy Aid.
9 And I note in your comments that you gave us
10 that it has been in existence since 1960.

11 The amount of Bundy Aid that's totally
12 cut from the budget, is it equal to what
13 capital projects at private colleges and
14 universities receive?

15 CICU PRESIDENT LABATE: No. No.

16 There are a few things about Bundy Aid
17 funding. Bundy Aid, when you look at the
18 statute in the formulas in Bundy Aid --
19 Bundy Aid should be at about \$181 million.
20 That's what the formula drives. Our schools
21 haven't received that in a long time. We've
22 been pretty stable at \$35 million, but that
23 is not equivalent to any sort of capital
24 spending.

1 ASSEMBLYWOMAN PEOPLES-STOKES: So --

2 CICU PRESIDENT LABATE: It's a number
3 that's been pegged for quite some time now.

4 ASSEMBLYWOMAN PEOPLES-STOKES: So I
5 understand that the capital was a matching
6 grant. But do you know what the total dollar
7 value of that is for your colleges and
8 universities?

9 CICU PRESIDENT LABATE: Well, the
10 HECap program is \$35 million, so if you have
11 a match of three-to-one, you'll have upwards
12 of \$100 million.

13 ASSEMBLYWOMAN PEOPLES-STOKES: Okay.

14 CICU PRESIDENT LABATE: Unfortunately,
15 many of our schools just aren't in the
16 position to make that three-to-one match at
17 this point.

18 ASSEMBLYWOMAN PEOPLES-STOKES: Okay.
19 I'm just trying to get an understanding of
20 how we can wrap our heads around these two
21 things as they relate to private schools and
22 universities. As you know, I have 11 of them
23 in my area, and they all do -- actually do
24 very well.

1 And I also noticed in your comments
2 that a lot of students of color are
3 successful at private colleges and
4 universities, graduating on time. And those
5 that don't, your programs are successful at
6 retaining them until they graduate. I wonder
7 if your staff and administrators look the
8 same as the student population.

9 CICU PRESIDENT LABATE: I don't have
10 that data with me now. I can look into it.

11 Clearly our schools are placing a
12 premium on diversity, on ensuring that the
13 students we bring in have role models like
14 themselves who have similar life experiences.
15 But I could try to get you some data on that.

16 ASSEMBLYWOMAN PEOPLES-STOKES: Okay.
17 Well, I would love to see that data if you're
18 able to get access to it.

19 Finally, it's going to be a challenge
20 for us to figure out how to balance a budget
21 when we have less resources coming from every
22 direction. But, you know, some things are
23 really important, and clearly higher ed is
24 the thing that fuels our economy. And so I

1 can just say from my perspective that there
2 will be efforts put in to make sure that
3 students have access to good quality higher
4 ed in the State of New York.

5 CICU PRESIDENT LABATE: Well, I
6 appreciate that. And when you look at -- and
7 I know there are lots of tradeoffs in this
8 budget. But when you look at an investment
9 of \$35 million to ensure that we continue to
10 have a solid network of private
11 not-for-profit colleges, that doesn't just
12 benefit our students, that benefits SUNY and
13 CUNY students as well.

14 You've heard today that there are
15 stresses in those systems as well. Imagine
16 how those stresses would be exacerbated if
17 students were to feel that our schools were
18 no longer a viable option and that they had
19 to go to the SUNY and CUNY system.

20 ASSEMBLYWOMAN PEOPLES-STOKES: Okay, I
21 notice I have one minute and 32 seconds, so
22 let me just ask this question quickly. As it
23 relates to student debt, when students are
24 done with graduation, four year or six year,

1 how do your private schools match with, say,
2 SUNY or CUNY?

3 CICU PRESIDENT LABATE: Yes, you'll
4 see some numbers in my testimony,
5 Assemblymember.

6 Our average debt after four years --
7 we know that the key to being able to repay
8 borrowing is to complete your degree, so
9 that's why we're so pleased that we do so
10 well on that -- is about \$30,000. SUNY's
11 average borrowing is about \$27,000 for four
12 years.

13 You'll hear a lot of talk about people
14 owing hundreds of thousands of dollars. Only
15 5 percent of all student borrowers owe over
16 \$100,000, and those are borrowers who tend to
17 go on for advanced degrees. They're also
18 borrowers who are most likely to be able to
19 repay, because those advanced degrees are
20 bringing them a very good return on their
21 investment.

22 ASSEMBLYWOMAN PEOPLES-STOKES: So the
23 average student that graduates from, say --
24 I'll just pick Medaille -- ends up with a

1 debt load of \$30,000 or so?

2 CICU PRESIDENT LABATE: Correct.

3 Correct. Which I think this is a national
4 number --

5 ASSEMBLYWOMAN PEOPLES-STOKES: That's
6 surprising.

7 CICU PRESIDENT LABATE: -- but about
8 4 percent of your income goes towards
9 repaying your student loan over about a
10 10-year period.

11 ASSEMBLYWOMAN PEOPLES-STOKES: Okay.
12 Thank you.

13 CICU PRESIDENT LABATE: Sure.

14 CHAIRWOMAN YOUNG: Sorry. Senator
15 Stavisky.

16 SENATOR STAVISKY: Thank you. Thank
17 you for coming.

18 Can you bring the loss of Bundy Aid
19 down to the local level? In other words, as
20 Senator Young mentioned about
21 St. Bonaventure, how is that going to affect
22 the local community if you lay off X number
23 of people?

24 CICU PRESIDENT LABATE: Absolutely.

1 Well, we know that we can certainly
2 tell, and I can give some examples of -- we
3 certainly know what kind of economic impact
4 our schools bring throughout the state.

5 We know, for instance, in the North
6 Country we have an economic impact of
7 \$675 million, we employ -- we are responsible
8 for almost 4,600 jobs. In the Southern Tier,
9 we have an impact of \$5.3 billion, we're
10 responsible for about 35,000 jobs.

11 Any diminution of funding that causes
12 a retrenchment in our schools will impact our
13 job numbers. We certainly hope it would
14 never be such a retrenchment that you would
15 see schools having to make the ultimate sorts
16 of decisions, but we clearly know that when
17 we lose enrollment, when we're not in a
18 position to keep students because they know
19 they're having issues with affordability --
20 and a loss of Bundy will exacerbate that --
21 we know that that impacts jobs.

22 SENATOR STAVISKY: Well, in other
23 words, what you're -- extrapolating what
24 you're saying, that there's going to be a

1 burden on the local social services --

2 CICU PRESIDENT LABATE: Absolutely.

3 We are such a major presence, and you all who
4 have our schools or are near our schools know
5 that as well as I. We are such a major
6 presence, when we catch a cold, you sneeze,
7 or whatever it is they say.

8 SENATOR STAVISKY: Everybody sneezes.

9 CICU PRESIDENT LABATE: And it's
10 really bad flu season, so we don't want that
11 to go around.

12 SENATOR STAVISKY: Let me ask you one
13 other totally different question, and that is
14 the HECap awards. I know we've spoken about
15 it.

16 The first part of the question is,
17 have any of the colleges had a problem in
18 meeting the three-for-one match? And the
19 second part, are there any other ways that it
20 can be done? I was thinking perhaps in terms
21 of endowment or some other mechanism.

22 Are there any other ways that
23 institutions can receive capital money
24 without the onerous burden -- if they just

1 can't raise the --

2 CICU PRESIDENT LABATE: Yup, our
3 schools --

4 SENATOR STAVISKY: You know,
5 Columbia -- with all due respect, they'll
6 have no problem matching.

7 CICU PRESIDENT LABATE: Right.

8 SENATOR STAVISKY: But St. John's used
9 to be in my district, and they received a
10 HECap award about 10 years ago.

11 CICU PRESIDENT LABATE: Right.

12 SENATOR STAVISKY: I don't know --

13 CICU PRESIDENT LABATE: So I think the
14 match requirement, you know, really depends
15 on the school's situation at any point in
16 time and how critical the capital repair is,
17 whether they're going to put that match
18 requirement ahead of other things. But I do
19 think for some schools the match requirement
20 is a very difficult thing.

21 The fact that it does take a long
22 period of time to access the money, and
23 during that period of time, time is money --
24 so if you were hoping to get shovels in the

1 ground on a building and it's taking a year
2 to know whether you're going to get the HECap
3 award, that's going to affect your
4 willingness to participate in the program.

5 When the program was first conceived
6 in 2005, it was a formulaic program where
7 every campus received money based on their
8 graduation rates, their TAP enrollment, and
9 that allowed campuses to better plan for how
10 they would use the money. They knew they'd
11 be getting it, they knew they could, over
12 time, accumulate the match that they would
13 need. There was a three-to-one match, but
14 because they knew how much they'd be getting,
15 they also knew how much of a match they'd
16 have to put in and they could plan for it.

17 That's something we'd certainly like
18 to discuss, whether we can go back to that
19 sort of formulaic approach.

20 SENATOR STAVISKY: Right.

21 CICU PRESIDENT LABATE: And I think it
22 cuts out a lot of the administrative burdens
23 of running the program.

24 SENATOR STAVISKY: Yeah, I've heard

1 complaints about the lack of speed in
2 receiving the funding that they've already
3 planned and are entitled to receive.

4 CICU PRESIDENT LABATE: Yeah, and our
5 schools like the program. And we're very --
6 we're very pleased that right now we're in
7 the middle of a competition, and there's
8 \$70 million out there. It's a few years of
9 funding that hadn't been released, so now
10 it's being released, and we're very grateful
11 for that.

12 It's just -- I think our main takeaway
13 from all this is we certainly hope it won't
14 be an either/or, either Bundy or HECap.

15 SENATOR STAVISKY: Thank you.

16 CHAIRWOMAN YOUNG: Thank you.

17 CHAIRWOMAN WEINSTEIN: Victor
18 Pichardo.

19 ASSEMBLYMAN PICHARDO: Thank you,
20 Madam Chair.

21 Madam President, thank you for your
22 time today at this hearing.

23 I have two questions. I'll try to
24 keep as brief as possible. So first and

1 foremost, in your testimony you mentioned
2 that part of the point is to provide a
3 separate match for minorities serving
4 institutions.

5 You have 18 undergraduate campuses
6 that are considered 25 percent or more as
7 minority-serving institutions. So what would
8 be the difference in the cost between a
9 non-minority-serving institution to one of
10 the minority-serving institutions? What is
11 the difference to the school, and what is the
12 difference to the state in terms of the
13 Excelsior program?

14 CICU PRESIDENT LABATE: We can get you
15 some -- I'll have to get back to you on data
16 on what the net cost of some of our
17 minority-serving institutions is versus a
18 non-minority-serving institution.

19 ASSEMBLYMAN PICHARDO: Sure.

20 CICU PRESIDENT LABATE: But I think
21 the important takeaway from that is we
22 already have colleges, particularly
23 minority-serving institutions, that because
24 they keep their tuition very low, they don't

1 have the capacity to provide significant
2 financial aid. Nor do they necessarily need
3 to provide significant financial aid, because
4 they have measured their tuition to know
5 that's affordable for the students that
6 they're serving.

7 So when you come in with a program
8 like the Enhanced Tuition Award and you tell
9 those institutions "Your students can only
10 get this money if you provide a match," they
11 are the least likely to have the resources --
12 because they are a low-tuition institution --
13 to be able to provide that, and therefore
14 their students are not able to access the
15 money that's made available.

16 ASSEMBLYMAN PICHARDO: If you can give
17 me just a -- even a ballpark figure just to
18 have a sense, that would be great.

19 CICU PRESIDENT LABATE: Okay.

20 ASSEMBLYMAN PICHARDO: And my second
21 question -- I think I already know the answer
22 to this, but you mentioned earlier that the
23 Legislature passed in both houses to extend
24 two state scholarship programs to allow

1 students at private not-for-profit colleges
2 and universities to benefit, and the
3 Executive vetoed it.

4 Did the Executive include this in his
5 budget?

6 CICU PRESIDENT LABATE: They were not
7 included. But I'm hopeful that we can have
8 discussions about it.

9 I know it's a tough budget year, I
10 know the Governor, and there's lots of
11 decisions that need to be made by my friends
12 in the Budget Division, and I just hope we
13 can discuss some of these issues.

14 ASSEMBLYMAN PICHARDO: Hope springs
15 eternal. Thank you, Madam President.

16 Thank you, Madam Chair.

17 CHAIRWOMAN YOUNG: Senator Krueger.

18 SENATOR KRUEGER: Thank you.

19 So Bundy Aid's \$35 million. The
20 Governor seems to imply in his budget he's
21 taking that, but he's giving you the capital
22 money. You pointed out here that you
23 don't -- one, you would like both, but two,
24 you see it as apples and oranges and

1 different issues.

2 I need to understand a little more
3 about how Bundy Aid is distributed among --
4 you have 110 members?

5 CICU PRESIDENT LABATE: A little --
6 right. Right.

7 SENATOR KRUEGER: So is it just
8 \$350,000 each college? Or how --

9 CICU PRESIDENT LABATE: No, it's based
10 on actually the mean -- the mean award is
11 about \$330,000 per college. But it varies
12 significantly based on degrees awarded.

13 SENATOR KRUEGER: The number of
14 degrees awarded.

15 CICU PRESIDENT LABATE: So there is an
16 incentive. It's outcome-based, in that if
17 you're not graduating students -- and we know
18 there are bad outcomes for students who start
19 college and aren't able to finish, so we know
20 how important it is to get them over the
21 finish line. So it's based on, basically,
22 the number of degrees you award.

23 SENATOR KRUEGER: But not necessarily
24 the number of low-income students you're

1 providing degrees to --

2 CICU PRESIDENT LABATE: Correct.

3 SENATOR KRUEGER: -- just across the
4 board.

5 CICU PRESIDENT LABATE: Correct.

6 SENATOR KRUEGER: But the Bundy Aid
7 itself is then used by the colleges
8 specifically as financial assistance to
9 low-income students?

10 CICU PRESIDENT LABATE: Bundy Aid is
11 unrestricted, but one of the requirements of
12 the program is that they submit to HESC what
13 the use of the money and the purpose of the
14 money -- and the money is primarily used for
15 financial aid. And really any money that
16 goes towards reducing the need for a tuition
17 increase or tuition revenues is really aid
18 that's going to help the student.

19 SENATOR KRUEGER: And are you able to
20 give me an estimate so -- you said the mean
21 distribution is \$330,000 per institution. Do
22 you know what the mean distribution of
23 financial aid in total for your schools are,
24 on average?

1 CICU PRESIDENT LABATE: We know that
2 our schools provide about \$5.4 billion a year
3 in total. I don't have -- I could see if I
4 could get how that breaks out.

5 SENATOR KRUEGER: Five-point-four
6 billion a year --

7 CICU PRESIDENT LABATE: Billion. From
8 their own resources, right.

9 SENATOR KRUEGER: -- of financial aid.

10 CICU PRESIDENT LABATE: Right.

11 And I have to say, it's amazing when
12 you -- relatively small schools, when I hear
13 the kind of money they put into financial
14 aid, I'm kind of blown out of the water. You
15 will have a small school that's providing
16 \$20 million, \$30 million of financial aid a
17 year. And they do that by discounting their
18 tuitions.

19 SENATOR KRUEGER: So I know you
20 originally from your work in Budget. So all
21 in all, as much as \$35 million sounds like a
22 lot of money for any of us to lose, it's a
23 relatively small amount of money for these
24 institutions to lose in the total package of

1 financial assistance that they are providing.

2 CICU PRESIDENT LABATE: I would
3 disagree with you on that. I think our
4 schools, so many of our schools are so
5 challenged at this point that -- you know,
6 and again, it will sound cliched, but every
7 dollar counts.

8 If a school that is -- if a school
9 loses \$100,000, there is going to be less
10 financial aid. They simply -- there are only
11 a certain number of avenues schools can go
12 down anymore to find revenues. We're trying
13 to keep a line on tuition revenues. There's
14 only so many places one can look.

15 So I think it is very impactful for
16 our schools to lose this money. I also think
17 it sends a message to our schools. Our
18 schools have always looked at Bundy Aid as
19 kind of that covenant between the state and
20 our private colleges, that we want you here,
21 we need you here to help educate 1.2 million
22 students. We can't do it alone, taxpayers
23 can't do it alone.

24 If you take away that sole funding

1 source that is for private colleges and
2 private colleges only, I do fear it really
3 kind of starts redefining the state's
4 relationship with our private colleges.

5 SENATOR KRUEGER: And because the
6 Governor's people make the argument it's a
7 small drop in the bucket á la the math we
8 just discussed, and it's not necessarily
9 going to the schools in greatest need of more
10 assistance and financial aid, is there a way
11 to rethink targeting the Bundy Aid to, as you
12 just described, the schools who have the
13 greatest need and are serving the significant
14 numbers of low-income students who would not
15 be able to go to these institutions if not
16 for this money? Is there a way to rethink it
17 in light of the debate that's going on with
18 the Governor's budget?

19 CICU PRESIDENT LABATE: You know, I
20 think the first thing -- I think that
21 conversation becomes more possible if we were
22 to fully fund the program.

23 But at \$35 million, I think the way to
24 distribute it now is fair. We have some

1 schools that are larger schools that confer
2 more degrees -- those are incredibly
3 important schools both to local economies, to
4 the opportunities that they provide students,
5 to our national and international
6 reputation -- and I think they need to be
7 part of that, part of that assistance.

8 And they are also the very schools
9 that when they're able to recruit low-income
10 students, those students go at an
11 incredibly -- many of them for free or at
12 incredibly reduced cost. And it's things
13 like Bundy that make it possible and really
14 incentivize our schools to have more skin in
15 the game.

16 SENATOR KRUEGER: And what would be
17 your definition of a fully funded Bundy Aid
18 program fee?

19 CICU PRESIDENT LABATE: The statute --
20 and I'm not calling for it this year, but if
21 anyone wants to do it, go ahead. The statute
22 would, if you ran the formula that's in the
23 statute, it'd be about \$181 million.

24 SENATOR KRUEGER: Thank you very much.

1 CHAIRWOMAN WEINSTEIN: Assemblywoman
2 Fahy.

3 ASSEMBLYWOMAN FAHY: Thank you,
4 Madam Chair. I appreciate it.

5 And thank you, Ms. Labate. It's great
6 to have you here, and I very much appreciate
7 your testimony.

8 And I have to say this -- it may be a
9 rare moment, I rarely would have to disagree
10 with my friend and colleague Senator Krueger,
11 but \$35 million sounds like a big number to
12 me from the Bundy Aid, with all due respect
13 to Senator Krueger.

14 SENATOR KRUEGER: (Inaudible.)

15 ASSEMBLYWOMAN FAHY: So with all due
16 respect, it sounds like a very big number,
17 and I know -- I very proudly represent a few
18 private schools -- St. Rose, Sage Colleges,
19 College of Pharmacy. And they -- well, I
20 know many of them really try to be as
21 supportive as possible -- the Excelsior
22 program last year -- they also recognize the
23 financial challenges that they face. And the
24 one thing I have so appreciated about --

1 especially here in upstate New York, because
2 I'm not a native New Yorker, is the wealth of
3 options. Because different things work for
4 different students, and I hear this all the
5 time from my own children and their friends.
6 Some children thrive and want large campuses,
7 and others need more of that intimacy that
8 they may get at the smallest of the
9 colleges -- in my area, Maria College.

10 So the Bundy Aid is of particular
11 concern. And I also want to echo the
12 comments of another colleague, Assemblywoman
13 Peoples-Stokes, and the thing I've been most
14 impressed with, with some of the private
15 schools, and that is their graduation rates
16 of underrepresented populations, children of
17 color. And again, it's the graduation rates.

18 So if you could just -- if you have
19 any statistics at your fingers, that would
20 really help me. And I also need to know that
21 I'm one of the two bills -- it was my bill
22 that was vetoed last year. I was
23 disappointed that it wasn't put into the
24 budget, because it was vetoed based on the

1 budgetary concerns with regards to master's
2 in teaching education. So I would welcome
3 the opportunity to work with you and of
4 course my colleagues here again with moving
5 that bill and ideally even putting it into
6 the budget.

7 But could you just talk a little bit
8 about the impact -- it seems like there's a
9 real divide in some of the private schools,
10 and the Bundy Aid would be, I would think,
11 just devastating, the loss of that.

12 CICU PRESIDENT LABATE: I think it
13 would be. I think it would, for some -- for
14 many of our schools that again are on
15 razor -- are on thin margins. They're okay,
16 but they're on thin margins, and yet another
17 hit to the system, I think, would be -- what
18 it will mean is less financial aid for
19 students or less support for jobs in the
20 communities, jobs at the campuses.

21 There will be some impact, and some
22 impacts that I don't think any of us want to
23 see when a school loses aid from the state.
24 There simply are not a lot of avenues to go

1 down for many of those schools to make that
2 up.

3 ASSEMBLYWOMAN FAHY: Okay. And
4 Bundy Aid at its height -- I know you were
5 just asked about what you would be entitled
6 to overall, but at its height I understand it
7 was much bigger a few years ago. So you're
8 already at -- this is an all-time low anyway,
9 the \$35 million, is that the lowest it has
10 been?

11 CICU PRESIDENT LABATE: It has been 35
12 for about four years now. It was a little
13 over 44 before that. It was cut in half, I
14 believe, in the 1980s, and that was a really
15 hard pill to swallow. But we have been
16 holding firm at 35 -- about 35 million.

17 ASSEMBLYWOMAN FAHY: For four years.

18 CICU PRESIDENT LABATE: And it's an
19 important 35.

20 ASSEMBLYWOMAN FAHY: Okay. Any
21 follow-up statistics on students of color,
22 the graduation rates --

23 CICU PRESIDENT LABATE: We can get
24 that -- let me get you that.

1 ASSEMBLYWOMAN FAHY: Because I know
2 that -- I remember some of those from last
3 year, and they were very powerful.

4 CICU PRESIDENT LABATE: Yeah, okay.

5 ASSEMBLYWOMAN FAHY: I look forward to
6 working with you on all of this, because I
7 share many of the concerns that you've raised
8 today.

9 And thank you again, Madam Chair.

10 CICU PRESIDENT LABATE: Thank you.

11 CHAIRWOMAN WEINSTEIN: Thank you.

12 Thanks for your testimony here today.

13 CICU PRESIDENT LABATE: Thank you.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 Next, NYPIRG, Smitha Varghese.

16 MS. VARGHESE: Good afternoon. My
17 name is Smitha Varghese. I am the
18 chairperson of the New York Public Interest
19 Research Group, otherwise known as NYPIRG. I
20 am also a student at Queens College.

21 With me today is Conner Wolfe, who is
22 NYPIRG's legislative policy associate. He is
23 also working on our higher education
24 campaign, and he goes to SUNY Oneonta. And

1 Blair Horner, our executive director, is with
2 us as well.

3 As you may know, NYPIRG is a
4 statewide, college-student-directed
5 organization. All of the members of our
6 board of directors are college students
7 elected by the student body at each of the
8 campuses that have voted to have a NYPIRG
9 chapter. We have chapters at SUNY, CUNY, and
10 independent colleges.

11 We appreciate this opportunity to
12 share our preliminary perspective on the
13 Governor's 2018-2019 Executive Budget for
14 higher education in New York State. We will
15 now summarize our written testimony, and
16 we're available to take questions afterwards.

17 MR. WOLFE: Both the public and
18 independent college sectors provide important
19 services to their at-risk students, those who
20 come from educationally disadvantaged
21 communities and have qualified for college
22 admission. These opportunity programs,
23 including HEOP, EOP, SEEK, and ASAP, are an
24 incredible asset to the State of New York.

1 They are often designed for the educationally
2 and economically disadvantaged and have a
3 steady track record of success in increasing
4 graduation rates.

5 Students involved in the nationally
6 recognized ASAP program offered by the City
7 University of New York graduate at more than
8 double the rate of non-ASAP students, with
9 increases in graduation rates after three
10 years of at least 30 percent.

11 In addition, we urge that Bundy Aid be
12 restored. These programs' successes are
13 bolstered by not only providing resources
14 like economic counseling but, in cases like
15 ASAP, the ASAP program at CUNY, money for
16 textbooks, tuition, and transportation.
17 Programs known to be widely successful -- and
18 in many cases the only opportunity some
19 students may have to pursue a higher
20 education -- must be adequately funded by the
21 government. NYPIRG strongly urges the
22 Legislature to reject the Executive's
23 proposed cuts to these important programs and
24 to take steps towards expanding funding to

1 these opportunity programs.

2 The biggest financial aid program in
3 the State of New York is the Tuition
4 Assistance Program. Like the opportunity
5 programs, TAP offers assistance to
6 lower-income college students in both the
7 public and independent college sectors.

8 TAP should cover more than the cost of
9 tuition for those who qualify and be flexible
10 enough to meet the needs of all types of
11 New Yorkers, not just the traditional
12 straight-from-high-school-to-college
13 full-time student it was initially designed
14 to serve.

15 Regarding public colleges, the maximum
16 TAP award should cover the full tuition
17 charge. Beyond that, TAP should expand to
18 offer assistance to part-time students,
19 undocumented students, incarcerated
20 individuals, and graduate students.

21 The Governor took a positive step by
22 including funding for college students who
23 are undocumented. We now urge your support.

24 MS. VARGHESE: Now, last year we

1 strongly supported the stated position of
2 Governor Cuomo that the cost of attending
3 public college has become too expensive and
4 that the state should ensure that low-,
5 moderate-, and middle-income college students
6 can all attend public college tuition-free.
7 Thus we supported the philosophy behind the
8 Governor's proposed Excelsior Scholarship
9 Program, which would charge no tuition to
10 students whose income does not exceed
11 \$125,000.

12 However, like many first-year
13 programs, there are additional steps that
14 should be taken to help it achieve its goals.
15 As you know, Excelsior recipients that fail
16 to graduate within four years are faced with
17 a daunting problem: The entire previous four
18 years of free tuition get turned into a loan
19 which they then must pay off.

20 Additionally, since there is a
21 30-credit per year requirement to maintain
22 Excelsior eligibility, SUNY and CUNY will
23 need to ensure that courses are available to
24 them. Yet according to a CUNY survey, over a

1 third of CUNY students reported not being
2 able to register for a course they needed for
3 their major.

4 To ensure that students are able to
5 graduate on time, more funding must go
6 towards expanded course availability and
7 student advisement services. We have heard
8 from a number of students who struggle to
9 balance their full-time course load, jobs,
10 and personal obligations. Some students
11 can't afford to take a full-time course load.
12 In a recent report put out by the CUNY Office
13 of Institutional Research and Assessment, of
14 students that work, 79 percent reported that
15 they work to pay for living expenses, and
16 over a third of those who work believe that
17 having a job negatively impacts their
18 academic performance.

19 While it's laudable that the Excelsior
20 Scholarship will increase its income
21 threshold to \$110,000 and more students will
22 qualify for free tuition, we urge that the
23 program be further expanded to students in
24 need, including part-time students.

1 In addition, this year's Executive
2 Budget continues to hike tuition for all SUNY
3 and CUNY students who don't qualify for
4 financial assistance. Ironically, this year
5 the Executive wants to do more to protect
6 college students from the predatory student
7 loan practices. While we urge support for
8 that proposal, freezing public college
9 tuition would help even more by reducing the
10 need to take out student loans to begin with.
11 We urge that the Legislature freeze tuition
12 this year.

13 In order to ensure that more
14 affordable public higher education comes
15 without compromising quality, our
16 universities must receive more state support.
17 State funding remains largely flat, even as
18 the costs to maintain SUNY and CUNY have
19 increased. NYPIRG recommends that the
20 Legislature enhance funding for CUNY and SUNY
21 senior and community colleges in order to
22 help students get the classes they need to
23 graduate, reduce class sizes, and bolster
24 student advisement.

1 We also support the Governor's
2 proposal to require that public colleges
3 establish food pantries. A recent report by
4 NYPIRG and other groups looked at food
5 insecurity on college campuses. Consistent
6 with prior studies, 48 percent of respondents
7 reported food insecurity in the previous
8 30 days. That's 48 percent. NYPIRG urges
9 that the Legislature include monies in the
10 budget to allow public and independent
11 colleges and universities to develop
12 recommendations on how best to tackle food
13 and housing insecurities, including opening
14 food pantries at all CUNY and SUNY campuses.

15 MR. WOLFE: In conclusion, the demand
16 to graduate more students from college with
17 less student loan debt should result in
18 policies that both decrease tuition and
19 increase state support to institutions of
20 higher education, as well as funding to
21 financial aid programs such as TAP and the
22 Excelsior scholarship. In order to provide a
23 quality and affordable higher education for
24 all New Yorkers, the state must commit itself

1 to increasing public funding.

2 Thank you.

3 CHAIRWOMAN WEINSTEIN: Thank you.

4 Briefly to Assemblywoman Glick.

5 ASSEMBLYWOMAN GLICK: First of all,
6 thank you for your communication with us.

7 I know that you have some more
8 detailed information on the inability of
9 students to get course sections, which is
10 obviously a concern of ours, so at some point
11 if we could have the data that you have on
12 that, that would be very helpful.

13 And I thank you for your continuing
14 advocacy on behalf of college students, of
15 one I used to be, and thank you for -- where?
16 I'm a Queens alum, so --

17 MS. VARGHESE: Oh, cool.

18 ASSEMBLYWOMAN GLICK: Thank you very
19 much for being here today.

20 MS. VARGHESE: Thank you.

21 CHAIRWOMAN YOUNG: Thank you.

22 Senator Stavisky.

23 SENATOR STAVISKY: Thank you.

24 Assemblywoman, I am also a -- I was a

1 graduate student at Queens College. And I
2 thank you for coming. Queens College is in
3 my Senate district, so I'm particularly
4 proud, and I've had a -- Blair is smiling,
5 because he knows I've had a long connection
6 through mutual friends, so to speak, with
7 NYPIRG. And I thank you.

8 Let me ask you one question. You
9 have -- if you've been listening to the
10 testimony here today, what's your reaction?
11 How do you feel about what the
12 administrators, the higher-ups at SUNY and
13 CUNY and the private colleges are saying?
14 How do you feel as a student?

15 MS. VARGHESE: I just feel, as a
16 student, that there needs to be more of a
17 conversation on the fact that low-income
18 students are kind of getting the lower end of
19 all of this.

20 You know, I'm low-income, and I
21 wouldn't be able to go to Queens College, I
22 wouldn't be able be here today if it were not
23 for TAP. My brother is a SEEK recipient as
24 well.

1 But they're cutting the funding for
2 the most vulnerable students, and I feel like
3 that conversation hasn't really been talked
4 about so much.

5 SENATOR STAVISKY: Well, thank you for
6 what you're doing. We're very proud of
7 Queens College, and we're proud of everything
8 that takes place there, as well as other
9 institutions of CUNY.

10 Thank you.

11 CHAIRWOMAN YOUNG: Thank you.

12 Senator Savino would like to speak.

13 SENATOR SAVINO: Thank you.

14 Thank you for your testimony. You
15 mentioned towards the end of your testimony
16 the issue of food insecurity, and you're not
17 the first people to talk about that today.
18 And I think we don't really think about that,
19 but the number of students that are actually
20 suffering from food insecurity is rising.

21 And you mentioned the CUNY program
22 which is kind of like a facilitated
23 enrollment program which identifies students
24 based on their financial need and tries to

1 match them up with whatever potential
2 benefits they might be entitled to. Is that
3 only happening at CUNY? Or do other -- to
4 the best of your knowledge, do other -- does
5 SUNY do that, do other private colleges do
6 that? Do they have a similar program?
7 Because I think that that would be one of the
8 ways to help close that gap.

9 If you don't know the answer, that's
10 fine, but I think it's something that we
11 can --

12 MR. HORNER: The short answer is --
13 the Single Stop program?

14 SENATOR SAVINO: Yeah.

15 MR. HORNER: I don't believe that SUNY
16 has a program in the same way as CUNY does.

17 SENATOR SAVINO: I'm sorry, say that
18 again, Blair?

19 MR. HORNER: They don't have a program
20 in the same way as CUNY.

21 SENATOR SAVINO: In the same way --
22 but that would certainly be something that I
23 think we should be advocating for, because
24 again, there should be a place where the

1 student walks in the door and the first thing
2 they encounter besides the bill or the
3 tuition bill is access to information that
4 could help them remain in school.

5 And if being food-insecure is one of
6 them, they may not know they're eligible for
7 SNAP, they may not know that they're eligible
8 for cash assistance or what other benefits
9 might exist there.

10 So it's great that CUNY seems to be
11 doing it. I'd be interested to see where
12 they do it, at what point of interaction with
13 students, and then how we can encourage other
14 universities to do that. Because local
15 social service agencies could certainly
16 participate in expanding information in what
17 we call the facilitated enrollment process.

18 Thank you.

19 CHAIRWOMAN WEINSTEIN: Thank you.

20 Thank you for being here today.

21 CHAIRWOMAN YOUNG: Thank you.

22 MR. HORNER: Thank you.

23 MS. VARGHESE: Thank you.

24 CHAIRWOMAN WEINSTEIN: Next we have

1 the Association of Proprietary Colleges,
2 Donna Gurnett, president.

3 MS. STELLING-GURNETT: All right. Can
4 you hear me? Okay.

5 Chairwoman Young, Chairwoman
6 Weinstein, Assemblywoman Glick, members of
7 the Legislature, thank you for this
8 opportunity to present this testimony on
9 behalf of the Association of Proprietary
10 Colleges. My name is Donna Stelling-Gurnett,
11 and I'm the president of the association, and
12 it's my honor to be here today.

13 APC represents the degree-granting
14 proprietary sector here in New York State.
15 We currently have 12 members located on
16 23 campuses across the state, and all of our
17 members offer at least associate degrees.
18 Most also offer bachelor's degrees, and some
19 offer master's and doctoral-level programs.

20 APC members have a long-standing
21 history of providing an affordable and
22 quality education. Most APC members are
23 privately held, family-owned-and-operated
24 institutions handed down from generation to

1 generation. On average, our members have
2 been in existence for over 90 years, and more
3 than half of our members have been founded
4 over 100 years ago.

5 We educate over 35,000 students and
6 employ more than 6,000 faculty and staff,
7 making our members strong economic drivers in
8 their local communities. APC members are
9 committed to keeping student loan debt low,
10 academic achievement high, and the pathway to
11 employment is our priority.

12 Now I'd like to talk with you today
13 about the Enhanced Tuition Assistance
14 program, or ETA, and its impact on our
15 sector. As you know, during the last budget
16 year the Enhanced Tuition Assistance program
17 was founded to provide additional financial
18 support for students attending the state's
19 private not-for-profit colleges.

20 Unfortunately, students attending the
21 state's proprietary colleges were
22 inadvertently left out of this program. So
23 I'd like to take this opportunity to thank
24 the Legislature and particularly

1 Assemblyman Pichardo and Senator Klein, who
2 introduced legislation in both houses that
3 essentially expanded the definition of a
4 private institution to include students that
5 attend all private colleges in New York
6 State. These measures passed with
7 overwhelming bipartisan support.

8 However, unfortunately, late last
9 month when the measure went to Governor
10 Cuomo, it was vetoed and he indicated that
11 these were issues that should be renegotiated
12 during the next legislative session.

13 So as we start this new session, we're
14 hopeful that we will be able to get this
15 oversight corrected. Both Senator Klein and
16 Assemblyman Pichardo have once again
17 introduced legislation that would enable all
18 students attending private colleges to
19 participate in the ETA program. Senate Bill
20 7353 and Assembly Bill 7697 have recently
21 been introduced, and I would ask for your
22 support of these two measures.

23 We think that students attending
24 APC-member colleges are a perfect fit for the

1 ETA program. For instance, over 90 percent
2 of our students come from New York State, and
3 over 90 percent of our graduates remain in
4 the state to live and work. As well, our
5 on-time graduation rates are very strong, our
6 associate and bachelor-level rates are in
7 line -- they either meet or exceed the
8 statewide average, and many of our colleges
9 offer a three 12-credit semester education
10 model which encourages their students to
11 attend college year-round, which actually
12 makes them be able to graduate early. We
13 also think that on-time graduation is key to
14 keeping student loan debt low.

15 APC members are known for their small
16 classroom sizes, individual attention,
17 financial aid counseling, and financial
18 literacy training -- and these are all key
19 components to keeping student loan debt low.
20 In fact, if you look at the data from the
21 college scorecard, you'll see that students
22 at APC member institutions carry \$21,900 in
23 student loan debt. So that's significantly
24 lower than we see at the state average of

1 \$32,000 or the national average of \$29,000.

2 As well, we have high job placement
3 rates, with over 85 percent of our graduates
4 finding jobs in their field of study within
5 12 months of graduation.

6 And finally, APC member institutions
7 educate a truly diverse student body. We
8 have a high percentage of women, minorities,
9 and veterans, all exactly the type of student
10 that the ETA program was designed to help.

11 In my written testimony I provide many
12 stories, personal stories from students that
13 would benefit from the ETA program if they
14 were eligible to participate. We estimate
15 that approximately 8500 students would be
16 eligible for an ETA award at some level, for
17 a total usage of between \$5 million and
18 \$7 million. So I ask you to consider these
19 stories and support parity for our students
20 by allowing them to participate in the ETA
21 program.

22 In conclusion, I'd like to thank you
23 for your past support of our students and ask
24 that you please consider our request, and I'm

1 happy to answer any questions. Thank you.

2 CHAIRWOMAN WEINSTEIN: I think we'll
3 pass with that shout-out to Assemblyman
4 Pichardo and -- unless, Senator Young, do
5 you?

6 CHAIRWOMAN YOUNG: I just want to say
7 thank you so much for your testimony today.

8 The Legislature did want to fix the
9 situation with the Excelsior Scholarship
10 Program last year. We did take action. And
11 as you know, you have several members that
12 range all the way from New York City to
13 Long Island to Western New York, including
14 Jamestown Business College in my district --

15 MS. STELLING-GURNETT: Right.

16 CHAIRWOMAN YOUNG: They all do a great
17 job. The job placement rate from the
18 business colleges is phenomenal, and we need
19 to have them as part of our array of
20 educational opportunities for people so that
21 they can go out, join the workforce, and have
22 productive careers.

23 So I want to thank you for your
24 advocacy. And I know with the veto message

1 the Governor said that it was a budget issue,
2 it needs to be solved in the state budget, so
3 I agree that now is the time to take care of
4 that. So thank you so much.

5 MS. STELLING-GURNETT: Thank you.

6 CHAIRWOMAN WEINSTEIN: Thank you.

7 SENATOR STAVISKY: On behalf of Plaza
8 and Monroe, we thank you.

9 MS. STELLING-GURNETT: Oh, thank you
10 very much.

11 CHAIRWOMAN WEINSTEIN: So I think
12 that's it. If there are any follow-up
13 questions, we'll be in touch by email.

14 MS. STELLING-GURNETT: Okay. Thank
15 you very much.

16 CHAIRWOMAN WEINSTEIN: Thank you.

17 Our next witnesses are On Point for
18 College, three individuals: Samuel Rowser,
19 Kevin Marken, Allison Palmer. Actually --
20 and Judy Lorimer. Four. Well, I guess the
21 women decided not to stay.

22 MR. ROWSER: Good afternoon.

23 CHAIRWOMAN YOUNG: Good afternoon.

24 MR. ROWSER: Judy and Allison won't be

1 accompanying us. They couldn't get out of
2 New York City quick enough, so they weren't
3 able to make it.

4 My name is Sam Rowser. I'm the
5 executive director for On Point for College,
6 and I have Kevin Marken, who is director for
7 our On Point programming --

8 CHAIRWOMAN WEINSTEIN: Can you pull
9 the mic a little closer to you?

10 MR. ROWSER: Sure. A little better?

11 CHAIRWOMAN WEINSTEIN: Much better.

12 MR. ROWSER: Okay. Again, my name is
13 Sam Rowser, I'm the executive director for
14 On Point for College in Syracuse, and I have
15 with me Kevin Marken, who is director for
16 On Point in Utica.

17 I want to thank you, Madam Chair, for
18 this opportunity to share with you and the
19 Joint Budget Higher Ed Committee the NYS
20 Postsecondary Success Network, and that is a
21 combination of On Point for College,
22 Goddard Riverside Options Program, and the
23 New Settlement Apartments Program.

24 Today, On Point has evolved in two

1 offices. We have over 24 employees, and
2 7,000 students have enrolled in college. In
3 2012, On Point received funding from the HESC
4 organization. It was part of the College
5 Access Challenge Grant, a federal grant that
6 enabled On Point to double its staff in
7 Syracuse, open a site in Utica, and provide
8 funding and guidance for a retention program
9 at the Goddard Riverside Options Program in
10 Manhattan and New Settlement Apartments in
11 the Bronx.

12 This is the origin of the NYS
13 Postsecondary Success Network. Participants
14 in this program are 17-to-29 years old,
15 low-income, first generation. Services are
16 provided in 24 community centers, Boys and
17 Girls Clubs, settlement houses, homeless
18 shelters, libraries, municipal housing,
19 refugee schools, GED sites. Most of our
20 participants are not in high school when they
21 join our programs.

22 In one of our programs, 30 percent of
23 the students that participate have no parent
24 in their life, and 70 percent return for

1 their second year of college.

2 One of the unique elements beyond
3 FAFSA and college application is the
4 non-academic support that we provide. We
5 meet students in their neighborhoods and
6 provide college supplies, transportation to
7 New York State colleges through on-campus
8 visits. In the first three weeks, we visit
9 all of our students when they go away to
10 college. We want to make sure they have
11 their books, food, and meet their campus
12 angels.

13 We continue our campus visits monthly
14 for any of our students that are attending
15 two-year colleges, weekly for community
16 colleges in Syracuse, Utica, Herkimer, and
17 New York City. We provide reenrollment
18 services, transfer services, job placement
19 certificate program information, and free
20 summer housing at Le Moyne College in
21 Syracuse for homeless youth from any of our
22 network locations.

23 Our vulnerable youth get help with
24 eyeglasses, winter coats, and dentistry. For

1 on-campus support, On Point supports all our
2 network students in upstate New York, while
3 Options and New Settlement work with all our
4 students in downstate New York.

5 The Federal College Access Grant which
6 was administered by HESC ended in August of
7 2016. Because of that support and funding,
8 from 2012 to 2016 the NYS Postsecondary
9 Network increased the number of students
10 enrolled in college.

11 The decrease in funding has resulted
12 in a decrease in staff and funding for basic
13 needs. We're not able to support as many
14 students as we could before, so there's fewer
15 crucial resources that keep them from
16 dropping out. We request funding to support
17 our students to the finish line.

18 I'd like to thank the New York State
19 Assembly for their support of On Point for
20 College over the last two years. They've
21 given us \$400,000 to work with over those
22 last two years after the funding for HESC
23 ended. Given the funding, the network will
24 be able to build a strong foundation and

1 position ourselves to expand next year to
2 support other students, especially the most
3 vulnerable Excelsior students.

4 We've been good stewards of the HESC
5 funding. Securing HESC funding has enabled
6 On Point to leverage over \$1 million from
7 national foundations like USA Funds, Kresge,
8 TG, and Lumina. We were able to bring in
9 \$2.8 million through our First in the World
10 grant. The Pell funding for the 4,000
11 students that we currently serve has allowed
12 us to raise \$23 million each year for federal
13 funding. Over 10,000 students have
14 participated between the three
15 organizations -- 3,100 of those students have
16 graduated, and 4,000 of them are currently in
17 college.

18 We thank you for this opportunity to
19 share, and we are open for questions.

20 CHAIRWOMAN WEINSTEIN: I think we're
21 set, not needing questions. Thank you for
22 your work in the community. And if we do
23 have any follow-up questions, we'll be sure
24 to reach out to you.

1 MR. ROWSER: Thank you kindly.

2 CHAIRWOMAN YOUNG: Thank you. We
3 appreciate you being here today.

4 CHAIRWOMAN WEINSTEIN: Next we have,
5 from the SUNY Student Assembly, Marc Cohen
6 and Austin Ostro, the president and the chief
7 of staff.

8 Glad you could come up here.

9 MR. COHEN: Thank you very much, Madam
10 Chair.

11 On behalf of the Student Assembly and
12 SUNY's 1.3 million students, I would like to
13 thank Chairpersons Weinstein and Young and
14 the entire Assembly Ways and Means and Senate
15 Finance Committees for allowing us to testify
16 today. I'd also like to thank Chair Glick
17 and Senator LaValle and the entire Assembly
18 Higher Ed and Senate Higher Ed Committees for
19 all that they do to support the State
20 University of New York.

21 My name is Marc Cohen. I'm a graduate
22 student at the University at Albany, and I
23 serve as president of the SUNY Student
24 Assembly and as a member of the SUNY Board of

1 Trustees. I'm joined by Student Assembly
2 Chief of Staff Austin Ostro.

3 The Student Assembly is the recognized
4 system-wide student government, established
5 in state law, supporting SUNY's 1.3 million
6 full- and part-time students. The Student
7 Assembly advocates on behalf of the -- at the
8 local, state, and federal levels on behalf of
9 the collective student interests across a
10 large range of policy areas. Twice annually,
11 SUNY SA brings hundreds of the system's
12 student leaders from across the 64 campuses
13 together for our general conferences where we
14 establish our advocacy priorities, and
15 student leaders have an opportunity to
16 network and learn from one another.

17 Outside of our conferences, elected
18 representatives for our four-year and
19 community college campuses meet monthly for
20 executive committee meetings where we review
21 progress on our advocacy efforts and refine
22 our goals and strategy. The Student Assembly
23 also serves as the vehicle for representation
24 of the student voice on the SUNY Board of

1 Trustees.

2 The Student Assembly president, by
3 statute, is a voting member of the board, the
4 only voting member not appointed by the
5 Governor. The Student Assembly also operates
6 standing committees devoted to prioritized
7 policy areas, which have open membership for
8 any interested student. Focuses of these
9 committees include diversity, equity, and
10 inclusion, sustainability, and campus safety.

11 In just her first few months in
12 office, Chancellor Kristina Johnson has gone
13 out of her way to engage the Student Assembly
14 in a wide array of policy discussions. We
15 appreciate the input SUNY allowed the
16 Student Assembly to have in crafting its
17 executive budget request in November.

18 We were pleased to see certain key
19 SUNY and Student Assembly legislative
20 priorities find their way into the budget
21 proposed by the Governor last week. We
22 applaud the Governor's call for a food pantry
23 serving every public college campus in
24 New York State so that no student need worry

1 about where they will find their next meal as
2 they focus on excellence in education.

3 We were also pleased to see the
4 continued expansion of the Excelsior
5 Scholarship in the Governor's budget, which
6 will help even more New Yorkers access a
7 higher education.

8 There were some significant funding
9 areas where the Executive Budget falls short,
10 and we encourage legislative action to ensure
11 vital services continue to be provided to all
12 SUNY students. Last year, thanks to the
13 leadership of Assemblymember Glick and
14 Senator LaValle, \$300,000 was appropriated in
15 the enacted budget to launch a pilot program
16 offering tele-mental health counseling to
17 students on four SUNY campuses, which you
18 heard Chancellor Johnson speak a bit about
19 this morning.

20 Nearly two-thirds of SUNY students
21 lack access to a full-time mental health
22 professional on their campus. Telemedicine
23 is a cutting-edge way to give them access to
24 the medical resources they need in a

1 cost-effective way. While the program only
2 launched this past semester, we have already
3 heard from student government leaders and
4 administrators on the four pilot campuses
5 about how beneficial the program is proving
6 to be for students.

7 We would like to see the program
8 expanded in the coming budget year to 10
9 campuses, which SUNY's Academic Affairs
10 office estimates would cost \$1.15 million.
11 Unfortunately, the proposed Executive Budget
12 removes all funding for this program. It is
13 essential that the Legislature act to ensure
14 students across the system have access to the
15 mental health resources they need to thrive.

16 Successful pilot programs deserve to
17 be taken to scale, and we hope that the
18 Assembly and Senate see fit to include
19 increased funding for tele-counseling in
20 their proposed budgets. Promoting mental
21 health can have a positive impact on a host
22 of policy priorities, including combating the
23 opioid addiction, ensuring college
24 completion, keeping campuses safe, and

1 enhancing the overall college experience.

2 As previously stated, the Student
3 Assembly appreciates the Governor's
4 commitment to combating food insecurity on
5 campuses. Nearly 25 percent of students
6 reported experiencing food insecurity in the
7 2015-2016 academic year, based on a survey of
8 students attending 40 colleges by the
9 National Student Campaign Against Hunger and
10 Homelessness.

11 We appreciate the work the SUNY system
12 and our campuses have done over the past few
13 years to promote food security. Seventy
14 percent of SUNY campuses currently operate a
15 food pantry. The Governor announced a
16 \$1 million appropriation to support the
17 creation of food pantries in the lead-up to
18 the State of the State, but that
19 appropriation failed to materialize in his
20 proposed budget. At least some new funding
21 should accompany a requirement for all
22 campuses to operate food pantries or be
23 associated with one, such that they don't
24 have to redirect funding from other

1 functions.

2 The proposed budget also continues the
3 state's traditional full-time equivalency
4 basis for funding of community colleges. The
5 issue with using FTE as the sole basis for
6 funding is that a decrease in full-time
7 enrollment does not automatically translate
8 to a decreased need by students for academic
9 and administrative services on their
10 campuses.

11 In a year when 27 out of the 30 of our
12 community colleges are facing decreasing
13 enrollment, this issue takes particular
14 prominence. SUNY proposed changing the
15 community college formula in its budget
16 request to ensure the same type of funding
17 guarantee enjoyed by our four-year campuses
18 schools through maintenance of effort. If
19 the Legislature does not act to fix the
20 broken FTE basis for our community colleges,
21 students will suffer the consequences of cuts
22 to essential services.

23 Students were also disappointed to see
24 cuts to opportunity programs like EOP and EOC

1 in the Governor's proposed budget. Cuts
2 exceeding \$10 million to these programs would
3 harm SUNY's ability to strengthen the
4 diversity of the system and to ensure it is
5 an accessible institution for low-income,
6 often underrepresented minority New Yorkers.

7 We appreciate that in past years the
8 Legislature has added millions to the
9 Governor's requests for these programs, but
10 thousands of EOP and EOC students are being
11 forced to worry about the future of the
12 programs they have come to rely on. The
13 budget deficit should not be erased at the
14 expense of students who need a helping hand
15 from the State of New York most.

16 Thousands of SUNY Dreamers,
17 undocumented students who come to the
18 United States through no fault of their own,
19 also have reason to worry. Washington is
20 letting them down, and many have reason to
21 fear for the future in the only country they
22 have ever known. Albany should do its part
23 to make up for Washington's failure by
24 passing the DREAM Act, which is included in

1 the Governor's proposed budget. Every
2 New Yorker should have access to the Tuition
3 Assistance Program and to the Excelsior
4 Scholarship, including Dreamers. The
5 Legislature should act to give these students
6 some measure of security in our state.

7 Students across the state are counting
8 on you to adequately fund the programs they
9 depend on. Remember that all money
10 appropriated towards higher education is an
11 investment in our collective future. As the
12 Chancellor noted this morning, 73 percent of
13 SUNY graduates stay in New York after they
14 complete their education.

15 Every dollar invested in SUNY yields a
16 five-to-one return, and the skills and
17 knowledge accrued at SUNY power our state's
18 economy. Properly investing in SUNY now will
19 yield tremendous benefits for New York State
20 in the decades to come.

21 Once again, I would like to thank you
22 very much for the opportunity to testify this
23 afternoon, and we look forward to answering
24 any questions you might have.

1 CHAIRWOMAN WEINSTEIN: From our Higher
2 Ed chair, Assemblywoman Glick.

3 ASSEMBLYWOMAN GLICK: Good to see you
4 both again. Thank you very much for being
5 here.

6 And obviously, most of your testimony
7 is totally consistent with concerns that the
8 Assembly majority has embraced for years and
9 years. But I'd like to ask you a little bit
10 about your perspective on student fees.

11 And we touched on this with the -- I
12 think with the chancellor, but I'd like to
13 understand from the students' perspective,
14 because there was something that was said
15 about they are generally not willy-nilly from
16 one campus to another, but there isn't a
17 consistency across the system. They do
18 apparently get approved by SUNY Central, but
19 then they said something about with input
20 from the students. And I wasn't really sure
21 what that meant, whether there's any survey
22 that's done or whether it's that students
23 have been asking for a particular activity
24 and now you're going to get it but this is

1 what it's going to cost.

2 So if you could talk a little bit
3 about that.

4 MR. COHEN: Assemblymember, that's an
5 excellent question. Thank you.

6 "With input from students" is an
7 interesting way to put that. Generally,
8 there is a student on such committees that
9 determine new fees, increases in fees -- I
10 hate to use the word "token," but I can
11 assure you there is not a majority population
12 on these committees of students.

13 It's interesting that you brought this
14 issue up just today. At our SUNY board
15 meeting, I for a moment stood on my soapbox
16 and argued against a new rule which is being
17 implemented, which is to raise a fee, a
18 broad-based fee, from \$25 to \$125 at our
19 four -- at the four university centers. What
20 that means, Assemblymember, is increasing
21 tuition an additional \$100. So we got a \$200
22 increase, they wanted a \$300 increase, so
23 they raised a fee from \$25 to \$125.

24 We don't often know where these fees

1 go, exactly. There's a health fee, which we
2 know goes to the health center; there's an
3 intercollegiate athletics fee, which we know
4 goes to fund athletics. Different campuses
5 have different fees. There is something of a
6 similar sort of structure across campuses,
7 but oftentimes the university excellence fee
8 of \$600 at university centers, it's called a
9 broad-based comprehensive fee, and they
10 allocate that where they see fit.

11 ASSEMBLYWOMAN GLICK: So students who
12 are going to the university centers, they
13 have larger fees than someone going to
14 Oneonta?

15 MR. COHEN: Absolutely. As you know,
16 we don't have differential -- per law, we
17 don't have differential tuition in New York
18 State, which is certainly a conversation we
19 could have at whatever time you'd like. We
20 don't have differential tuition in New York,
21 and so to ensure that the larger campuses
22 have the resources and can offer the quality
23 of programs that students have come to
24 expect, they assess such fees as additional

1 means of revenue.

2 ASSEMBLYWOMAN GLICK: What's been the
3 student experience in general from the
4 availability of health centers?

5 MR. COHEN: The availability of?

6 ASSEMBLYWOMAN GLICK: Health centers.
7 You are at SUNY Albany -- most schools used
8 to have what they called the student
9 infirmary, now they have health centers. I
10 don't know if it's anything more than what
11 was the student infirmary, but perhaps you
12 can enlighten us.

13 MR. COHEN: That's a good question.

14 Different campuses -- again, depending
15 on the size of the campus, two-year schools,
16 community colleges versus comprehensives
17 versus four-year. University centers have
18 oftentimes very different services. At a
19 school like Upstate or Downstate, there are
20 medical schools, so they've got far more
21 resources than a school like, you know, a
22 smaller comprehensive may have.

23 Austin, do you want to talk a little
24 bit about the University at Albany and what

1 they offer?

2 MR. OSTRO: Sure. So as a result of
3 the Affordable Care Act, there were some
4 changes to the fee policy. Students used to
5 have an option to buy insurance through the
6 university. Once the Affordable Care Act was
7 fully implemented, that was no longer
8 necessary, so students are now buying their
9 insurance either through the exchange or
10 getting it through Medicaid or independently.

11 I know that our campuses assess a
12 health fee to operate the health centers
13 which is independent of the expense that
14 students can be billed for the services
15 provided by health centers. I also know that
16 the tele-counseling service which we spoke
17 about in the beginning of the testimony is
18 usually independent of health centers. It
19 can be in a separate place on campus, and
20 there are coordinators paid by the campus
21 administration to operate on-site and
22 coordinate with the person, either Skyping or
23 FaceTime or videoconferencing in to provide
24 the service to students. So that's the

1 extent of my knowledge about health centers.

2 ASSEMBLYWOMAN GLICK: Okay. Well, I
3 guess we'll be talking to the system a little
4 bit more about health centers and how they
5 are funded and how -- now, in order to go to
6 one, you're required -- if you're going to
7 SUNY, you're required to have health
8 insurance in some form, right?

9 MR. COHEN: Right.

10 MR. OSTRO: Yes.

11 ASSEMBLYWOMAN GLICK: Okay. We'll be
12 looking into that and how that works out and
13 whether they're actually billing your
14 insurance or how they're operating.

15 MR. COHEN: That's an interesting
16 question too, both for health centers as well
17 as for counseling centers, and whether or not
18 there's a difference between billing for
19 counseling centers, billing for health
20 centers. We are looking into that. We had a
21 number of meetings with -- Assemblyman
22 Pichardo was one of them, and others as well.

23 So we're looking into that as well.

24 ASSEMBLYWOMAN GLICK: Thank you.

1 MR. COHEN: Let us know if you find
2 out first.

3 ASSEMBLYWOMAN GLICK: Thank you very
4 much.

5 MR. OSTRO: Thank you.

6 CHAIRWOMAN YOUNG: Thank you. And as
7 a former member of the SUNY Fredonia Student
8 Association, I'm glad to see student leaders
9 here today, and I think that you are very
10 articulate. You have great issues that
11 you're talking about.

12 I'm very interested in the tele-health
13 and the counseling also. That's been sorely
14 needed at campuses all across the state, and
15 I'm glad to see that the program is
16 implemented. I think that it's something
17 that we need to look at as a Legislature and
18 build on that program, because there
19 certainly are needs for mental health
20 services all across the state but on the
21 campuses also.

22 So I just want to say thank you and
23 look forward to working with you in the
24 future.

1 MR. COHEN: Thank you, Senator.

2 MR. OSTRO: Thank you, Senator.

3 CHAIRWOMAN WEINSTEIN: Also I want to
4 join in thanking you for being here.

5 I don't know if you were here when I
6 asked a question of the SUNY chancellor about
7 the childcare centers and the big cut that is
8 proposed in the budget. I wonder if you have
9 had any experience, or is that something that
10 you might want to survey some of the campuses
11 to see whether -- what kind of needs
12 currently exist, whether there should be not
13 a decrease but actually an increase that
14 would help some students be able to go
15 forward with their education.

16 MR. COHEN: Madam Chair, thank you for
17 that question.

18 We have included childcare funding in
19 our legislative agenda for at least the last
20 three years, and I know I've spoken with
21 probably many of your offices about childcare
22 funding. It's critical. And as the
23 chancellor spoke about, the number of single
24 mothers, single parents in general who are

1 enrolled in SUNY who rely on childcare
2 services on campuses -- particularly
3 community college campuses, but all across
4 the system -- is very high. We've got a ton
5 of data to show that faculty members, staff
6 members, and community members rely on these
7 childcare centers.

8 And similar to the opportunity
9 programs, it's not quite fair, and I think
10 some of you may agree that there are cuts in
11 the Executive Budget every year because
12 there's the assumption that things like
13 childcare funding and opportunity program
14 funding are just going to be restored by the
15 Legislature, causing you to use, you know,
16 whatever capital is allocated. And we would
17 like to see at least a hold-harmless sort of
18 system and then have the Legislature add
19 money back, rather than you being forced to
20 add it in.

21 But we've seen the direct impact of
22 insufficient funding for childcare centers.

23 CHAIRWOMAN WEINSTEIN: So I would
24 appreciate it if you can email us some of

1 that supporting data --

2 MR. COHEN: Sure.

3 CHAIRWOMAN WEINSTEIN: -- that shows
4 the need on the various campuses. As you
5 said, community college campuses in
6 particular.

7 And thank you again for being here,
8 and look forward to continuing to work with
9 you through this year. Thank you.

10 MR. COHEN: Thank you very much.

11 CHAIRWOMAN YOUNG: Thank you.

12 CHAIRWOMAN WEINSTEIN: Our final group
13 for today, for the higher ed hearing, is the
14 CUNY Student Assembly. I believe there are
15 three individuals: Francesca Royal, vice
16 chair, Jasper Diaz, delegate, and -- okay,
17 there's a whole group of you. And we almost
18 lost one. And I have Wali Ullah, delegate.

19 If there are other people sitting at
20 the table, if you could just introduce
21 yourselves.

22 MS. ROYAL: Greetings, members of the
23 New York State Legislature. My name is
24 Francesca Royal. I am a junior at Hunter

1 College at the City University of New York,
2 double majoring in economics and public
3 policy, with a concentration in education
4 policy. I am a proud member of the 19th
5 Assembly District, represented by
6 Assemblymember Edward Ra, and the 5th Senate
7 District, represented by Senator Carl
8 Marcellino.

9 I have the privilege of serving as the
10 vice Chair for fiscal affairs for the City
11 University of New York University Student
12 Senate, also known as CUNY USS.

13 USS is the elected student governance
14 organization responsible for representing the
15 interests of the 500,000 students that attend
16 CUNY. We are charged with preserving the
17 accessibility, affordability, and excellence
18 in higher education.

19 On behalf of USS, we thank you for
20 providing us this opportunity to share the
21 student experience. We are here today to
22 articulate the needs and concerns affecting
23 CUNY students, and how initiatives outlined
24 in Governor Andrew Cuomo's Executive Budget

1 proposal for fiscal year 2019 directly impact
2 the accessibility, affordability, and
3 excellence in higher education at campuses in
4 CUNY system.

5 I will begin by providing an update on
6 the state of student affairs across our
7 system. At the end of my testimony, I will
8 share USS's recommendations that will offer
9 you ways to address the issues. Then my
10 colleagues will share the experience of
11 students at community colleges and at senior
12 colleges.

13 We hope these testimonies will inspire
14 you to take immediate action to ensure CUNY
15 remains an engine of social mobility to
16 achieve the American dream in the land of
17 opportunity.

18 In 2017, Governor Cuomo took steps to
19 advance the conversation of improving higher
20 education when the Governor proposed a plan
21 that would make CUNY and SUNY tuition-free
22 for middle class families. In addition, the
23 State Legislature restored and expanded
24 support for opportunity programs and

1 services. We were excited about the
2 initiatives that would make CUNY more
3 affordable and accessible.

4 However, it was disheartening to learn
5 that there would be a \$200 increase in
6 tuition for students at senior colleges, that
7 the maintenance of effort bill would be
8 vetoed by the Governor, and part-time
9 scholarships for community college students
10 would not be made available on time. These
11 issues increase student debt, hinder student
12 success, and impact the quality of services
13 provided by CUNY faculty and staff due to the
14 lack of funding to support students' needs.

15 Although CUNY is considered one of the
16 most affordable universities in the country,
17 students still face barriers which hinder
18 student success and stifle social mobility.
19 The cost of living in New York City is
20 expensive. There aren't enough healthy and
21 affordable food options, and transportation
22 is costly, unreliable, and inadequate.
23 College students should not face shelter and
24 food insecurities which also lead to health

1 issues.

2 This legislative session, Governor
3 Cuomo is committed to expanding food pantry
4 services to all CUNY campuses to address food
5 insecurities. We are excited that CUNY has
6 been at the forefront of this educational
7 initiative by providing food pantries and
8 food vouchers at various colleges for several
9 years. This additional support will help
10 CUNY serve more students.

11 Students, however, are frustrated
12 about continuous increases in tuition. We
13 are looking forward to the expansion of the
14 Excelsior Scholarship and implementation of
15 the part-time scholarship for community
16 college students. During this session we
17 would like to participate in discussions to
18 improve the Excelsior Scholarship and other
19 financial aid programs.

20 We are disappointed with the
21 performance of the federal government, which
22 has led to a government shutdown. We cannot
23 depend on the federal government, as the
24 state of our union is under attack. We need

1 the State of New York to act swiftly to
2 protect our democracy and members of
3 immigrant communities and enact the state
4 DREAM Act. We need leadership in the state
5 now more than ever.

6 The University Student Senate is eager
7 to work with members of the Legislature and
8 the Governor's office to improve the quality
9 of life for all New Yorkers. On behalf of
10 the 500,000 CUNY students, USS requests that
11 the New York State Legislature take the
12 following actions to restore and enhance the
13 accessibility, affordability, and excellence
14 in higher education at the greatest urban
15 university in the world.

16 Number one, reject the proposed
17 \$200 tuition increase and provide
18 \$31.3 million in support to a tuition freeze
19 for the 2018-2019 academic year.

20 Number two, restore funding to support
21 opportunity programs and services to ensure
22 CUNY remains diverse and fully inclusive.

23 Number three, pass the New York State
24 DREAM Act.

1 Number four, provide the necessary
2 funding to support capital projects to ensure
3 CUNY facilities are hospitable.

4 Number five, adopt an enhanced
5 maintenance of effort to adequately fund
6 CUNY's operating budget.

7 Thank you for your time and
8 consideration.

9 CHAIRWOMAN WEINSTEIN: Thank you.

10 Next?

11 MR. DIAZ: Greetings, members of the
12 New York State Legislature. My name is
13 Jasper Diaz, and I have the privilege of
14 serving as Baruch College's University
15 Student Senator and delegate to the City
16 University of New York University Student
17 Senate, CUNY USS.

18 I am a proud resident of the 72nd
19 State Assembly District, represented by State
20 Assemblymember Carmen de la Rosa, and the
21 31st State Senate District, currently
22 represented by State Senator Marisol
23 Alcantara.

24 I am pursuing a bachelor's of science

1 in public affairs at Baruch College's Marx
2 School of Public and International Affairs,
3 with a minor in political science and
4 certificate in survey research. I have
5 aspirations of attending graduate school and
6 one day pursuing a career in public service
7 to help address the needs of members in my
8 community.

9 My experience at Baruch College has
10 been rewarding yet challenging, due to the
11 lack of an enhanced maintenance of effort
12 also known as MOE. This has negatively
13 impacted the quality of services at senior
14 colleges. Buildings and classrooms are
15 overcrowded, and there aren't enough faculty
16 and staff members available to address
17 student needs. The quality of our
18 educational experience has diminished because
19 our professors are overworked, teaching
20 several courses within highly populated
21 classes. The student service lines are long.
22 Students can spend hours waiting to see an
23 academic advisor, career counselor, financial
24 aid specialist or tutor.

1 Furthermore, the continuous trend of
2 tuition increases has put our students under
3 stress. Tuition has increased by at least
4 \$250 annually in the last seven out of eight
5 years. We have made tremendous sacrifices to
6 complete our studies, and students deserve at
7 least a two-year break.

8 We are very thankful for the Excelsior
9 Scholarship. We still need aid to cover book
10 expenses. We still need aid to cover living
11 expenses. We still need aid to cover
12 transportation expenses. It would be truly
13 wonderful if we were able to get a
14 reduced-fare MetroCard to ensure that
15 students can get to classes throughout the
16 semester. Our students are not able to
17 adequately use the college library and labs
18 because students cannot afford to come to
19 campus on days they don't have classes.

20 In addition, food insecurity is a
21 crisis that is affecting students as well.
22 Over the past several years, CUNY has begun
23 to address this issue at community colleges.
24 However, there aren't enough resources to

1 support the expansion at all CUNY senior
2 colleges.

3 We thank Governor Andrew Cuomo for
4 addressing the growing and rampant issue of
5 food insecurity on college campuses by
6 mandating that every public college in
7 New York State establishes a food pantry. We
8 would especially like to thank the New York
9 State Legislature for fulfilling capital
10 budget allocations for the fiscal year
11 2017-2018, finally initiating the first
12 five-year phase of bringing Baruch College's
13 1929-era Lawrence and Eris Field Building at
14 17 Lexington Avenue into the 21st century.
15 We must make sure CUNY has state-of-the-art
16 facilities to offer students an environment
17 in which they can learn.

18 CUNY senior colleges need more support
19 to assist students in earning a college
20 degree. The University Student Senate is
21 eager to work with members of the Legislature
22 and the Governor's office to improve the
23 quality of affordable public higher education
24 for all New Yorkers.

1 Thank you for your time and
2 consideration.

3 MR. ULLAH: Greetings to all members
4 of the New York State Legislature. My name
5 is Wali Ullah, and I am a student at Bronx
6 Community College at the City University of
7 New York, majoring in political science. I
8 am hoping to transfer to the City College of
9 New York to pursue a bachelor's in political
10 science and economics, with hopes of pursuing
11 a career in grassroots organizing and public
12 service.

13 I am a proud resident of the 80th
14 State Assembly District, which currently does
15 not have an elected representative, and the
16 34th State Senate District, which is
17 currently represented by Senator Jeffrey
18 Klein.

19 I have the privilege of serving as the
20 Bronx Community College delegate in the
21 University Student Senate, as well as the
22 executive officer of legal and legislative
23 Affairs of the Student Government Association
24 at Bronx Community College.

1 I would like to extend the warmest of
2 gratitudes to CUNY for providing the
3 opportunity for me to serve in student
4 government, the students who elected me as
5 their representative, and the New York State
6 Legislature for allowing me to testify today.

7 In my testimony, I will share my
8 experience and the experience of other
9 students at Bronx Community College, also
10 known as BCC.

11 As we all know, community colleges
12 play a vital role in our economy. Community
13 college is the platform which offers workers,
14 parents, the younger, older and first
15 generation students access to higher
16 education. However, society categorizes some
17 of these students as non-traditional.
18 However, it is this very same demographic of
19 students that is so common in CUNY. Due to
20 the community college 24/7 course schedule,
21 students have the option to attend college in
22 early mornings, late nights, weekends, and
23 online while fulfilling other
24 responsibilities. Students prefer to attend

1 community colleges because the tuition rate
2 is much lower than four-year colleges, and
3 community colleges have a more flexible
4 course schedule.

5 I began my journey at BCC as a
6 part-time student. I have not been able to
7 enroll full-time due to a lack of financial
8 resources and other external obligations. I
9 receive no financial aid, as my parents are
10 undocumented and I have had difficulty paying
11 for -- they've had difficulty paying taxes in
12 the past due to their immigration status. I
13 do not work, either, as many of the job
14 opportunities I have sought thus far require
15 a higher level of experience.

16 My story is that of many community
17 college students, as nearly 40 percent of all
18 CUNY community college students are part-time
19 students, according to the CUNY Office of
20 Institutional Research. Most students that
21 attend part-time would love to take more
22 classes. However, there isn't enough
23 financial aid for students that attend
24 part-time.

1 In addition, due to a lack of funding
2 for on-campus childcare services, students
3 are forced to work more hours to cover the
4 costs for child care services off campus.

5 I would like to thank Governor Cuomo
6 for his efforts to make BCC more accessible
7 and affordable. As in 2017, Governor Cuomo
8 created a part-time scholarship to provide
9 aid for students enrolled at CUNY community
10 colleges. Students were excited to learn
11 about this new level of support that would
12 help them earn their degree. However, we
13 were unable to apply because the application
14 was not available in the fall. This
15 prevented some students from enrolling in the
16 fall 2017 and spring 2018 semesters.

17 The Excelsior Scholarship is great for
18 students who have the ability to enroll
19 full-time. However, we need support to help
20 part-time students.

21 Next, I would like to talk about the
22 Accelerated Studies in Associate Programs,
23 otherwise known as ASAP. ASAP is a program
24 available in every CUNY community college

1 which provides students resources such as
2 MetroCards, book vouchers, and smaller class
3 sizes to better meet student needs. The ASAP
4 model has received praise nationwide, as it
5 has doubled three-year graduation rates.

6 Hence, community college students are
7 requesting that the ASAP model be expanded to
8 all CUNY senior colleges, to ensure current
9 ASAP students have a seamless transition when
10 they transfer to earn their bachelor's
11 degree.

12 We thank CUNY for leading the effort
13 to address food insecurity by offering food
14 pantries at community colleges, and we thank
15 the Governor for wanting to expand this
16 program. We appreciate all the support that
17 we have received from the Legislature.
18 However, despite the apparent strides that we
19 have recently made in the advancement of
20 higher education in State of New York, there
21 is still much ground that remains to be
22 covered. We must not forget about the needs
23 of the diverse community we serve, especially
24 in our community colleges.

1 Thank you for your time and
2 consideration.

3 CHAIRWOMAN YOUNG: Thank you.

4 MS. ROYAL: Thank you, and we can take
5 any questions now.

6 CHAIRWOMAN WEINSTEIN: Assemblyman
7 Pichardo.

8 ASSEMBLYMAN PICHARDO: Thank you,
9 Madam Chair. I will be brief.

10 As the proud representative of Bronx
11 Community College in the 86th Assembly
12 District, thank you so much for your time and
13 your leadership on this issue.

14 I couldn't agree with you more. I
15 think Excelsior was a step in the right
16 direction, but it has to consider that not
17 all students can attend college full-time and
18 have other obligations, either familial or
19 professional or otherwise, and we need to
20 make sure that we do a better job of
21 expanding opportunities for students and
22 making it cheaper for all students to attend
23 college.

24 So I appreciate your testimony this

1 afternoon, and thank you for your leadership
2 on this issue.

3 MR. ULLAH: Thank you, Assemblyman
4 Pichardo.

5 ASSEMBLYWOMAN GLICK: Let me say that
6 I very much appreciated that you identified
7 five concrete things in your testimony. So
8 to some extent, that undermines any questions
9 we might -- because you actually did, ahead
10 of time, identify what it is you're asking us
11 to do.

12 MS. ROYAL: Thank you.

13 ASSEMBLYWOMAN GLICK: Thank you.

14 CHAIRWOMAN YOUNG: Senator Savino.

15 SENATOR SAVINO: Thank you. I want to
16 thank all of you for coming and presenting
17 your testimony, and the SUNY students as well
18 before.

19 You all mentioned the issue of food
20 insecurity, and I'm just surprised how -- I
21 guess I shouldn't be -- but how prevalent it
22 seems to be.

23 But since CUNY does have the one-stop
24 program -- what's it called?

1 MR. ULLAH: It's called Single Stop.

2 SENATOR SAVINO: Thank you, Single
3 Stop.

4 Have you had any experience with how
5 well it works? How do students encounter it?
6 And how successful are they at actually
7 connecting students with potential sources of
8 aid they would be entitled to, do you know?

9 MR. ULLAH: So as far as I know, I am
10 not a recipient of aid of Single Stop,
11 although I have been to their office numerous
12 times. They have a food pantry, they provide
13 tax resources for students who are looking to
14 file their taxes, there is generally like --
15 if you make more than \$50,000, then you are
16 ineligible for, you know, tax aid from --
17 they essentially help you file your taxes.

18 Currently, the Single Stop chapter at
19 my college is organizing a winter clothing
20 drive, pop-up drive, which is around January
21 30th and January 31st. So essentially they
22 do their best to help students that are in
23 need and -- you know, I just gave a couple of
24 examples of resources that you find.

1 SENATOR SAVINO: To the best of your
2 knowledge, does it require students to go in
3 search of Single Stop, or are they connected
4 at the point of enrollment that they might be
5 benefited by visiting the Single Stop?

6 And if you don't know the answer,
7 that's fine. I'm just trying to figure out
8 how well it works, how it could be replicated
9 in other colleges, whether they be public or
10 non-public colleges, and the best way to make
11 sure that students become aware that there's
12 possible benefits that they might be entitled
13 to. Again, if you don't know the answer,
14 that's fine.

15 MS. ROYAL: I personally don't know
16 the answer, I'm sorry. But we would be happy
17 to follow up with you with an email with a
18 more detailed response.

19 SENATOR SAVINO: Great. Thank you.

20 CHAIRWOMAN WEINSTEIN: Again, thank
21 you all for being here and spending the day
22 with us.

23 This concludes the Higher Education
24 hearing for the joint budget committees. And

1 for those listening and the members of the
2 Ways and Means Committee who are here, we'll
3 see you again tomorrow morning at 9:30 for
4 Housing.

5 CHAIRWOMAN YOUNG: We get to do it all
6 over again tomorrow.

7 But I want to thank the student
8 leaders for being here today. It shows a lot
9 of initiative. We're very proud of your
10 accomplishments, and I know that you all have
11 bright futures. So thank you.

12 MS. ROYAL: Thank you very much.

13 MR. ULLAH: Thank you so much.

14 MR. DIAZ: Thank you.

15 (Whereupon, the budget hearing concluded
16 at 4:35 p.m.)

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