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**Testimony of the New York State Financial Aid Administrators Association**

**For The Joint Legislative Public Hearing  
On The Executive Budget Proposal For  
SFY 2024 – 2025**

**February 8, 2024**

## **Testimony Provided by the New York State Financial Aid Administrators Association (NYSFAAA)**

Assemblywoman Fahy, Senator Stavisky, Assemblywoman Weinstein, Senator Krueger and members of the Legislature, thank you for giving the New York State Financial Aid Administrators Association (NYSFAAA) the opportunity to present testimony regarding this year's budget.

### **Overview of NYFAAA**

NYFAAA was founded in 1968 and is an association of over 1,000 student financial aid professionals from across the state representing all sectors of our diverse higher education system (SUNY, CUNY, independent non-profit and proprietary). Our volunteers advocate for and promote equal access to post-secondary education for all students in New York State. NYFAAA also offers education, professional development, and networking opportunities for its members and for colleagues in related educational, business, and governmental professions.

### **Thank you for your continued support!**

I sincerely thank you and express our appreciation to the legislature for their continued support for our members' students, especially those who come from backgrounds often under-represented on college campuses and students who are the first in their family to attend college. For fifty years, the Legislature has been a true champion for TAP, State-supported financial aid, and other opportunity programs. New York has one of the largest and most generous state sponsored aid programs in the country. The commitment to maintaining financial aid is needed now more than ever, since those students benefitting from the assistance are also those that have been affected the most by COVID-19.

### **NYFAAA State Student Aid Proposals**

TAP has helped millions of New Yorkers pay for their college education. In the 2022-23 academic year alone, TAP was awarded to approximately 234,000 students who attended higher education institutions across the State. Changes have been made to TAP in recent years, including a \$500 increase to the maximum TAP award, restoration of TAP eligibility to incarcerated individuals, and the expansion of part-time TAP eligibility to certain undergraduate students and students enrolled in eligible non-degree workforce credential programs.

However, as we approach the 50<sup>th</sup> anniversary of TAP we have an opportunity to work together with the Governor's office and the legislature to reform the program with an eye towards improving and expanding access to an affordable college education for all academically qualified students.

## **TAP Reform – “Turn on the TAP” Campaign**

### **Increase Minimum TAP Award and Expand Income Eligibility**

This year NYSFAAA is excited to celebrate the 50<sup>th</sup> anniversary of the Tuition Assistance Program (TAP). However, there have not been significant changes to the TAP formulas and funding levels in over 20 years. Expanding access to TAP for more low to moderate-income families is long overdue. NYSFAAA supports the following recommendations to reform TAP and modernize the program:

- Pass A.1889/S.3474 to increase in the maximum TAP income eligibility limit from \$80,000 to \$110,000 NYS NTI and bring thousands of additional students into the program (Est. Cost: \$7M)
- Pass A.8089/S.7931 to increase the minimum TAP award from \$500 to \$1,000 – making it a more impactful award for thousands of moderate income students (Est. Cost: \$19M)
- Increase the maximum TAP award from \$5,665 to \$7,070 to cover the full cost of SUNY tuition and meet the needs of more low-income NY families – (Est. Cost: \$112M)
- Reinstate a reimagined Graduate TAP award that provides targeted support to critically needed STEM, education, and healthcare degrees (Est. Cost: \$68M)
- Further expand Part-Time TAP to include all eligible degree-seeking students, including those attending proprietary colleges. (Est. Cost: \$5M)

#### **Rationale:**

New York’s signature student aid program, TAP, has not kept pace with inflation and needs to be adjusted to reflect significant increases in tuition and fees as well as basic living expense increases over the last 20+ years. The TAP maximum income threshold of \$80,000 in NYS Net Taxable Income (NTI) for dependent students has not been increased in over 20 years. As such, access to TAP for many low to moderate income families and students has steadily been decreasing. It time to reform and modernize the TAP program to keep talent in NY and improve access to a college education. Additionally, targeting a reinstated form of Graduate TAP to specific fields of study can help address critical shortages in nursing, teaching, and high demand STEM fields.

## **TAP Reform: Eliminate Disparity in Access to TAP Awards**

### **Standardize Dependent & Independent Student TAP Award Schedules**

The current TAP Award eligibility structure disadvantages many independent students. NYSFAAA advocates for legislation that would increase the maximum income level for independent students and/or eliminate award discrepancies based on dependency status alone.

- Pass A.2622/S.2578 as a first-step to raise Single independent student income limit to \$30,000 OR
- Pass A.6713/S.7682 as a further step to raise income eligibility limits for Single and Married independent students without dependents to \$30,000 and \$60,000 respectively OR
- Pass A.8432 to provide independent students with full TAP benefits using the same TAP Award Schedule, income, and maximum award eligibility for all students regardless of their Dependency Status. (Est. Cost: \$4M)

- Pass A.8191/S.7713 to “make whole” independent students who were impacted by HESC awarding error.

Rationale:

Currently independent students who are married or single and have no tax dependents receive significantly lower TAP awards compared to dependent students and independent students with tax dependents (with a maximum award of \$3,525 compared to \$5,565 for the latter group). There is also a significant difference in the maximum income allowed, with eligibility for TAP for independent married students without dependents limited to those below \$40,000 NYS Net Taxable Income (NTI) while eligibility for single independent students without dependents is restricted to those with NTIs no higher than \$10,000.

## **Other NYSFAAA Legislative Priorities**

### **Support Opportunity Programs Serving Our Most Vulnerable Students**

#### Enhance Funding for Opportunity Programs

The NYS Opportunity Programs (HEOP, EOP, College Discovery, SEEK, CSTEP, STEP, and LPP) have a long and well-established history of successfully supporting a diverse population of economically and academically disadvantaged students to attain a college education. Opportunity Programs lead to improved graduation rates, help lift families out of poverty, and are well worth an increasing investment of NYS tax dollars. These investments will also help NY to mitigate the harmful effects of the Supreme Court decision banning Affirmative Action in college admissions

- To continue to support access and effective programming, NYSFAAA urges the legislature to increase Opportunity Program funding by 20% (Est. Cost: \$22.2M):
  - Arthur O. Eve Higher Education Opportunity Program (HEOP) (\$9.7M)
  - Science Technology Entry Program (STEP) and its collegiate counterpart (CSTEP) (\$7.6M)
  - Liberty Partnership Program (LPP) (\$5M)

### **Refocus Bundy Aid Funding & Invest in Students**

Bundy Aid provides scholarships to needy and deserving students at independent private institutions and funds academic support programs like tutoring, summer bridge programs, and support for students with disabilities.

- We urge the Legislature to restore cuts proposed by the Governor’s Executive Budget and increase Bundy Aid funding by \$10M from the prior year funding level. We also recommend the removal of the proposed restriction of Bundy Aid to institutions with endowments above \$750M.

## **Promote Access & Student Success**

### **Support Universal FAFSA & Professional Judgment in TAP Eligibility to Support Equity & Enrollment**

- Pass A.1164/S.1983 – To increase FAFSA Completion, helping students to file the FAFSA and bringing millions in additional federal student aid \$'s to NY (\$500K).
- Pass A.1207/S.8105 - Allow HESC to make award changes based on Income Adjustments due to loss of employment, catastrophic illness, and military deployment.

#### ***Rationale:***

Increased FAFSA filing rates by H.S. students is directly linked with increased college-going rates and improved persistence. Supporting a “universal FAFSA” filing requirement will ensure that more NY State students know that a college education is financially attainable. Federal Title IV program rules allow for adjustment of financial aid awards under defined, well-documented extenuating circumstances in order to better reflect significant changes in family situations or a student’s and/or family’s ability to pay based on unemployment or other losses of income. Under current NYS law, HESC has very limited provisions for reviewing student “special circumstances”. This disparity between Federal and NY State policy creates frustration, confusion, and discouragement for students facing real hardships. Providing HESC with increased professional judgment authority would give the agency the ability to better assist some of the most vulnerable and financially impacted students.

## **In Conclusion**

We appreciate the opportunity to present this testimony and your consideration of our proposals. NYSFAAA volunteers look forward to working with the Governor’s Office and the legislature in the next session to reform the TAP program to increase access to higher education for all students.

## **Contact Information:**

Christopher Barto – Co-Chair, NYSFAAA Government Relations Committee

[CBarto@LIMCollege.edu](mailto:CBarto@LIMCollege.edu)

Patti Donahue – President, NYSFAAA Board of Directors

[PDonahue@binghamton.edu](mailto:PDonahue@binghamton.edu)