



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK

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**Written Testimony of Commissioner Dr. Betty A. Rosa
New York State Education Department
Joint Legislative Higher Education Budget Hearing
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Good morning Chairs Krueger, Pretlow, Stavisky and Hyndman. And good morning to the members of the Senate and Assembly who are here today. My name is Dr. Betty A. Rosa, and I am New York's Commissioner of Education. I am joined today by Senior Deputy Commissioner Dr. Jeffrey Matteson; Chief Financial Officer Dr. Christina Coughlin; Deputy Commissioner of Adult Career and Continuing Education Services and the Office of Special Education Ceylane Meyers-Ruff, Deputy Commissioner of Higher Education Bill Murphy, and Deputy Commissioner of the Professions David Hamilton. I also want to acknowledge and thank Chancellor Lester Young, and the members of the Board of Regents, who are watching today.

The New York State Education Department (NYSED) comprises an exceptionally complex and interconnected system of educational programs and services. Our stated mission is to raise the knowledge, skill, and opportunity of *all* New Yorkers.

To achieve this mission, the Regents and NYSED have developed three principles that guide our work. Each of our budget goals and priorities is steeped in equity, access, and opportunity and would provide the resources needed to achieve them.

The Executive Budget includes some important Regents and NYSED budget and policy priorities in the Executive Budget proposal, including investments in:

- **College in High School Opportunities:** Dual Enrollment programs provide high school students with the opportunity to take college courses, enabling them to save time and money in college. Dual enrollment also positively impacts high school and college outcomes on average, such as high school graduation, college enrollment, success, and completion.
- **Preservation of the Education Building:** The Board of Regents emphasizes the critical importance of preserving the historic Education Building through strategic investment in capital needs. Maintenance and modernization of its building are vital to ensure a safe and effective workplace for the Department's workforce. While we appreciate the \$20 million that is included in the Executive Budget for these repairs, a reasonable estimate of the work is closer to \$40 million.

There are needs that were not addressed and we request that the Legislature consider the following:

Opportunity Programs (\$16.9 million increase)

Opportunity programs, such as the Science and Technology Entry program (STEP) at the high school level, and the Collegiate Science and Technology Entry Program (CSTEP) opportunity programs, are designed to increase the number of historically underrepresented and economically disadvantaged students who are prepared to enter college and to improve their participation rate in mathematics, science, technology, health-related fields and other licensed professions. Liberty Partnerships Program (LPP) offers comprehensive pre-collegiate and dropout prevention programs and services to youth in Urban, Rural, and Suburban communities across NYS. The Higher Education Opportunity Program (HEOP) supports students who would otherwise be unable to attend a postsecondary educational institution due to their educational and economic circumstances. These students are provided with sufficient academic support services, tuition assistance, supplemental financial assistance, and full need packaging to enable them to successfully complete the institutional components required for graduation. Additional funding means reaching more of these students.

- **STEP**: An additional \$3.3 million to better support projects (who took on additional students in the last cycle) and provide greater participation in STEM-based research, internships, or exploratory career opportunities at facilities such as Brookhaven National Laboratory and regional STEM-hubs. This program serves approximately 14,000 students annually.
- **CSTEP**: An additional \$2.5 million to better support projects (who took on additional students in the last cycle) and provide greater participation in STEMbased research, internships, or exploratory career opportunities at facilities such as Brookhaven National Laboratory and regional STEM-hubs. This program serves approximately 9,000 students annually.
- **Liberty Partnership Program**: An additional \$3.8 million to better support projects (who took on additional students in the last cycle) to enhance services and opportunities for current projects such as mentoring, college access to NYS Opportunity Programs, summer programs and family/alumni engagement, and promote student participation and LPP staff retention. Additionally, there is a need to expand access to mental health services and implement programming focused on developing the knowledge, skills, and dispositions necessary for students to overcome barriers to their academic success. This program serves approximately 17,000 students annually.
- **HEOP**: An additional \$7.3 million to support and enhance current programs. Currently this program serves 4,450 students. In addition to serving approximately 100 more students, these additional supports and enhancements include: securing or retaining qualified personnel to support students with rigorous academic

demands, expanding access to tutoring and counseling services, and providing essential resources such as laptops, textbooks, and instructional materials. Additionally, there is a critical need to improve access to mental health services and implement targeted programming that equips students with the skills, strategies, and resilience necessary to navigate personal and academic challenges effectively.

This funding increase was not included in the Executive Budget proposal.

Enhanced Supports and Services for Students with Disabilities for Postsecondary Success (increase of \$2.0 million)

Students with disabilities enrolled in degree-granting colleges and universities may need support like what they received in high school to be successful. This is an investment in creating employment opportunities for these individuals. Additional funds would allow postsecondary schools to enhance the supports and services they provide to their enrolled students with disabilities including:

- Supplement and expand existing supports and accommodations of SWDs (Students with Disabilities);
- Create college prep programs to assist incoming SWDs in transitioning to college and prepare them to navigate the campus facilities and systems;
- Provide full and part-time faculty and staff at SUNY, CUNY and other Private and Independent degree granting institutions of higher education (IHE) with training in how to better serve students with disabilities; and/or
- Improve the identification process of SWDs and enhance data collection capabilities at SUNY, CUNY, and other private and independent degree granting institutions of higher education.

This funding increase was not included in the Executive Budget proposal.

Transfer of Funding from the Tuition Reimbursement Account (TRA) to the Bureau of Proprietary School Supervision (BPSS)

SED is requesting authorization to transfer funding from the Tuition Reimbursement Account or TRA to the Bureau of Proprietary School Supervision account or BPSS account, at a maximum of \$750,000 within a State Fiscal Year, and only if the TRA funds exceed \$2.5 million. The BPSS appropriation and cash level would also need to be increased to allow for the associated spending outlined below.

In 2021, in response to an audit by the Office of the State Comptroller, which found that the Bureau of Proprietary School Services' (BPSS) financial monitoring of proprietary schools was not as strong as it needed to be, the Department implemented new regulations regarding financial reporting. These new regulations were intended to provide

the Bureau with the ability to identify schools that are in danger of closing due to financial deficit and/or schools that perform poorly in placing graduates in the workforce, since these are the two situations that create the most risk of school closures that lead to claims on the Tuition Reimbursement Account (TRA). We note that even when students whose proprietary schools close are reimbursed for their lost tuition, they cannot be reimbursed for their lost time and the disruption to their career plans. These closures still cause them harm. Thus, the Department seeks to prevent the closures with earlier intervention.

In addition, there has been a sharp increase in schools seeking licensure for programs in the Allied Health fields that train future employees to work with the public in direct healthcare settings. The Department of Health (DOH) writes the programs' requirements, and then BPSS is tasked with overseeing their compliance with the requirements. Programs providing healthcare training have a significant impact on public health and safety, and thus require more frequent monitoring, and have additional requirements beyond the standard licensed private career school regulations. Despite the need for enhanced oversight, no additional staff have been provided to ensure the quality and compliance of direct healthcare training. BPSS has absorbed a nearly 50% increase in monitoring these schools amongst its existing staff. BPSS has closed poorly performing and/or fraudulent schools offering these programs, which exploit low-income students, offer substandard training, and put public safety at risk. However, adequate monitoring, aligned with the expectations of the Office of the State Comptroller and DOH, requires sufficient staffing to do the work.

The Department has proposed two options to add additional staffing to BPSS:

1. Allow the transfer of funding from the TRA to the BPSS account at a maximum of \$750,000 within a State Fiscal Year, and only if the TRA funds exceed \$2,500,000; or
2. Provide a \$181,268 appropriation to support 2 FTEs.

The TRA is funded by revenue from school fees and fines associated with proprietary school licensing. Currently over \$6 million exists in the TRA account and it continues to accumulate each year. For example, \$769,833.93 in revenue has been received in this account in the past 12 months while only \$38,512.86 has been expended. Use of this funding is currently restricted to reimbursing students for lost tuition when they are impacted by a school closure and expenses related to scanning of student records. Over the past 10 years, the combined total expended from this account for tuition reimbursement is \$1.338 million. The highest amount expended in a single year was \$315,592. If this transfer of funds was allowed, BPSS would be able to fill 7 critical positions within BPSS' various units. These positions are essential to effectively overseeing BPSS schools and ensuring the education and safety of students who are enrolled in these programs. Alternatively, \$181,268 could be appropriated in the State Budget for BPSS to hire two additional FTEs to start the process of adding needed staff.

Neither this no cost transfer proposal nor additional funding for needed staff was included in the Executive Budget proposal.

Increase Office of Professions Appropriation (Special Revenue not General Fund)

Increase the annual spending authority of the Office of the Professions' special revenue fund 22051 (OP Base Budget) to support the permanent/long-term costs associated with OP Modernization. (Three FTEs, \$604,608; Nonpersonal service \$1,000,000. Total: \$1,604,608). As the project moves forward, the work will shift from capital development to operational maintenance. Without the increased spending authority (appropriation and cash), OP will not have the fiscal resources available to assume the permanent contractual and staffing costs needed for OP's long-term sustainability and the Modernization Program's success, while also maintaining OP's routine responsibilities relating to licensure, registration, and discipline to ensure that the public is protected.

This no cost spending authority increase was not included in the Executive Budget proposal.

Professions Related Provisions

We request that the Legislature reject the various policy provisions proposed in the Executive Budget related to the licensed professions and ask that you direct us on the priority issues you would like the Department to partner with you on. We are committed to working with all of you, our stakeholder groups, and the Department of Health on addressing critical healthcare issues while ensuring that we adequately protect the public's health and safety by ensuring a well-trained and qualified workforce.

Data Infrastructure and Operational Effectiveness (\$554,340)

In order to serve the public better, the Department prioritizes advancing its data infrastructure and operational efficiency initiatives. Building on previous technological and operational improvements, the next phase will enhance data integration, security, and analytics to support decision-making and resource allocation across the educational system. This will enable more effective oversight, improved service delivery, and increased adaptability in the face of evolving educational demands. The Department's response to the Budget Director's call letter emphasized the need for additional staff to support the second phase of the transformation of the Department's information technology functions, as well as an investment in HR/Financial systems that will modernize our staff management and financial analytical capabilities.

This streamlined and prioritized IT request would fund six staff. One staffer would be dedicated to data governance to ensure that Department data is identified, inventoried, and prepared for the potential linking to Statewide Longitudinal Data System (SLDS) data. This will address the problem of hundreds of datasets that have not been standardized according to best practices and current data-handling guidelines, which can present a vulnerability to the Department and its data. Additionally, there would be five staffers dedicated to the cloud server and database support team to address new modernization programs' solutions long-term (State Aid, Office of Professions, TEACH systems, etc.) without incurring expensive vendor-management contracts. The long-term

support must migrate in-house for us to realize the savings offered through low-code technology solutions. This team will support the Department's Low-Code initiative through standardization of cloud technology assets and a scalable cloud document storage plan. This will also support the SLDS implementation, since the SLDS will be a cloud-based system.

This funding was not included in the Executive Budget proposal.

Office of Cultural Education Revenue Stabilization (Increase fee by \$10-\$15/ per transaction or provide equivalent General Fund appropriation of \$12 million*)

The New York State Museum and the Office of Cultural Education (OCE) are currently making significant strides in advancing critical projects, despite the challenges posed by an outdated and unpredictable funding model. The current OCE budget, which is tied to the fluctuating housing market, has remained stagnant since 2002, failing to keep pace with rising operational costs. This financial instability has led to a persistent multi-million-dollar deficit, projected to exceed \$7 million by March 2026.

To safeguard the Museum, Library, and Archives, we have proposed a sustainable solution: a \$10-\$15 fee increase per deed recording, with provisions for annual growth based on inflation or other factors. Alternatively, a stable \$12 million State General Fund appropriation, plus additional funding to address likely federal cuts, would provide the necessary financial foundation for continued operations and strategic growth. The majority of our library staff are paid from federal funds (\$8 million*). These staff provide essential technical support to public libraries in communities across the state, and without additional funding, we have no way to continue that important work.

Regarding OCE's capital projects, we are collaborating with the Dormitory Authority of the State of New York (DASNY) to advance the Museum's gallery renewal project, with bidding anticipated to commence by late spring or early summer. Additionally, we are partnering with DASNY to identify a suitable site for a future storage facility to meet the evolving needs of OCE. Efforts are also underway to revitalize the Museum's eatery and gift store, exploring partnerships to enhance these spaces and enrich the visitor experience.

Our vision is to elevate the New York State Museum to become one of the nation's premier state museums within the next decade. Achieving this ambitious goal requires the collective support of stakeholders, policymakers, and the community. However, without resolving our persistent financial challenges, this vision is not tenable.

Despite considerable fiscal hurdles, the Museum continues to thrive through innovative public programming. Recent successes include the Halloween Spooktacular, which welcomed over 900 visitors, Sesame Street's 55th Birthday Celebration, which attracted more than 2,200 attendees, and our New Year's Eve Celebration, which brought together 800 children and families. Other highlights include a sensory-friendly event for neurodiverse families, several engaging lectures, and a multitude of vibrant cultural

celebrations, underscoring the Museum's vital role as an educational and cultural cornerstone for New Yorkers.

This February, we will introduce a new initiative featuring weekday, family-friendly programming-happening every single weekday—designed to provide fresh, engaging experiences that deepen connections to New York’s vibrant history and culture.

Looking ahead, the Museum will soon embark on a national search for its next Director, led by a former Director of the Smithsonian's National Museum of American History. This search will ensure we identify a visionary leader to guide the Museum into its next era of excellence.

We remain dedicated to our mission and invite lawmakers, stakeholders, and external partners to visit and witness firsthand the transformative work being done to preserve and share New York's cultural heritage. We look forward to ongoing collaboration to secure the Museum, Library, and Archives' place as a source of pride and inspiration for this and future generations of visitors.

This funding was not included in the Executive Budget proposal.

Conclusion

While the Executive Budget proposal contains laudable and needed resources for schools, students, and institutions of higher education, more conversations and thoughtful long-term policy and budget planning to ensure successful preparation for college and careers and that all students have access to a world-class education, is required. We also need appropriate funding to continue providing the important technical support and customer service that we offer to the field.

The possible and significant changes on the federal level are of concern when it comes to education, higher education, and even our Department- where federal funds currently support the majority of our staff. Checks and balances on systems are critical at every level- the very fabric of a meaningful and successful democracy relies on this notion. While we have to take a wait and see approach and don't want to send out alarms as ensuring a quality education for all our students should be a bipartisan issue- we also need a strategic contingency plan and flexibility for what could be. This is currently not found within this Executive Budget proposal. We ask that the Legislature do this important work with the Executive and make such a plan- especially as an agency that is not an Executive one- we need you now more than ever. We need to work together even more than we have ever done so- our students at every level need us to rise to the occasion in this moment and we simply can't let them down.

I look forward to your questions and to working with you on our shared goal to increase equity, access, and opportunities in education for all New York State students.