



**TESTIMONY
OF THE
NEW YORK PUBLIC INTEREST RESEARCH GROUP
BEFORE THE
JOINT LEGISLATIVE BUDGET HEARING ON HIGHER EDUCATION
FOR THE 2025-2026 BUDGET
February 26, 2025
Albany, New York**

The New York Public Interest Research Group (NYPIRG) is a statewide, nonpartisan, not-for-profit organization founded by college students in 1973 to engage their peers in civic life. NYPIRG’s broad programmatic work provides students with a range of opportunities to participate in public affairs and advance responses to social problems that matter most to them. In collaboration with and guided by professional staff—researchers, organizers, advocates and attorneys—students tackle pressing issues while learning and developing professional-level skills that will boost their prospects for success in college, the job market and throughout their lives. Our Board of Directors consists of public and independent college and university students elected from campuses with NYPIRG chapters across the State.

First, NYPIRG thanks state lawmakers for your efforts to modernize the Tuition Assistance Program. Your inspired approach updates decades-old standards that capped family income eligibility and the amount of the minimum award. You also restored the Governor’s ill-considered cuts to opportunity programs and funded the financial chasm known as the “TAP Gap.”

This year, there is much to support in the Governor’s proposal. But, unfortunately, the Governor does not propose an increase in the maximum TAP award, nor does it re-establish TAP assistance for graduate students. The proposed budget does nothing to support New York’s beleaguered independent college sector. And lastly, the Governor does propose to cut the state’s successful opportunity programs.

We recommend that this year a significant infusion of support be injected to all sectors of the higher education system. Specific recommendations for the Legislature to advocate for in the final budget include:

- Provide more aid to alleviate the burden of current tuition and fee rates, including providing for the first 60 credits to be free for all public college students, and reforming financial aid programs like the Tuition Assistance Program to be able to cover non-tuition costs.
- Dramatically increase base aid support for CUNY and SUNY, including passage of the New Deal for CUNY and analogous funding for SUNY to protect the quality of public higher education.
- Support for community colleges to hold funding harmless to 100% of 2019-2020 levels and increase per-FTE base aid. We also urge your support for free community college, building on the

Governor's Opportunity Promise Program, to include all majors and ages of students in the community college system. A well-rounded society is buoyed by well-rounded higher education institutions, inclusive of high-demand majors and liberal arts educations alike.

- Expand the Tuition Assistance Program to graduate students, increase the maximum awards to SUNY's tuition, expand the years awards are available from four to six years, make aid available in the summer and winter, and extend eligibility for students with intellectual disabilities in CTP programs.
- Restore cuts and enhance funding to Opportunity Programs.
- Restore Bundy Aid to at least the historical levels of \$100 million (adjusted for inflation, that amount would be over \$260 million today) for independent institutions.
- Expand funding to campus childcare centers, campus food pantries, mental health services, and support the Free Student Metrocard pilot program (\$1 million).

Over the Years: Underfunding Higher Education In New York

Decades of state neglect – and worse – have taken its toll on New York's higher education sector. Looking at the roll out of higher education policy named "NYSUNY 2020" in 2011, nearly constant hikes have raised tuition rates by more than 42%. When factoring inflation, the automatic tuition hikes at both SUNY and CUNY have far exceeded the growth in the economy. And while students and their families were asked to shoulder more of the tuition burden, the state did not keep up their end of the bargain to increase state funding.

In fact, policies passed under NYSUNY 2020 created widening gulfs between the financial needs of colleges and the funding levels provided by the State. For one example, prior to 2011, New York would increase the maximum TAP award to match the state's public college tuition. In this manner, the lowest income students would be protected from the impacts of tuition hikes. In addition, students attending independent colleges and universities would benefit from enhanced affordability by boosting TAP support. The state's NYSUNY 2020 law de-coupled the maximum TAP award from rising public college tuition rates and decreed that the colleges themselves would have to supplement financial assistance to the lowest income students. This hole – the "TAP Gap" – racked up many millions of dollars every year over the past decade before, laudably, the Governor and Legislature eliminated it in the FY2023 final budget. However, the financial damage caused by the prior years' gaps has not been restored, and without structural change to TAP reimbursements to colleges and universities, this Gap can reemerge.

The proposed Executive Budget does not adequately address a decade of neglect from the previous administration and the financial toll the pandemic took. The state should be creating a fund to help distressed campuses and increase the largely flat funding for SUNY and CUNY institutions. Not investing holistically in these campuses will only diminish student services and the unapparelled economic opportunity they create.

Institutions of Public Higher Education are Economic Development "Engines" that Produce Real Benefits, Unlike Many of the Highly Touted Projects that in Recent Years Have Produced Little Other than Scandal. The TAP program can play a central role in this investment.

In addition to boosting racial and economic equity, public higher education helps to strengthen the economy. It is one of the best vehicles to move New Yorkers to financial stability and grow the "middle class." The research into the economic benefits of investing in higher education has been overwhelmingly positive. The successes are well-documented, but here are some highlights that show a significant return on investment (ROI):

- SUNY’s economic impact in New York State is \$28.6 billion. *For every \$1 invested in SUNY, New York State’s economy benefits the equivalent of \$8.17* and is responsible for nearly 2% of the gross state product.¹
- Approximately 296,000 New Yorkers are directly employed at a higher education institution in New York. Higher ed is responsible for \$27 billion in wages. Further, our colleges and universities engage in cutting edge research and development, spending \$8.3 billion in such activities in 2022.²
- CUNY graduates working in New York State earned a combined \$57 billion annually (\$67,000 on average) in 2019 – \$28.6 billion more than students would have earned without a post-secondary degree.³
- CUNY graduates working in New York paid an estimated \$4.2 billion in State income taxes in 2019.⁴ And the vast majority of CUNY graduates remain in New York State - five years after graduation, 85% of those who went to CUNY stayed in New York.⁵
- The average bachelor’s degree holder contributes \$278,000 more to local economies than the average high school graduate through direct spending over the course of a lifetime; and an associate degree holder contributes \$81,000 more than a high school graduate.⁶
- Five years post-graduation, 85% of graduates from the City University of New York (CUNY), 70% of those from the State University of New York (SUNY), and 65% of graduates from private colleges remain in New York State.⁷

Community Colleges are also prime examples of what economic development should look like. Research from experts like economist Tim Bartik has shown that **community college workforce education** is one of the most cost-effective ways for governments to create jobs and grow the economy, especially in comparison to giving money away to businesses via tax abatements, grants, and other forms of business subsidies.⁸

New York State and its local governments currently spend about \$10 billion annually on a broad array of economic development programs, largely benefiting big businesses, with results that leave much to be desired. It’s time for New York to begin to redefine “economic development” as improving the quality of life for regular New Yorkers and challenge traditional tax abatement and corporate subsidy style economic stimulus. The state and local governments need to realize that true economic development is about

¹ The Economic Impact of the State University of New York: Laura Schultz, November 2018
<https://rockinst.org/issue-area/the-economic-impact-of-the-state-university-of-new-york/>.

² New York State Comptroller. “Economic Impact: Higher Education.” September 2024.
<https://www.osc.ny.gov/files/reports/pdf/higher-education-economic-impact.pdf>

³ Comptroller Stringer Analysis: CUNY Graduates Earn Combined \$57 Billion Annually, Highlighting CUNY’s Significant Contributions to Local and State Economies. <https://comptroller.nyc.gov/newsroom/comptroller-stringer-analysis-cuny-graduates-earn-combined-57-billion-annually-highlighting-cunys-significant-contributions-to-local-and-state-economies/>.

⁴ Comptroller Stringer Analysis: CUNY Graduates Earn Combined \$57 Billion Annually, Highlighting CUNY’s Significant Contributions to Local and State Economies. <https://comptroller.nyc.gov/newsroom/comptroller-stringer-analysis-cuny-graduates-earn-combined-57-billion-annually-highlighting-cunys-significant-contributions-to-local-and-state-economies/>.

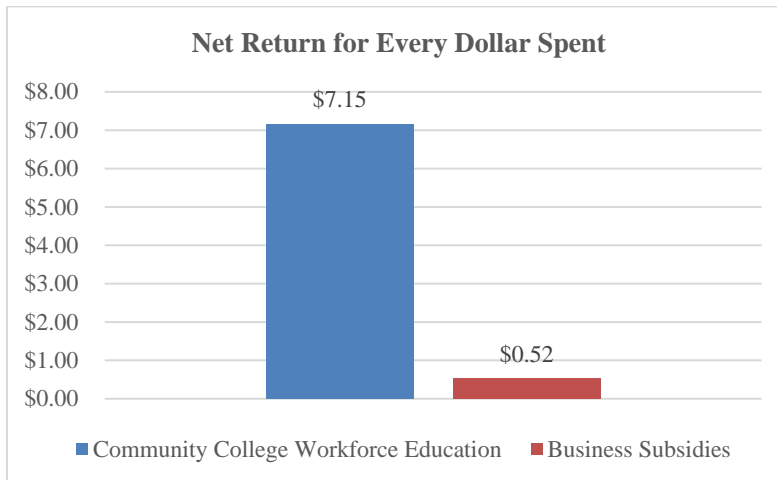
⁵ New York State Comptroller. “Economic Impact: Higher Education.” September 2024.
<https://www.osc.ny.gov/files/reports/pdf/higher-education-economic-impact.pdf>

⁶ Rothwell, Jonathan. “What colleges do for local economies: A direct measure based on consumption.” *Brookings*, July 28, 2016, www.brookings.edu/research/what-colleges-do-for-local-economies-a-direct-measure-based-on-consumption/.

⁷ New York State Comptroller. “Economic Impact: Higher Education.” September 2024.
<https://www.osc.ny.gov/files/reports/pdf/higher-education-economic-impact.pdf>

⁸ Bartik, 2019 <https://reinventalbany.org/wp-content/uploads/2022/11/Workforce-Development-Everybody-Says-They-Love-It.-But-What-Is-It-November-2022.pdf>.

investments in public goods like childcare, K-12 and higher education, the public workforce, homecare, and affordable housing. These investments benefit individuals, families, workers, businesses, and the overall economic health of local communities. *The state should be investing a portion of these billions of dollars in higher education rather than continuing to support programs that simply do not produce the results they claim to.*⁹



State investments in SUNY and CUNY may lack the “razzle dazzle” of highly touted economic development projects, but they deliver solid results. Day in and day out these institutions power New York’s economy and often are the lifeblood of the communities in which they reside. As a former Governor once commented, the “days of wine and roses are over.” In the 21st Century, policymakers must demand that the “days of risky economic development programs are over.” It’s time to focus on investing in programs that work. Invest in human capital through higher education by putting SUNY and CUNY at the top of that list.

The State University of New York: A Powerful Economic Development Engine

When policymakers think about economic development, they should be thinking in terms of job creation, return on investment (ROI) and stemming the outmigration of residents from the state. SUNY and CUNY not only create jobs, but they also create substantial tax revenues and keep students in New York well after they graduate. This provides the state with a skilled labor force, which is one of the most important aspects of what businesses look for when they choose where to locate.

According to a 2018 report from the Rockefeller Institute of Government, SUNY is a key driver of the New York State economic engine. *SUNY’s economic impact in New York State is \$28.6 billion, which represents a 27 percent growth in overall state economic impact since 2008.*¹⁰

The SUNY system educates approximately 436,277 students, employs 77,900 faculty and staff, and has an operating budget of \$11.2 billion.¹¹ To put this in perspective, if SUNY were a private company, it would be among the ten largest employers in New York State. The SUNY system includes community colleges,

⁹ Chart source, New Yorkers for Fiscal Fairness

¹⁰ The Economic Impact of the State University of New York: Laura Schultz, November 2018 <https://rockinst.org/issue-area/the-economic-impact-of-the-state-university-of-new-york/>.

¹¹ “New York’s Largest Private Sector Employers,” NYS Department of Labor, accessed September 20, 2018, <https://labor.ny.gov/stats/nys/Largest-private-sector-employers-NYS.shtm>.

four-year colleges, graduate and research centers, medical schools and hospitals, a law school, and significant commercialization activities. SUNY provides a powerful economic stimulus:

- **179,000** direct (77,900 full and part time SUNY employees) and Indirect Jobs (101,500 jobs indirectly supported).
- **Thirty-four percent** of the educated workforce in New York have a degree from SUNY.
- SUNY grants over 90,000 degrees each year, more than other institutions in the state, with 78% remaining and working in New York State 2 years after graduation.¹²

The City University of New York: A Powerful Economic Development Engine

According to a March 2021 report from the New York City Comptroller,¹³ State support for CUNY results in a powerful economic stimulus.

- **79 percent** of CUNY graduates work full time in New York State after graduation.
- **Nearly 850,000** CUNY graduates work full time in New York State, representing approximately 10 percent of the total private-sector workforce in the state.
- A new report from the Brookings Institution ranks six of CUNY's senior colleges and six community colleges **among the top 10** four-year and two-year colleges nationwide with the greatest success in lifting low-income students into the middle class. Three other CUNY senior colleges were ranked in the top 25.¹⁴

Now is the Time to Dramatically Strengthen Investments in Higher Education:

The state gets such a high return on investment that it makes no sense to shortchange investment in SUNY, CUNY, and independent institutions. If the state wants to stem the tide of working-class people leaving New York, it needs to invest more resources in higher education as graduates tend to stay and work in the state – making significant financial contributions to the economy.

SUNY and CUNY provide job training in areas where there is great demand for workers (nursing and healthcare, technology, agriculture, and teachers, to name but a few). New York's community colleges also provide superior job training with a significant return on investment. The state needs to ensure that it invests appropriate resources in higher education to continue to train the workforce of tomorrow.

The average bachelor's degree holder contributes \$278,000 more to local economies than the average high school graduate through direct spending over the course of a lifetime; and an associate degree holder contributes \$81,000 more than a high school graduate.¹⁵ Private, not-for-profit colleges and universities contribute an estimated \$97.6 billion to New York's economy, based on 2019 data. This economic impact grew by 10 percent from 2017 to 2019.¹⁶

¹² SUNY Graduates Post-Completion Wages <https://www.suny.edu/media/suny/content-assets/documents/institutional-research/DOL-report-Issue1.pdf>.

¹³ Comptroller Stringer Analysis: CUNY Graduates Earn Combined \$57 Billion Annually, Highlighting CUNY's Significant Contributions to Local and State Economies. <https://comptroller.nyc.gov/newsroom/comptroller-stringer-analysis-cuny-graduates-earn-combined-57-billion-annually-highlighting-cunys-significant-contributions-to-local-and-state-economies/>.

¹⁴ Opportunity Engines: Middle Class Mobility in Higher Education, Sarah Reber, Chenoah Sinclair, Tuesday, May 19, 2020 <https://www.brookings.edu/research/opportunity-engines-middle-class-mobility-in-higher-education/>.

¹⁵ Rothwell, Jonathan. "What colleges do for local economies: A direct measure based on consumption." *Brookings*, July 28, 2016, www.brookings.edu/research/what-colleges-do-for-local-economies-a-direct-measure-based-on-consumption/.

¹⁶ Commission on Independent Colleges and Universities, "The Economic Impact of Independent Higher Education in New York," <https://cicu.org/economic-community-impact>.

Recommendation: The State Must Dramatically Increase Base Aid Support for CUNY and SUNY, including passage of the New Deal for CUNY and analogous funding for SUNY

Given the importance of New York’s higher education sector – both in terms of educating the next generation as well as providing an economic stimulus to local communities – it’s hard to imagine revitalizing these important entities without significant additional state support. The state must provide funding to make up for revenues lost from enrollment declines and that addresses the decade of disinvestment that preceded the pandemic.

Budget shortfalls at SUNY and CUNY campuses have led to hiring freezes, staff layoffs, department elimination, and the erosion of student services and quality of education. Students have experienced firsthand difficulty in getting into the classes they need to graduate, limited services such as library hours, and advisement gaps across the CUNY and SUNY system. According to a CUNY survey, over one-third of CUNY students reported not being able to register for a course. Of those students, nearly 60% couldn’t register because the class was not offered at all or there were not enough seats available.¹⁷

New Deal for CUNY legislation would support CUNY students by phasing out tuition, setting better student-to-teacher ratios so that students can get the classes they need to graduate and receive adequate individual attention, and increasing the ratio of students-to-mental health counselors. The need for added mental health resources at college campuses could not be clearer. With limited counselors on campus, students may experience long wait-times for services or difficulty being connected to other resources. Analogous funding for SUNY campuses is also needed to reduce the tuition burden and support student services like more class offerings, better advisement, and more mental health services.

The Legislature should increase senior college operating budgets and pass the New Deal for CUNY legislation and analogous funding for SUNY. The Legislature should also provide more aid to alleviate the burden of current tuition and fee rates, including providing for the first 60 credits to be free for all students and reforming financial aid programs like the Tuition Assistance Program to be able to cover non-tuition costs.

Recommendation: The State Should Increase Funding for Bundy Aid for the Independent Sector

Originally designed to uphold the strength and vitality of independent institutions of higher education,¹⁸ Bundy Aid once stood as a testament to the state’s promise. Today, New York State’s independent higher education sector employs 65% of the state’s higher education workforce, contributing \$33 billion in payroll impact.¹⁹ As a result, New York ranks second only to California in higher education employment across public, independent, and for-profit institutions. However, last year’s cuts to Bundy Aid reduced the state’s total investment in independent higher education by 52%, resulting in an \$18.4 million loss for these institutions.²⁰ Given that Bundy Aid is the only operating aid that Independent Sector campuses receive,

¹⁷ City University of New York, “2018 Student Experience Survey A survey of CUNY undergraduate students,” <https://public.tableau.com/profile/oira.cuny#!/vizhome/2018StudentExperienceSurvey/CoverPage>.

¹⁸ New York State Education Department, New York State Bundy Aid Program, 1969-1981: A Historical Report on New York State Colleges and Universities Receiving State Aid Under Section 6401 of the Education Law (Albany, NY: Cultural Education Center, December 1981).

¹⁹ The Commission on Independent Colleges and Universities, Economic Impact of New York State’s Independent Sector, Fiscal Year 2022-23, <https://www.cicu.org/wp-content/uploads/2024/11/Economic-Impact-of-New-York-States-Independent-Sector-FY2022-23.pdf>.

²⁰ The Commission on Independent Colleges and Universities, Stand Up for Student Aid: Restore FY 2025 Cuts to Bundy Aid, Fiscal Year 2024-2025, <https://www.cicu.org/>.

this cut has significantly impacted over 236,000 students.²¹ **To address this setback, we urge an increase in Bundy Aid to at least its historical level of \$100 million, which, when adjusted for inflation, would exceed \$260 million today, for independent institutions.**

Recommendation: Boost State Support For Community Colleges

Community colleges are facing continued fragile financial circumstances yet are vital to the state's economy. The job training and re-training for under-employed and unemployed workers provided by community colleges is critical as New Yorkers look to a post-COVID future. To that end, the Governor has proposed free tuition for first time community college students ages 25-55 for certain majors in specific high demand fields. This is a good *first* step on which to build. While community colleges certainly provide needed job training, and supporting that is worthwhile, higher education is not reducible to such training. Academic disciplines disfavored by particular employers should not be a luxury for those who can afford it. So, instead of tipping the scales in favor of specific fields and further squeezing the humanities, **we urge that the final budget agreement offer this program to students regardless of which major they choose.**

Governor Hochul's Executive Budget holds community college funding harmless against recent enrollment losses, allocating the same level of funding they received last year. The rate of community colleges' tuition hikes over the past decade far outstrips inflation. Every community college in New York State has increased tuition in excess of higher education inflation.²² And community college tuition increases have exceeded those allowed for the four-year public colleges. Since the first year of SUNY2020, more than half of the SUNY community colleges (16 of 29) and all CUNY community colleges had tuition rate increases that exceeded the rate approved for the SUNY four-year public colleges and universities.²³

The state should be covering 40% of the costs of educating a student at a community college. However, there is a huge discrepancy between the tuition paid by students and the aid provided by the state. In the current fiscal year's budget, the state has pledged to provide \$2,947 in aid for each full-time student attending community colleges. None of the state's community colleges have tuition levels set under \$4,300, much less \$3,000. In fact, average community college tuition is above \$5,000,²⁴ roughly 70% higher than the amount of state support. The Legislature should create a stable minimum funding floor for community colleges at 100% of the 2019-2020 funding level and increase per-FTE base aid. **That amounts to a funding increase of \$11.7 million for CUNY Community Colleges and an estimated \$12.4 million at SUNY Community Colleges.**

²¹ National Center for Education Statistics, College Navigator, U.S. Department of Education, accessed February 13, 2025, <https://nces.ed.gov/collegenavigator/>.

²² For tuition costs for the academic years 2010-11 through AY 2019-20, we relied on the National Center for Education Statistics (a federal agency) to obtain the data necessary to calculate our estimates. We used its Integrated Postsecondary Education Data System." Using the option to "compare institutions," we obtained student population and tuition data used to do the calculations. The data was obtained at <https://nces.ed.gov/ipeds/use-the-data>. Accessed September 2020. For tuition costs for AY2020-21, we reviewed each of the community colleges' websites to obtain current charges.

²³ SUNY tuition for Academic Year (AY) 2010-2011 was \$4,970. The so-called "rational tuition" policy allowed for \$300 annual increases for 5 years, or a total of \$1,500 by July 2016. NY's re-instituted annual tuition increases for AY 2017-2018, 2018-2019, and 2019-2020 by allowing for three \$200 dollar increases, bringing tuition to \$7,070 at SUNY, hence tuition has increased 42%. SUNY community college tuition increased, on average, 43%. Similar increases were approved for the City University systems as well. Its community colleges also exceeded increases beyond those approved for the four-year college and universities within its system. Calculations performed by NYPIRG.

²⁴ *Supra* 6

The State’s Tuition Assistance Program

For five decades, New York State’s Tuition Assistance Program (TAP) has been the way of directing financial aid to the neediest students in both the public and independent college sectors. In its first academic year (1974), the program offered \$1,500 for the neediest students to cover tuition. While the \$1,500 was more than the maximum public tuition charged at the State University²⁵ and the City University²⁶ of New York, the goal at that time also was to help stabilize the costs of attending college in the independent (private) college sector. At that time, the existing state support for independent colleges and universities covered only 22% of private tuition (the maximum state financial aid award to a private college student prior to TAP was \$600). The goal of the then-new TAP assistance was to boost that support to cover half of independent college tuition for the neediest students.²⁷

Today, the maximum TAP award does not cover public college tuition²⁸ and comes nowhere near half of the tuition costs for independent colleges.²⁹ Add to that the significant additional fees charged at public institutions, which are not covered by TAP, and books and housing, it’s easy to see how college has become increasingly out-of-reach – unless loans are taken out.

A lot has changed on college campuses since the early 1970s. A college degree is far more necessary than it was five decades ago.³⁰ Today’s college students are older, more likely to be female, and far more diverse than in 1974.³¹ Also, a lot more students must work to afford college (in addition to the increased debts).³²

Last year, Governor Hochul and state lawmakers took significant steps to modernize and strengthen the program to fit the needs of *today’s* college students. Yet, there are still steps to be taken to ensure that college students – both undergraduate and graduate – are adequately assisted and that it be done in a way that will help stabilize both public and independent colleges in New York.

Graduate Education

The growing importance of obtaining a graduate education has been well documented. Those with graduate degrees often earn more and thus pay more in taxes. The median usual weekly earnings for full-time workers over the age of 25 with bachelor’s degrees was \$1,334 in 2021, according to the U.S. Bureau of Labor Statistics data. Weekly earnings went up to \$1,574 for master’s degree holders, \$1,909 for those with a doctoral degree and \$1,924 for workers with a professional degree.³³

²⁵ Tuition at the SUNY 1974 <https://files.eric.ed.gov/fulltext/ED119552.pdf>.

²⁶ Tuition at the CUNY 1974 <https://cunytime.wordpress.com/quick-facts/cuny-tuition/>.

²⁷ Higher Education Services Corporation, “Appendix E: New York’s Tuition Assistance Program - A History,” <https://www.hesc.ny.gov/partner-access/financial-aid-professionals/programs-policies-and-procedures-guide-to-grants-and-scholarship-programs/appendix-e-new-york-s-tuition-assistance-program-a-history.html>.

²⁸ Current SUNY tuition, “Tuition and Fees,” <https://www.suny.edu/smartrack/tuition-and-fees/>.

²⁹ College Tuition Compare, “2023 Average Tuition of colleges in New York is \$9,187 for Residents and \$18,639 for Others,” February 27, 2023, <https://www.collegetuitioncompare.com/articles/average-cost-of-college-in-new-york/>.

³⁰ Hanford, E., “The Value of a College Degree,” American Public Media, <https://americanradioworks.publicradio.org/features/tomorrows-college/dropouts/value-of-college-degree.html>.

³¹ Education Data Initiative, “College Enrollment & Student Demographic Statistics,” October 1, 2023, <https://educationdata.org/college-enrollment-statistics>.

³² Intelligent.com, “1970 vs. 2020: How Working Through College Has Changed,” November 12, 2021, <https://www.intelligent.com/1970-v-2020-how-working-through-college-has-changed/>.

³³ Claybourn, C., “3 Ways Graduate School Pays Off, An advanced degree can be a smart fiscal and career move, experts say,” US News and World Report, January 12, 2023, <https://www.usnews.com/education/best-graduate-schools/articles/3-ways-graduate-school-pays-off>.

Moreover, the nation’s competitive edge hinges on a growing well-trained workforce. The new global competition for talent places increasing importance on maintaining a world class graduate education system. For the past 50 years, U.S. graduate education has been the jewel in the crown of the American system of education, attracting top domestic and international students by creating dynamic programs that foster scholarship, research, and scientific discovery.³⁴

One of the key obstacles to attending graduate school is cost.³⁵

College costs are the No. 1 barrier to enrolling in higher education, according to a report from Gallup and the Lumina Foundation.³⁶ The report found that college costs are one of the top three factors driving current college students to consider withdrawing. The report found that:

- “Forty-one percent of current college students reported they had thought about “stopping out” — or withdrawing for at least one term – in the past six months. That’s up from 37% in 2021 and 34% in 2020. The trend is particularly pronounced among Black, Hispanic, and male students.
- Among adults without a degree who aren’t currently enrolled, 55% reported program costs as a “very important” reason why they’re not in college, while 45% blamed concerns about affordability due to inflation and 38% cited the need to work.
- Cost was also the biggest barrier to re-enrolling for those who had stopped out, with 54% saying it was a very important reason why they hadn’t returned to school.”³⁷

There is no doubt that college costs have risen over time. Still, the Gallup and Lumina survey shows affordability continues to play a key role both in whether adults decide to enroll and whether students can remain in school. College enrollment rates were already shrinking before the pandemic, but the trend accelerated in 2020 and 2021. Last year, undergraduate degree completions fell for the first time in a decade, according to the National Student Clearinghouse, a nonprofit research organization that tracks college enrollment.³⁸

And yet, 60% of jobs today require some type of education after high school. Barriers to enrolling and completing a college credential have ripple effects for individuals, who may be less likely to find stable, decent-paying jobs without degrees, as well as for communities and the economy at large, which will struggle without enough qualified workers.³⁹

The effect of student loans on enrollment

The report also includes a deep dive into student loans, finding that more than a quarter of students who stopped their studies have student debt. The share is even higher among students who were pursuing a bachelor’s degree, with 39% saying they hold student loans.

³⁴ Council Of Graduate Schools, Advisory Committee on Graduate Education and the Public Good, “Graduate Education and the Public Good,” 2008.

³⁵ Graduate Programs for Educators, “Graduate School Challenges and Powering Through,” September 29, 2023, <https://www.graduateprogram.org/2023/09/graduate-school-challenges-and-powering-through/>.

³⁶ Gallup, Lumina Foundation, “The State of Higher Education 2023 Report,” May 4, 2023, <https://www.luminafoundation.org/resource/the-state-of-higher-education-2023-report/>.

³⁷ Ibid.

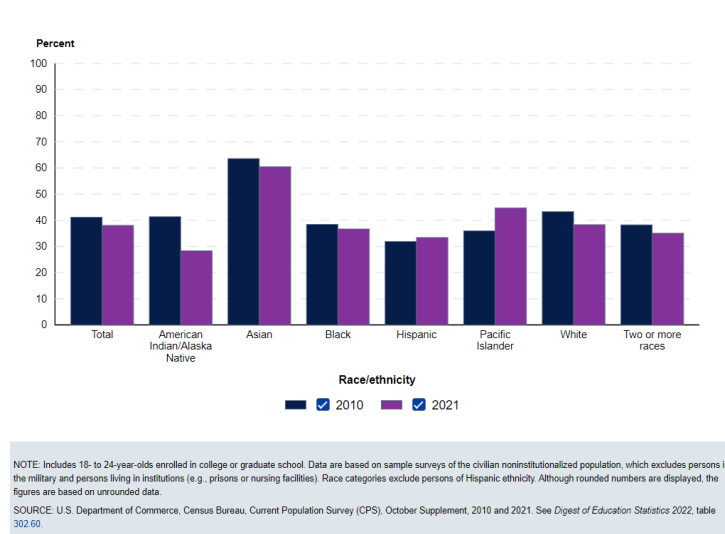
³⁸ National Student Clearinghouse, “Undergraduate Degree Earners Academic Year 2022-23,” April 11, 2024, <https://nscresearchcenter.org/undergraduate-degree-earners/>.

³⁹ Cagnassola, M. “Here Are the 10 Fastest-Growing Jobs for Workers With (and Without) College Degrees,” Money Magazine, April 12, 2023, https://money.com/fastest-growing-entry-level-jobs/?xid=nasdaq&utm_source=nasdaq&utm_medium=rss_synd&ref=%2Fcollege-costs-enrollment-survey%2F.

This population of borrowers, often dubbed “debt but no degree,” are far more likely to struggle with loan payments because they don’t see the earnings boost associated with a postsecondary credential. One report found that 40% of borrowers without a degree ended up defaulting on their loans.⁴⁰

In the Gallup survey, when asked what would help them get back to school, nearly half of students with debt said they’d be “very likely” to enroll if their loans were forgiven. On average, students who’ve stopped out with debt said that they’d need at least 70% of their balance forgiven to re-enroll.

Some 40 million Americans have some college credits but no degree, according to a recent report from the National Student Clearinghouse.⁴¹



Recommendation: Support Education Equity by Overhauling the Tuition Assistance Program for the Modern Student

New York State’s Tuition Assistance Program (TAP) is a generous program that commits the state to aid the neediest college students – both in public and independent institutions. It is TAP that offers “free tuition” to the vast bulk of college students attending public college and contributes to the affordability of attending independent colleges and universities. In the 50 years of TAP, the program has helped four million New Yorkers afford college.⁴² But a lot has changed since the program’s founding in 1974, and TAP is behind the times and student loan debt is reaching a crisis level: 2.4 million New Yorkers now hold outstanding student loans.⁴³ Updating it would have significant social and economic benefits.

⁴⁰ The Center for American Progress, “The Continued Student Loan Crisis for Black Borrowers,” December 2, 2019, <https://www.americanprogress.org/article/continued-student-loan-crisis-black-borrowers/>.

⁴¹ National Student Clearinghouse Research Center, “Some College, No Credential Student Outcomes Annual Progress Report – Academic Year 2021/22,” April 25, 2023, <https://nscresearchcenter.org/some-college-no-credential/>.

⁴² Former New York State Sen. Jose Peralta And Former Assemblyman Francisco Moya, “Make college more affordable by making more Tuition Assistance Program (TAP) grants available,” New York Daily News, November 10, 2014 New York Daily News, <https://www.nydailynews.com/new-york/peralta-moya-students-tap-financial-aid-article-1.2003490>.

⁴³ U.S. Senator Schumer, “Schumer Announces Plan To Immediately Cancel Up To \$50,000 In Student Loan Debt Per Student Across Upstate NY; With 2.4 Million New Yorkers Owing Almost \$90 Billion, Senator Leads Charge To Take Immediate Action In 2021 To Attack Student Debt Crisis,” September, 2020,

TAP should be realigned with the needs of the students and families of today. It should cover more of the cost of tuition for those who qualify and be flexible enough to meet the needs of all types of New Yorkers, not just the “traditional” straight-from-high-school-to-college full-time student that it was initially designed to serve.

NYPIRG urges the Legislature to fix TAP by:

- Re-extending TAP eligibility to graduate students.
- Increase the maximum TAP award to the same level as SUNY tuition (which would also eliminate the “TAP Gap”).
- Extending eligibility for students with Intellectual Disabilities in CTP programs.
- Increase the number of semesters of TAP eligibility for all students, recognizing that most students take longer than four years to complete a baccalaureate degree, and allow for summer and winter TAP awards.
- End the \$100 per-year cut to students’ TAP grants in their last two years of school.
- Restore eligibility for TAP to students in default on federal student loans.

Recommendation: Enhance Opportunity Programs

Opportunity programs, which are designed for educationally and economically disadvantaged students, have a steady track record of success in increasing retention and graduation rates among the most at-risk students. New York State has several opportunity programs: Search for Education, Elevation and Knowledge (SEEK), Linking Employment, Academics, and Disability Services (CUNY LEADS), Educational Opportunity Program (EOP), Higher Education Opportunity Program (HEOP), College Discovery (CD), and others. These programs take a comprehensive approach to college access and affordability by building in academic counseling, mentoring, and often providing waivers for related costs such as transit, textbooks, and child care.

SUNY’s EOP provides access, academic support, and supplemental financial assistance to students from disadvantaged backgrounds, many of them the first in their families to attend college. According to SUNY, graduation and retention rates of Educational Opportunity Program (EOP) students compare favorably to that of the general student population at comparable schools. First year retention, where a student re-enrolls for a second year, for SUNY senior college EOP students is 91% percent,⁴⁴ whereas first year retention rates for the general student body at SUNY senior colleges is approximately 84%.⁴⁵ The six-year graduation rate for EOP students is 73%,⁴⁶ whereas the SUNY-wide senior college rate is 68% – similar results exist for opportunity programs found in the independent sector.⁴⁷

CUNY’s ASAP assists students in earning associate degrees within three years by providing a range of financial, academic, and personal supports including comprehensive and personalized advisement, career counseling, tutoring, waivers for tuition and mandatory fees, MTA MetroCards, and additional financial assistance to defray the cost of textbooks. ASAP also offers special class scheduling options to ensure that

<https://www.schumer.senate.gov/newsroom/press-releases/schumer-announces-plan-to-immediately-cancel-up-to-50000-in-student-loan-debt-per-student-across-upstate-ny-with-24-million-new-yorkers-owing-almost-90-billion-senator-leads-charge-to-take-immediate-action-in-2021-to-attack-student-debt-crisis>.

⁴⁴ State University of New York’s Office of Opportunity Programs, <http://system.suny.edu/oop/>.

⁴⁵ Retention Rates for First Time, Full Time Students in a Program: SUNY Data Analysis and Trends SUNY System Administration Office of the Provost May 2014 Draft <https://www.suny.edu/media/suny/content-assets/documents/powerofsuny/performance-management-system/DRAFT-Retention-Rates-Background-Report.pdf>.

⁴⁶ *Ibid.*

⁴⁷ SUNY Fast Facts, https://www.suny.edu/media/suny/content-assets/documents/FastFacts_2018-Flyer.pdf.

ASAP students get the classes they need, are in classes with other ASAP students, and attend classes in convenient blocks of time to accommodate their work schedules. As students approach graduation, they receive special supports to help them transfer to 4-year colleges or transition into the workforce, depending on their goals. Graduation rates for ASAP students are more than double that of their peers who are not enrolled in these programs.⁴⁸ **The Legislature should restore cuts to opportunity programs in the Executive Budget and enhance funding for these proven programs.**

Recommendation: Expand funding student support programs including campus childcare, campus food pantries, mental health services, and support the Free Student Metrocard pilot program

Campus Childcare: CUNY and SUNY child care centers are a unique and powerful tool for socio-economic mobility in New York City. The cost of child care can be a significant barrier toward accessing a degree. According to the Institute for Women’s Policy Research, just 8 percent of single mothers who enroll in college graduate with an associate or bachelor’s degree within six years, compared with 49 percent of women students who are not mothers.⁴⁹ Single mothers with only a high school diploma are over three times as likely to live in poverty as single mothers with a bachelor’s degree.⁵⁰ It’s unsurprising that access to affordable child care increases degree completion rates. A study by Monroe Community College in Rochester, NY, found that student parents that used the child care center there were 30 percent more likely to stay in school.

Mental Health Services: The pandemic has not only affected students financially but also physically and mentally. The pandemic has been an emotionally taxing time for students as they are isolated and had to quickly adjust to an online learning environment. Student support services have struggled to keep up with student needs. Whether it is grief counseling or help needed for juggling classes, work, and other responsibilities, students are struggling to schedule appointments with mental health experts on campus when they need them most.

Currently CUNY only has one mental health advisor for every 2,700 students.⁵¹ Students struggle to schedule appointments with counselors, sometimes having to wait weeks or months to get an appointment. Anna Compton, a student at Hunter College, was continuously referred off campus despite asking for on-campus assistance, which then led to longer wait times for a counseling session.

Students also struggle to receive proper advisement to be able to graduate on time. Students have run into trouble with long wait times and miscommunication when trying to schedule appointments with advisors to enroll in classes needed to graduate. To remedy these issues students are facing and more, **NYPIRG calls for the Legislature to support the passage of the New Deal for CUNY legislation (S.2274 and A.1727) and analogous funding to SUNY** to, among other things, fund enough mental health counselors to meet the ratio recommended by the International Accreditation of Counseling Services of one advisor for every 1,000 full time students.

Food insecurity was already an epidemic before the pandemic. Startlingly, the number of food-insecure New York City residents has doubled since the onset of the pandemic, from 1.2 million to nearly 2.2 million,

⁴⁸ City University of New York, “Significant Increases in Associate Degree Graduation Rates: CUNY Accelerated Study in Associate Programs (ASAP) (March 1, 2018),” see: http://www1.cuny.edu/sites/asap/wp-content/uploads/sites/8/2018/03/ASAP_Program_Overview_March_2018.pdf.

⁴⁹ Institute for Women's Policy Research, “Investing in Single Mothers' Higher Education: Costs and Benefits to Individuals, Families, and Society.” <https://iwpr.org/publications/investing-single-mothers-higher-ed/>.

⁵⁰ *Ibid.*

⁵¹ Professional Staff Congress - CUNY, Executive Budget Testimony, February 4, 2020 <https://nyassembly.gov/write/upload/publichearing/001101/002253.pdf>.

roughly 25% of the population.⁵² Nearly 40% of Black families in NYC are struggling with food insecurity. The level of worry CUNY students have about running out of food because of lack of money is more than three times higher in 2020 than in 2018 and 54% of CUNY students reported a decrease in their own income due to COVID-19.⁵³ NYPIRG commends the work of CUNY and SUNY staff, often in collaboration with our campus NYPIRG chapters, student governments and the community at large, to stock and maintain food pantries. **NYPIRG urges the Legislature to support funding for campus food pantries at SUNY and CUNY.**

Student Transit Fares: In a city like New York, mass transit defines where you live, where you play, and where you go to school. It is the great equalizer of opportunity and why accessible, affordable, and safe transportation is so important. For New York City’s college students, affording a Metrocard swipe or Omny tap can be the difference between earning a degree or dropping out altogether. A recent survey by the Center for an Urban Future found that affording a Metrocard was the biggest financial barrier cited by students and advisors when discussing college costs. Acknowledging the importance of mass transit to education equity, New York City’s K-12 students receive free Metrocards, yet that resource doesn’t exist for higher education. And with housing and food cost increases outpacing wage growth in the City, the need to address transit affordability to support educational attainment could not be more pressing. **NYPIRG urges the Legislature to support expansions to students of MTA fare discounts like Fair Fares, and support the Free College Student Metrocard pilot program (\$1 million).**

In conclusion, New York’s economy relies on strong CUNY, SUNY, and independent colleges, but these institutions and financial aid programs need additional state funding to make it happen. In order to provide a quality and affordable higher education for all New Yorkers, the state must commit itself to substantially increasing public funding this year and modernizing existing financial aid programs to meet students’ needs.

Thank you for the opportunity to testify.

⁵² AARP, Disrupt Disparities 3.0, <https://states.aarp.org/new-york/disrupting-racial-ethnic-disparities>.

⁵³ CUNY Urban Food Policy, The State of Food Security at CUNY in 2020: An Assessment and Recommendations, <https://www.cunyurbanfoodpolicy.org/news/2020/05/20/the-state-of-food-security-at-cuny-2020>.