



Testimony to

Senate Joint Legislative Public Hearing

Executive Budget Proposals: Higher Education

Presented by

Crystal Griffith

Director, Workforce Development and Education

The Business Council of NYS

February 20, 2025

Chairpersons and Members of the Legislature, thank you for the opportunity to submit testimony on the future of higher education in New York State. My name is Crystal Griffith, and I serve as the Director of Workforce Development and Education at The Business Council of New York State, Inc., the state's largest statewide employer association, representing approximately 3,500 private sector employers. Our diverse membership spans large-scale employers, higher education institutions, minority- and women-owned businesses, entrepreneurs, and small business owners, all of whom recognize the critical role that higher education plays in workforce development, economic mobility, and the future of our state's economy. We appreciate the opportunity to provide testimony and advocate for policies that will strengthen New York's higher education system, expand access to opportunity, and ensure our institutions remain globally competitive while preparing students for in-demand careers.

Key Priorities for Higher Education in New York State

Strengthening State Operating Aid and Capital Investments

Investing in **state operating aid and capital improvements** is critical to ensuring the long-term stability and success of New York's higher education institutions. The **2025-2026 Executive Budget provides \$114 million** in additional funding to offset tuition increases and cover **state-approved collective bargaining costs** at all state-operated campuses. This funding is necessary to maintain affordability for students while ensuring faculty and staff receive appropriate compensation.

Maintaining financial stability for **community colleges** is also essential. The Executive Budget **preserves the 100 percent Community College funding floor**, preventing a **\$75 million reduction** in Direct State Tax Support. Additionally, **\$130.5 million in capital funding** has been allocated to support **up to 50 percent of local sponsor-approved projects**, allowing these institutions to make much-needed infrastructure improvements.

To support adult learners, the budget includes **\$28.2 million to provide free tuition, fees, books, and supplies** for New York residents aged **25 to 55** pursuing associate degrees in high-demand fields. This investment ensures that individuals seeking career advancement have the financial support needed to complete their education and enter the workforce.

Governor Hochul's **2025 State of the State agenda** highlights the **expansion of the ASAP and ACE programs**, which have already demonstrated success in improving student retention and credit attainment across **25 campuses**. The Executive Budget **allocates \$12 million** to sustain and expand these programs from **4,200 to 10,000 slots** over the next two years, ensuring more students benefit from structured academic and financial support.

The **Higher Education Capital (HECap) Matching Grants Program** is essential for improving infrastructure and expanding capacity at New York's colleges and universities. **Unfortunately, the FY 2025 Executive Budget does not include new funding for HECap**, only **\$172 million in reappropriation authority** for previously approved projects. While this ensures continued support for past commitments, it does not address the ongoing capital needs of institutions that rely on HECap funding for facility upgrades.

The Executive Budget includes **\$50 million from the FY 2024 appropriation for Competitive Round 6 awards**, expected to be announced no earlier than **May 24, 2024**. Once fully implemented, **HECap will leverage approximately \$1.2 billion in external funding** to match the State's **\$385 million investment**, resulting in a **\$1.5 billion capital program**. However, without **new funding**, institutions will struggle to modernize facilities, expand academic programs, and enhance research capabilities.

We strongly **urge the Legislature to allocate \$50 million in new HECap funding** in addition to reappropriated funds. This investment will ensure that colleges and universities across the state can continue to provide high-quality learning environments and remain competitive in attracting students, faculty, and research funding.

Additionally, we support the **\$25 million allocation for SUNY's energy and climate change mitigation projects**, allowing institutions to make necessary upgrades while advancing sustainability efforts. These investments in **operating aid and capital funding** are essential to maintaining New York's leadership in public higher education and ensuring students have access to high-quality, affordable educational opportunities. We **urge the Legislature to fully support and protect these critical investments** in the final budget.

Ensuring Affordability and Accessibility through TAP and Other Financial Aid Programs

The Tuition Assistance Program (TAP) is a vital resource for New York students, providing financial aid to thousands across public, private, and proprietary institutions. In the 2025-2026 Executive Budget, we strongly support the proposal to **streamline Part-Time TAP** into a single, cohesive program and reduce the minimum enrollment requirement to three credits. This initiative is critical in addressing the needs of non-traditional students who balance work and family obligations while pursuing their education. We urge the Legislature to **fully adopt this change** and ensure that part-time students continue to receive necessary financial support. The **Tuition Assistance Program (TAP)** is essential for expanding access to higher education, particularly for low-income students. While we appreciate the **FY2025 budget's increase in TAP income eligibility for independent students**, the current award structure still disadvantages those who are financially independent but lack dependents.

To ensure **true equity in financial aid**, we strongly support **eliminating the distinction between dependent and independent students** in TAP eligibility. Many single or married students without dependents face the same financial hardships as their dependent peers but receive less assistance. By **removing this barrier**, New York can create a more inclusive financial aid system that supports all students in need.

Additionally, we support **expanding TAP eligibility** beyond the current four-year limit to **six years (or seven years for certain five-year programs)**, recognizing that many students face personal, financial, and academic challenges that require additional time to complete their degrees. We urge the Legislature to include **S. 3779 (Gouardes) / A. 508 (Anderson)** in the final budget to extend TAP eligibility.

We also **call for the restoration of Graduate TAP**, which was eliminated in 2010, leaving students seeking advanced degrees with limited financial assistance. Given the increasing demand for highly skilled professionals in STEM, education, and healthcare,

reinstating **Graduate TAP under S. 3810 (Stavisky)** will help meet workforce needs by ensuring students have the necessary financial support to pursue advanced degrees. Supporting **veterans in higher education** is essential to ensuring they have the resources needed to transition into civilian careers. We strongly **support a 42% increase in funding** for the **Veterans Tuition Assistance Program**, which would expand eligibility to include **non-combat veterans**. This expansion recognizes the sacrifices made by all service members and ensures they have equal access to education benefits. Investing in veteran support programs strengthens New York's workforce by equipping those who have served with the skills needed to succeed in high-demand industries.

Furthermore, the **Opportunity Promise Scholarship Initiative**, which allocates **\$47 million** to fund scholarships for adult learners aged 25-55 pursuing associate degrees in high-demand fields such as nursing, technology, and education, is a critical step forward. However, this initiative currently excludes private institutions that also offer these degree programs. To ensure equity and workforce readiness across all sectors, we request the Legislature to **expand eligibility to independent institutions** that provide associate degrees in these fields.

Restoring and Expanding Institutional Support Programs

Bundy Aid, which supports independent, non-profit institutions, has faced continued reductions in funding. In FY2025, funding was limited to institutions with endowments under \$750 million, disproportionately affecting private colleges and universities across New York State that serve diverse student populations. We request a **full restoration of Bundy Aid to \$35.33 million**, ensuring all institutions, regardless of endowment size, receive appropriate financial support.

The **Arthur O. Eve Higher Education Opportunity Program (HEOP)** has been a critical resource for economically disadvantaged students, providing financial assistance and academic support to ensure college success. However, the **Executive Budget proposes a 5% reduction** in funding for Opportunity Programs, jeopardizing access to these essential services. Instead of cutting support, we **urge the Legislature to increase funding by 20%**, bringing **HEOP to \$58.85 million**, the **Science and Technology Entry Program (STEP) to \$26.19 million**, its collegiate counterpart **C-STEP to \$19.85 million**, and the **Liberty Partnership Program (LPP) to \$30.41 million**. These programs are instrumental in increasing college retention and graduation rates for underrepresented students. For students with disabilities, we support restoring **\$2 million in funding** that was cut from the **New York State Education Department's Advisory Council on Postsecondary Education for Students with Disabilities**. This program provides essential support, including mental health literacy, faculty training, and accommodations for over **104,000 students statewide**. We request a full **\$6 million funding level** to meet the growing needs of students with disabilities.

Investing in Workforce Development and Research Innovation

The **Centers for Advanced Technology (CATs)** and **Centers of Excellence (COEs)** are critical economic development engines that drive innovation, workforce development, and industry partnerships across New York State. These Centers facilitate cutting-edge research and technology commercialization, providing students and businesses with invaluable opportunities to collaborate and innovate. Unfortunately, the **2025-2026 Executive Budget**

proposes cuts to these programs, which would significantly hinder their ability to attract research funding, develop commercial technologies, and foster job growth. In the most recent reporting year, these Centers helped **create and retain 767 jobs and generated nearly \$947 million in economic impact**, demonstrating an **ROI greater than 32:1**. Reducing their funding would weaken these economic gains and harm New York's ability to compete in the national and global research landscapes.

We are especially concerned that the **Center of Excellence in RNA Research & Therapeutics (CERRT) at the University at Albany was completely eliminated** in the Executive Budget. Without legislative intervention, this critical research hub could lose its funding entirely, putting at risk advancements in RNA-based therapeutics and New York's leadership in biotechnology and pharmaceutical innovation.

To ensure these Centers continue to thrive and contribute to the state's economy, we **urge the Legislature to restore and increase funding** to \$1.5 million for each of the 29 CATs and COEs and \$500,000 for CERRT at UAlbany, bringing total combined funding to **\$44 million**. This investment will safeguard high-impact research and workforce development while positioning New York as a national leader in technology-driven economic growth. We strongly encourage the Legislature to **reject the proposed budget cuts and expand financial support for these vital programs**.

New York faces significant workforce shortages in healthcare, clean energy, and technology sectors. Higher education institutions play a critical role in filling these gaps through research, training, and education-to-career pipelines. The **Empire AI initiative**, which received **\$90 million in additional funding** in the Executive Budget, is a promising step forward in expanding **SUNY's supercomputing and research capacity**. To ensure the state remains competitive in the global knowledge economy, we support continued investment in **cutting-edge laboratory facilities, research initiatives, and industry partnerships**.

We also support the **Capital Investment Plan**, which includes **\$550 million** for campus infrastructure maintenance and an additional **\$200 million for the New York State Innovation Fund**, aimed at attracting research talent and catalyzing groundbreaking discoveries. These investments will enhance academic excellence, promote faculty recruitment, and strengthen New York's position as a leader in innovation.

Additionally, proprietary institutions that provide specialized workforce training, particularly in **healthcare, business, and applied technology**, should be fully included in **Early College High School (ECHS) programs**. These programs allow high school students to earn college credits while completing their diplomas, preparing them for successful careers. However, proprietary colleges are currently excluded, despite their proven ability to equip students with job-ready skills. We request that the Legislature **expand ECHS eligibility to proprietary institutions**, allowing school districts greater flexibility in forming local partnerships.

Expanding Access and Equity in Higher Education

We strongly **support investments that expand access to higher education and promote equity** across New York's colleges and universities. The **Educational Opportunity Program**

(EOP) has been a lifeline for economically disadvantaged students, providing financial aid and academic support to ensure their success. The **Executive Budget's proposed reduction threatens to undermine these critical resources**, which is why we **urge the Legislature to restore \$1.9 million in EOP funding and increase support by \$4.5 million** to expand access and enhance financial aid packages.

We also **support a \$3 million investment in the Higher Education in Prison Program**, which has been proven to reduce **recidivism by over 40 percent** and decrease violence in correctional facilities. With **20 state institutions already providing educational programs to 29 state prisons and one federal facility**, additional funding would **expand opportunities for incarcerated individuals**, giving them a second chance to earn degrees and contribute positively to their communities.

New York must continue investing in **environmental science education**, particularly for students from historically underrepresented backgrounds. We **urge an increase in funding for the Timbuctoo Climate Science Careers Summer Institute from \$1.25 million to \$2.1 million** to provide more students with access to hands-on research and career exploration in environmental sustainability. This expansion would strengthen the pipeline of future environmental scientists and climate leaders.

Diversity and leadership development initiatives must also be prioritized. We **fully support restoring \$350,000 for the SUNY Black Leadership Institute and \$350,000 for the Asian American, Native Hawaiian, and Pacific Islander Leadership Institute**, both of which play a critical role in mentoring, career development, and leadership training for historically marginalized students. Furthermore, we **urge the Legislature to restore \$2 million for the Maritime Cadets Appointment Program**, which ensures students pursuing careers in maritime industries receive the resources they need to succeed.

To address urgent workforce challenges, we **strongly support the restoration of \$1 million for the High Needs Nursing Program** to address the state's **growing healthcare workforce shortages**. Additionally, the **mental health crisis among college students continues to escalate**, and we **urge the Legislature to restore \$1 million for Mental Health Services** to ensure that students across higher education institutions have access to the counseling and wellness resources they need.

By making these strategic investments, New York can **strengthen higher education access, workforce readiness, and student well-being** while fostering greater equity and opportunity for all. We **urge the Legislature to prioritize these critical funding requests in the final budget** to build a stronger and more inclusive higher education system.

Strengthening SUNY Hospital Infrastructure and Financial Stability

New York's **SUNY hospitals play a critical role** in providing high-quality healthcare, medical education, and research while serving some of the state's most vulnerable populations. To ensure their continued viability, we **strongly support making the hospital debt service relief**

permanent, allowing **SUNY Upstate, Downstate, and Stony Brook hospitals** to retain patient revenues for operations instead of having them redirected to the General Fund. For the past three years, this policy has provided essential financial relief and making it permanent will allow these institutions to **continue delivering essential care without financial instability**.

Additionally, we **support the Executive Budget's investment of \$750 million for SUNY Downstate Hospital**, which will help develop a **sustainable future in partnership with the Downstate Community Advisory Board**. The budget also allocates **\$100 million to cover Downstate's operating deficit**, ensuring continued services during this transition. Further, we **support the \$200 million investment in Upstate Medical**, which will fund the design and construction of a **new hospital annex, expanding the Emergency Department to decrease waiting times** while also developing a **new Burn Unit and an expanded Operating Room Unit** to enhance patient care and accommodate growing demand.

Infrastructure maintenance is equally vital to ensuring high-quality patient care and modernizing hospital facilities. We **urge the Legislature to fully support the \$50 million allocation for each of the three SUNY hospitals**, ensuring that **Upstate, Downstate, and Stony Brook** have the resources necessary for critical infrastructure improvements. These investments will **strengthen healthcare services, enhance medical training programs, and support New York's long-term healthcare workforce development goals**.

New York's higher education system must continue to evolve to meet the diverse needs of students, employers, and the broader economy. The Business Council of New York State urges the Legislature to support policies that ensure sustainable funding across all sectors, enhance education-to-career pathways, and address workforce shortages through strategic investments in research, training, and financial aid. By fostering equitable access to opportunity and strengthening the state's position as a leader in higher education and workforce development, we can create a more resilient and thriving economy. We appreciate your leadership in advancing these priorities and look forward to continued collaboration. Thank you for the opportunity to share this testimony.