

Testimony of Chancellor Félix V. Matos Rodríguez
The City University of New York
Joint Legislative Public Hearing on the Fiscal Year 2027
Executive Budget Proposal: Higher Education
Tuesday, February 24, 2026

Good morning, Chairs Krueger, Stavisky, Hyndman, and Pretlow, and members of the Senate and Assembly Higher Education, Finance, and the Assembly Ways and Means Committees.

I am Félix V. Matos Rodríguez, Chancellor of The City University of New York. I am here proudly representing our 400,000 degree-seeking and continuing education students and 40,000 faculty and staff and look forward to presenting highlights of the past year and some of our aspirations for the coming one.

I am joined by University Provost Alicia Alvero, Chief Operating Officer Hector Batista and Chief Financial Officer Kenneth Godiner.

Thank you, first, to Governor Hochul, and to all of you, our state legislators, for your continued partnership and support, which enables CUNY to expand access and deliver strong returns for our students, families and the communities we serve. Your investments have been essential to stabilizing public higher education, expanding access for students across New York and strengthening CUNY's role as a potent driver of upward mobility and economic development for our state. Year after year, we expand access to high-quality educational opportunities at a cost that allows 72 percent of CUNY students to attend tuition-free and 77 percent to graduate without debt.

Recent national rankings again underscore the value New Yorkers already know our university delivers: CUNY took the top seven spots on the Wall Street Journal's Best Value Colleges list, with Baruch College ranked number one for the third consecutive year.

One clear sign of our momentum is that more New Yorkers continue to choose CUNY. The University's enrollment has grown for the third consecutive year in 2025, a 3.8% increase that brought total enrollment growth to nine percent and almost 21,000 additional students since Fall 2022.

The enrollment gains have been driven by a number of intentional efforts. We have strengthened our partnerships with New York City Public Schools, personalized our engagement with high school seniors and boosted our recruitment and marketing efforts. And we have seen the payoff of targeted recruitment initiatives like CUNY Reconnect, Governor Hochul's free community college program for adults who pursue degrees in high-demand fields. Nearly 6,000 New Yorkers have enrolled in the program since it began last summer.

A central focus of CUNY's student success work has been CUNY Beyond, our ambitious systemwide initiative to ensure that every student graduates prepared for success after college. Launched in the fall, CUNY Beyond embeds career readiness from day one, expands paid internships and experiential learning, and integrates career advising across academic programs. This is important because students who work in paid internships and apprenticeships, for example, are three times more likely to receive a job offer at graduation with a higher starting salary. The initiative is being rolled out in phases, beginning at four campuses with expansion planned for all our undergraduate campuses.

Complementing this work is Power Your Business with CUNY, a new industry-facing campaign. CUNY is already a major pipeline to New York City's workforce, with 30,000 employers actively recruiting our students and graduates. The new campaign connects industry partners to CUNY talent and addresses workforce needs in health care, technology and teaching.

CUNY's AI programs — along with more than 200 AI-related initiatives on our campuses — position our students and our university at the forefront of the evolving tech economy. These include new AI postdoctoral fellowships, a highly competitive Google-funded faculty institute, and the CUNY AI Innovation Fund. In addition, we are recruiting and hiring the first of 25-new faculty AI researchers for the Empire AI Consortium funded by the Simons Foundation.

Just as importantly, CUNY is New York's teacher pipeline. CUNY prepares more than one-third of all New York City public school teachers and more than 40 percent of the teachers of color in New York State. I'm very proud that new teachers with CUNY degrees have a 17% higher five-year retention rate in city public schools than new teachers with other degrees. That scale and success – and our new programs in early childhood leadership and administration – will be critical to our state's and city's universal child care and early childhood agendas. CUNY is also well-positioned to play a critical role in addressing the shortage and diversity of teachers in our state.

CUNY's research enterprise also continues to grow. As a result of sustained increases in externally funded research, two CUNY colleges now have Research 2 designations, alongside the R1 designation of the Graduate Center. As the only R1 public institution in New York City, the Graduate Center awards the most research doctoral degrees to underrepresented students of all twelve R1 institutions in New York State.

And we are continuing to build on our multipronged approach to fostering a safe and inclusive environment with centralized support from our Center for Inclusivity and Equal Opportunity. We have enhanced the system for reporting incidents of discrimination, harassment, and retaliation to ensure they are addressed promptly, fairly, and consistently. We have introduced mandatory Title VI training for employees and expanded programming on navigating difficult conversations through a partnership with the Constructive Dialogue Institute.

We are working to provide that same safe environment for our immigrant students who currently face significant uncertainty and fear. Over the past year, for example, critical funding from the Petrie and Robin Hood Foundations allowed us to offer rapid-response legal guidance for immigrant students, faculty and staff through the new CUNY Immigration Assistance Project.

We also remain focused on advancing essential capital projects that modernize classrooms, laboratories, and student spaces; improve energy efficiency; and address deferred maintenance across the system. Over the past two fiscal years, CUNY has invested about \$850 million in facilities, completing or substantially advancing more than 100 projects.

Now let me turn to the Governor's Executive Budget.

Executive Budget

I would like to express my gratitude to Governor Hochul for an Executive Budget that provides new operating and capital funding for CUNY.

For CUNY's operating budget, there is an increase of \$36 million in operating support for our senior colleges. However, this will cover only half of the cost of our wage increases in Fiscal Year 2027 associated with our collective bargaining agreement. An additional \$36.5 million is needed to fully cover the cost of those salary increases.

We are also grateful that the Executive Budget provides partial funding for the increase in our fringe benefit costs. However, we need an additional \$29 million to fully cover these cost increases related to both the faculty union contract agreement and other employment cost increases, including sharply rising health insurance costs.

Additionally, the University and colleges are required to cover inflationary cost increases on goods and services, building rentals and energy. We did not receive any funding for these costs in the Executive Budget. If we do not receive additional funding in the enacted budget, other areas will have to be reduced to make up for this shortfall. CUNY's unfunded mandatory costs increases, apart from collective bargaining costs, total \$31.9 million for FY2027.

We are pleased to see that the community college funding floor is continued at 100 percent of the previous year's funding with a continuation of \$10.6 million. We also appreciate the expansion of the Reconnect program to include additional high demand programs and remove the prior degree requirement for the nursing program. And we are very grateful for the Governor's inclusion of \$6.8 million for our CUNY Beyond initiative that I described earlier.

Let's build on that strong foundation with:

- A \$26.6 million investment in artificial intelligence integration and leadership

- a \$9.2 million investment in health professions
- a \$5.9 million investment to support academic and career advisement
- a \$5.2 million investment to expand disability services
- a \$3.1 million investment in student mental health services

Turning to CUNY's capital budget, the executive budget provides critical infrastructure investments to modernize our 26 campuses. The plan allocates \$421 million in new capital funding for our four-year schools and community colleges. This support will be used to pay for critical repairs and maintenance as well as strategic investments in research facilities.

However, additional capital resources will be needed to enable us to maintain our campuses in a State of Good Repair and further invest in classroom and research infrastructure. Our request totals approximately \$1.9 billion. There are various key initiatives but given the time constraints I will just highlight a \$400 million request to bring 55% of CUNY buildings to a State of Good Repair by 2028. This is critical considering that the current estimated value of the Deferred Maintenance Backlog is about \$7 billion and more than 52 percent of CUNY's buildings are 50 years old or older.

This budget season presents significant challenges for all of us entrusted with stewarding public higher education in New York. As we face great shifts in federal policies that impact higher education, our shared commitment to access, excellence and opportunity is more important than ever. Your support has driven progress, and I am confident that together we will keep making CUNY a national model for student success and public purpose. Thank you.

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