



**TESTIMONY
OF THE
NEW YORK PUBLIC INTEREST RESEARCH GROUP
BEFORE THE
JOINT LEGISLATIVE BUDGET HEARING ON HIGHER EDUCATION
FOR THE 2018-2019 BUDGET
JANUARY 23, 2018
Albany, New York**

Good afternoon. My name is Smitha Varghese and I am the Chairperson of the New York Public Interest Research Group's (NYPIRG) student Board of Directors and a CUNY Queens College student.

NYPIRG is the State's largest non-partisan student advocacy organization. Our Board of Directors consists of college and university students elected from campuses with NYPIRG chapters across the state. We appreciate this opportunity to share our preliminary perspectives on the Governor's 2018-2019 Executive Budget for higher education in New York State.

**INVESTMENT IN HIGHER EDUCATIONAL INSTITUTIONS IS A NECESSITY FOR
A THRIVING ECONOMY AND DEMOCRACY**

Investing in public higher education is a win for individual New Yorkers and a win for the state's economy as a whole, even amid a climate of budget-tightening. A study on California's state colleges and universities found that for every \$1 spent on education, the economy reaps \$4 dollars in benefits.¹ College-educated workers earn more than their high-school educated peers – by an average of \$17,500 per year for millennials, as found by the Pew Research Center. As wages increase, so do tax revenues which support any number of public services.

What's more, 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.²

¹ Stephens, Elisa. "Higher Education and America's Economic Growth." The Huffington Post, TheHuffingtonPost.com, April 19, 2010, www.huffingtonpost.com/elisa-stephens/higher-education-and-amer_b_542906.html.

² 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/.

Higher education access and degree completion must remain a priority in this year's budget.

The economic value of a college degree is well-documented, but college has benefits that extend well beyond individual economic returns. A primary function of postsecondary education is to develop college students' involvement in the nation's civic life and democratic processes, engender a sense of social responsibility, and develop an appreciation and respect for difference across cultures and peoples.

And while a college education is not the only way to achieve those goals, New York's colleges and universities – both public and independent – offer experiences that build a better understanding of the importance of civic participation as well as provide the skills to help students to evaluate increasingly complex technological and scientific issues that can become the focus of public policy.

OPPORTUNITY PROGRAMS ARE IMPORTANT PATHWAYS THAT HELP AT-RISK STUDENTS SUCCESSFULLY COMPLETE COLLEGE.

THEIR DEMONSTRATED SUCCESSES SHOULD RESULT IN PROGRAMMATIC EXPANSIONS, NOT CUTS

Opportunity programs, which are designed for educationally and economically disadvantaged students, have a steady track record of success in increasing graduation rates among the most at-risk students.³ In general, students in opportunity programs are individuals who have come from low-income communities and often rank low on traditional measures of collegiate admissions standards, such as SAT scores, high school GPA, and class standing. New York State has several opportunity programs in place to help increase access to higher education to New Yorkers. These programs include Search for Education, Elevation, and Knowledge (SEEK), Higher Education Opportunity Program (HEOP), College Discovery, Educational Opportunity Program (EOP), and others.

Despite the track records of the successes of these programs, the executive budget proposes cuts, not improvements.

- The executive budget cuts \$5 million from SUNY's Educational Opportunity Program (EOP). **NYPIRG urges restoration and expansion of funding.**
- The executive budget cuts \$5 million from Search for Education, Elevation, and Knowledge (SEEK). **NYPIRG urges restoration and expansion of funding.**
- The executive budget cuts \$2.5 million from CUNY's Accelerated Study in Associate Programs (ASAP). **NYPIRG urges restoration and expansion of funding.**
- The executive budget cuts \$1 million to child care centers at SUNY and \$900,000 dollars from child care centers at CUNY. **NYPIRG urges restoration and expansion of funding.**

³ For an example of the success of opportunity programs, see State University of New York's Office of Opportunity Programs, <http://system.suny.edu/oop/>.

- The executive budget cuts \$200,000 to College Discovery. **NYPIRG urges restoration and expansion of funding.**

Opportunity programs often take a more holistic approach to college affordability and student support services. Textbook, transit, food, and housing costs are barriers toward on time graduation. ASAP and other programs build in robust advisement services, and funding for textbook and transit costs, among other costs. And it works. Students involved in the nationally recognized ASAP graduate at more than double the rate of non-ASAP students.⁴

- **NYPIRG recommends that the state looks to programs such as CUNY’s Accelerated Study in Associate Programs (ASAP) as a model for free public college which addresses the all-in costs of higher education and has proven to increase graduation rates.**

THE TUITION ASSISTANCE PROGRAM SHOULD BE MODERNIZED TO REFLECT CHANGES IN THE COLLEGE STUDENT POPULATION

There are still many New Yorkers that need financial support to pursue a college degree. In order to enhance the accessibility and affordability of attending New York’s higher educational institutions to qualified students, the Tuition Assistance Program (TAP) should be expanded.

Tuition aid for part time students

TAP should 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. There is an increasing need for a college degree in today’s economy, and yet the high costs are still a barrier for many. The availability of blue collar jobs that do not require a Bachelor’s degree has decreased by 30 percent since 1991.⁵ Nationally, NY ranks in the top four states with the highest decrease in blue collar jobs.⁶

We have heard from many students who are parents, have jobs, and other responsibilities which do not allow them to take on a full-time course load. NYPIRG applauds the decision to create a Part Time Scholarship, however more funding must be advanced to ensure *all* students unable to attend school full-time have access to the resources they need to attain a degree. Opening up TAP to part time students could be the answer. Unfortunately, the Executive Budget does not propose these changes to TAP. **NYPIRG urges an expansion of financial aid for part-time students.**

⁴ City University of New York, “Significant Increases in Associate Degree Graduation Rates: CUNY Accelerated Study in Associate Programs (ASAP),” March 1, 2017, http://www1.cuny.edu/sites/asap/wp-content/uploads/sites/8/2017/03/ASAP_Program_Overview_Web.pdf.

⁵ Fain, P, “College Degrees Lead to ‘Good Jobs,’” Inside Higher Education, July 26, 2017, <https://www.insidehighered.com/news/2017/07/26/increasing-share-good-paying-jobs-go-college-graduates>.

⁶ Georgetown University’s Center on Education and the Workforce, “Good Jobs That Pay Without a BA,” <https://goodjobsdata.org/wp-content/uploads/Good-Jobs-States.pdf>.

Tuition aid for undocumented students

New York has long recognized the importance of supporting immigrant students, including funding programs to support English Language Learners and college readiness programs. In 2002, then-Governor Pataki and the Legislature agreed to grant undocumented students access to in-State tuition rates. Moreover, in most instances these college-ready students have gone through the State's K-12 educational system—representing a significant investment the State has already made in their education. Currently, only 5-10 percent of undocumented high school graduates pursue a college degree. The Office of the State Comptroller estimates that 8,300 undocumented students attended public higher educational institutions in New York in 2012.

The Governor took a positive step by including funding to cover the financial assistance tuition needs of college students who are undocumented immigrants. This proposal would enable undocumented students who have graduated from New York public high schools to be eligible for State financial aid, essentially an expansion of the TAP program to otherwise eligible college students so that they are able to get needed aid. **NYPIRG urges that the state provide financial aid assistance to qualified undocumented students.**

TAP support for incarcerated individuals

Despite prisons being called “correctional facilities,” they do a dismal job in turning lives around. According to the U.S. Department of Justice, nationwide about two-thirds of released state prisoners were re-arrested within three years and three-quarters within five.⁷ Too often, prison is a revolving door. And it's a revolving door that impacts certain communities worse than others. According to the Cuomo Administration, nearly half of New York inmate population is African American, nearly one quarter is Hispanic, and nearly one quarter is white.⁸

The revolving door too often sends recently-discharged inmates into communities in which they will commit a future crime. As a result, neighborhoods are less safe and people's lives are too often ruined. The currently high recidivism rate helps no one, so what should be done?

While prisoners can sometimes get access to educational courses now, they are ineligible for the federal Pell Grant program as well as the New York State Tuition Assistance Program (TAP). Since the vast majority of inmates are low income, they usually cannot afford college courses while in prison. The connection between higher education and reduced recidivism has been well established. In one study, individuals who earned an Associate's degree were 62 percent less likely to return to prison than those who did not.⁹

⁷ U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Statistics, “3 In 4 Former Prisoners In 30 States Arrested Within 5 Years Of Release,” April 22, 2014, see: <http://www.bjs.gov/content/pub/press/rprts05p0510pr.cfm>.

⁸ New York State Department of Corrections and Community Supervision, “Under Custody Report: Profile of Inmate Population Under Custody on January 1, 2013,” see: http://www.doccs.ny.gov/Research/Reports/2013/UnderCustody_Report_2013.pdf.

⁹ City University of New York, John Jay College of Criminal Justice, “NYS Prison to College Pipeline,” see: <http://johnjayresearch.org/pri/projects/nys-prison-to-college-pipeline/>.

A study conducted by the University of California at Los Angeles found that “[a] \$1 million investment in incarceration will prevent about 350 crimes, while that same investment in education will prevent more than 600 crimes. Correctional education is almost twice as cost effective as incarceration.”¹⁰ **NYPIRG urges TAP eligibility for incarcerated individuals.**

TAP expansion for graduate students

Graduate TAP began in 1974-1975, helping 22,253 New York graduate students with an average award of \$302 with a maximum award of \$600. The program has fluctuated greatly over the years with regards to the number of students receiving the award, the maximum award available, average award distributed, and the amount of money the state invested in the program. Before TAP for graduate students was completely eliminated in 2009-2010, it served 7,251 students.¹¹

The Bureau of Labor Statistics estimates that jobs requiring master’s degrees and professional degrees will grow by 22% and 20%, respectively, from 2010 to 2020 – faster than any other level of education.¹² According to the Georgetown University Center on Education and the Workforce, a worker with a high school diploma can expect to earn \$1.3 million over a lifetime, while a worker with a bachelor’s degree will earn \$2.3 million and a worker with a master’s degree will earn \$2.7 million over a lifetime.¹³ While the benefits of advanced degrees are clear, financial aid programs are either non-existent or uninviting to prospective graduate students, many of whom already hold student loan debt. **NYPIRG urges TAP expansion for eligible graduate students.**

- **NYPIRG recommends expanding TAP and other aid opportunities to part time students, undocumented students, graduate students and incarcerated students.**

EXPAND THE EXCELSIOR SCHOLARSHIP PROGRAM TO HELP ALL STUDENTS IN NEED

NYPIRG applauds the decision by Governor Cuomo and the Legislature to create the Excelsior Scholarship program. It is a significant *first* step in addressing the rising costs of attending public colleges and universities. However, like many first-year programs, there are additional steps that should be taken to help it achieve its goals.

As you know, Excelsior recipients that fail to graduate within four years are faced with a daunting problem: the entire previous four years of free tuition get turned into a loan, which they

¹⁰Audrey Bazos and Jessica Hausman, UCLA School of Public Policy and Social Research Department of Policy Studies, “Correctional Education as a Crime Control Program,” p 2, March 2004, see: <http://www.ceanational.org/PDFs/ed-as-crime-control.pdf>.

¹¹ New York State Higher Education Services Corporation, “Graduate Level TAP AY 1974-1975 thru 2009-2010,” Neal Warren, September 2013.

¹² United States Department of Labor, Bureau of Labor Statistics, “Occupational Outlook Handbook, Projections 2010-2020,” <http://www.bls.gov/ooh/about/projections-overview.htm>.

¹³ The Georgetown University Center on Education and the Workforce, “The College Payoff: Education, Occupations, Lifetime Earnings,” Page 2, August 15th 2011, <http://www9.georgetown.edu/grad/gppi/hpi/cew/pdfs/collegepayoff-summary.pdf>.

must pay off. Students must be able to enter *and* graduate tuition-free to fulfill Excelsior’s mission of “free tuition” for low and middle income students.

For those students who are able to take on a 15 credit per semester course load, SUNY and CUNY will need to ensure that courses are available for them. Yet, according to a CUNY survey, over a third of CUNY students reported not being able to register for a course they needed for their major. Of those students, half couldn’t register because there were not enough seats available.¹⁴ To ensure that students are able to graduate on time, more funding must go toward expanded course availability.

The Excelsior Scholarship requires a 30 credit per year commitment, not 15 per semester, which is intended to allow students to spread out their course load into the winter and summer. This sentiment is a nod to the fact that some students may not realistically be able to take on a 15 credit per semester course load for multiple reasons including personal obligations, time spent working to pay for tuition if they don’t receive aid, textbooks, food, rent, and other costs.

We’ve heard from a number of students who struggle to balance their full-time course load, jobs, and personal obligations.

Ramona Shoy-Parker, a Brooklyn College Excelsior Scholar, shared:

“I am a freshman at Brooklyn College studying Communication Television and Radio. Without the Excelsior Scholarship, I would have needed to take out a loan. Luckily, I found out about the scholarship through Forest Hills High School. They pushed me to fill out FAFSA early. They had an assembly about the scholarship and sent emails with a link to apply. I don’t plan to stay in Brooklyn College. My mom just moved to Florida and I will be transferring to a school down there. I am aware that the scholarship will turn into a loan however, I am still grateful because the scholarship gave my mother time to save up before she can start paying out of pocket.

Currently, balancing work and school is a lot. I am taking 15 credits while working 40 hours a week to pay for additional costs such as textbooks, food and transportation. My mom helps me out with the costs but balancing it is a lot, especially straight out of high school. If I had the option to take fewer classes I would. I believe the scholarship would be better if students were able to take a mandatory 12 credits because 15 is a lot of pressure, especially since the scholarship doesn’t cover Winter or Summer semesters.”

Currently, students nationwide work an average of about 30 hours per week and at least a quarter of all students – and about a fifth of all students who enroll on a full-time basis – are also employed full-time while enrolled.¹⁵ In a recent report put out by the CUNY Office of Institutional Research and Assessment, of students that work, 79 percent reported that they work

¹⁴ City University of New York, “2016 Student Experience Survey A survey of CUNY undergraduate students,” http://www2.cuny.edu/wp-content/uploads/sites/4/page-assets/about/administration/offices/oira/institutional/surveys/2016_SES_Highlights_Updated_10112016.pdf.

¹⁵ Georgetown University Center on Education and the Workforce, “Learning While Earning - The New Normal,” 2015, <https://cew.georgetown.edu/cew-reports/workinglearners/>.

to pay for living expenses and over a third of those who work believe that having a job negatively impacts their academic performance.¹⁶

While it is laudable that the Excelsior Scholarship will increase its income threshold to \$110,000, and more students will qualify for “free tuition,” some students in need will be boxed out. For example, Stephanie Almaldovar is a student at City College of New York who does not qualify for any tuition assistance because her family makes just above the income threshold. She told us her story:

“I am a freshman at CUNY City College. I am currently looking to go into Civil Engineering. Right now, I work as a group leader at a local YMCA and this job allows me to save a little for school. Unfortunately, I do not receive Pell Grants and I do not qualify for the Excelsior Scholarship because my mother’s income is just above the cut off level. Often times I struggle with paying tuition and buying the necessary textbooks for school.

I do not qualify for work-study so most weeks I have to choose between saving money towards school or buying lunch. I usually only eat lunch 2-3 times a week but sometimes that’s too much because buying snacks will deplete my savings and I would not be able to eat for the rest of that week.

Thankfully, with the help of outside scholarships, I am now able to pay tuition without worry. However, at any time, that could change. I try my hardest to not let these troubles overcome my college experience but sometimes it all becomes too much. In all honesty, I dream of tuition-free CUNY so that one day I will no longer have to worry about paying for school and just enjoy learning.”

- **NYPIRG recommends the Excelsior Scholarship be expanded beyond its scheduled income-eligibility increase.**

FREEZE PUBLIC COLLEGE TUITION, REDUCE COLLEGE STUDENT DEBT

The cost of funding the growth and expansion of New York’s public institutions should not fall on students and families. With the continuation of “predictable tuition” in the Executive Budget, the Governor is continuing to rely on students and families who do not possess the means to absorb these costs. This includes a tuition increase as high as \$200 for both SUNY’s and CUNY’s senior colleges.

A recent survey found that from 1979 through 2012 the wealthiest one percent of New Yorkers saw an income growth of 307 percent, while the bottom 99 percent saw an income growth of only 8.3 percent.¹⁷ Yet, tuition at CUNY and SUNY has gone up over 35 percent since 2011.

¹⁶ City University of New York, “2016 Student Experience Survey A survey of CUNY undergraduate students,” http://www2.cuny.edu/wp-content/uploads/sites/4/page-assets/about/administration/offices/oira/institutional/surveys/2016_SES_Highlights_Updated_10112016.pdf.

¹⁷ Sommeiller, E., and Price, M., “The Increasingly Unequal States of America, Income Inequality by State, 1917
NYPIRG Testimony page 7

Student debt is a burden on individuals, as well as a burden on the state's economy as a whole. Studies have shown that students burdened with student loan debt are less likely to start a small business. Small businesses are the backbone of New York City's economy, representing 98 percent of all NYC businesses. As a New York City report notes, "These small businesses employ more than half of New York City's private sector workforce, and often provide a first chance for economic self-determination and a path to the middle class for their owners."¹⁸ In addition, studies show that students burdened with student loan debt are less likely to own a home,¹⁹ limiting progress in social and economic growth in New York.²⁰ The effect is even greater for low-income students and students of color.²¹

- **NYPIRG urges that this year's final budget freeze college tuition at both SUNY and CUNY.**
- **The executive has proposed creating a student debt ombudsman to help put in place protections for student borrowers.²² NYPIRG applauds the Governor's initiative to help this growing population of student debtors in need of protection against predatory practices.**

THE STATE MUST ADD ADDITIONAL INVESTMENTS IN SUNY AND CUNY TO HELP IMPROVE EDUCATIONAL QUALITY

The increased costs borne by students and their families at CUNY and SUNY has not resulted in rising quality as promised under the initial roll out of the "predictable tuition" plan in NY SUNY 2020. The promise was that tuition hikes would be earmarked for an expansion of support services, course offerings and infrastructural improvements, not to fill in budget gaps as the state pulled back its resources.

However, the promise turned out to contain "fine print" which merely guaranteed that the state would not reduce its spending. Inflationary and other increased costs have been, as it turned out, funded essentially from tuition hikes. The promise of plowing the tuition increases into expanded services fell short.

Inflation-eroded funding from the state has left CUNY and SUNY on the hook for mandatory cost increases like inflation, electricity needs, and staff contracts. This combined with the TAP gap, which is the difference between the maximum TAP award and tuition amounts requested by CUNY and SUNY, determined by institutional need, has put the institutions in a fiscal squeeze and left little room to improve the quality of student services.

to 2011," Economic Policy Institute, February 19, 2014, see: http://www.epi.org/multimedia/unequal-States-interactive/#/New_York.

¹⁸ New York City Office of the Mayor, "Small Business First,"

<https://www1.nyc.gov/site/operations/projects/small-business-first.page>.

¹⁹ The Office of the New York State Comptroller, Student Loan Debt in New York State, September 2016, http://www.osc.State.ny.us/reports/highered/student_loan_debt.pdf.

²⁰ Ambrose, B., Cordell, L. and Ma, S, The Impact of Student Loan Debt on Small Business Formation (March 29, 2014), <http://ssrn.com/abstract=2417676> or <http://dx.doi.org/10.2139/ssrn.2417676>, April 17, 2015.

²¹ Scott-Clayton, J., "The looming student loan default crisis is worse than we thought." *Brookings*, January 11, 2018, www.brookings.edu/research/the-looming-student-loan-default-crisis-is-worse-than-we-thought/.

²² New York State Division of the Budget, FY19 Executive Budget Briefing Book, "Higher Education," page 80.

That is why the State Senate and Assembly near unanimously voted in favor of an Enhanced Maintenance of Effort in the 2017 legislative session. Unfortunately, the legislation was vetoed by the Governor. NYPIRG applauds the Legislature's action and urge that you keep at it. More public investment is needed.

- **NYPIRG recommends that the Legislature enhance funding for CUNY and SUNY and freeze all tuition increases at senior and community colleges in order to help students get the classes they need to graduate, reduce class sizes, and bolster student advisement while protecting college affordability.**
- **NYPIRG urges that the State restore and strengthen its support for the Bundy Aid program to help independent colleges and universities meet the needs of their students.**

ENHANCE STATE SUPPORT FOR COMMUNITY COLLEGES

The executive budget includes a decrease in funding for community colleges at SUNY and CUNY, reflecting a decrease in full time enrollment since funding for the community colleges is directly tied to enrollment numbers. This decline in enrollment should be looked at more in depth as investment in community colleges carries proven advantages particularly for more rural and isolated communities.²³

Community colleges are a local and potentially affordable path to a higher degree or a better job for many New Yorkers, including those who need to be close to their homes, families, and jobs. Moreover, community colleges provide crucial job training and re-training for under-employed and unemployed workers in a rapidly shifting economic environment.

- **NYPIRG urges that the Legislature support an increase to bring the State closer to fully funding community colleges at 40 percent of their costs as required by law.**

COMBATTING FOOD INSECURITY ON COLLEGE CAMPUSES

Governor Cuomo has proposed mandating action on food insecurity this year by creating food pantries on all CUNY and SUNY campuses in response to a recent report by the College and University Food Bank Alliance, National Student Campaign Against Hunger and Homelessness, Student Government Resource Center, and the State Public Interest Research Groups. The report looked at food insecurity on campus, and how that may undermine the educational success of untold thousands of students.²⁴ Consistent with prior studies, 48 percent of survey respondents reported food insecurity in the previous 30 days.

Taking a closer look at the approximately 1,800 students who reported experiencing food

²³ Thaler, C., "The impact of community colleges on employment growth in rural U.S. counties." *Journalist's Resource*, October 18, 2013, journalistsresource.org/studies/society/education/community-colleges-jobs-budget-cuts.

²⁴ NYPIRG, *Hunger on Campus, The Challenge of Food Insecurity for College Students*, October 2016, http://www.nypirgstudents.org/reports/Hunger_on_Campus_NYPIRG.pdf, accessed November 30, 2016.

insecurity, those students also often reported suffering from housing insecurity, such as difficulty paying the rent, mortgage, or utility bills. Thirty-two percent believed that hunger or housing problems had an impact on their education, from forgoing textbook purchases, to missing or dropping classes. Students that are hungry and homeless must get the services they need.

NYPIRG appreciates the attention brought to this issue and looks forward to working with CUNY and SUNY, as we have in the past, in accomplishing this goal. Furthermore, the State should examine ways to provide resources that reduce and eliminate college student food *and* housing insecurity more permanently. Many students are eligible for public benefits that could help them make it through college and finish their degree. The “Single Stop” program at CUNY provides an essential service in helping connect students to the millions of dollars in public benefits that they are eligible for including; housing, SNAP benefits, health insurance, tax preparation and financial counseling.²⁵ “Single Stop” has received national recognition for its tremendous success and should be expanded to all CUNY and SUNY campuses to meet the needs of all students.²⁶ Comprehensive programs such as this should be looked toward and replicated.

- **NYPIRG urges that the Legislature include monies in the budget to allow public and independent colleges and universities to set up food pantries across campuses as proposed by the Governor in his State of the State.**
- **NYPIRG urges that the legislature expand support programs that offer more permanent solutions to food and housing insecurity through assisting students in accessing untapped government benefits.**

In conclusion, higher education is an investment with guaranteed rewards both for society and the individual. Students need support and expansion of programs and initiatives that have proven to work. This will surely have a net positive impact on the state.

Yet, rising tuition and other costs, eroding State support, outdated and inadequate financial aid, and growing student loan debt all conspire to undermine quality and put college out of reach for too many New Yorkers. The demand to graduate more students from college with less student loan debt should result in policies that both decrease tuition and increase State support to institutions of higher education, as well as funding to financial aid programs such as TAP and the Excelsior Scholarship. In order to provide a quality and affordable higher education for all New Yorkers the State must commit itself to increasing public funding.

Thank you.

²⁵ The City University of New York, BMCC, Single Stop, <http://www.bmcc.cuny.edu/singlestop/>.

²⁶ The City University of New York, Vice Chancellor for Student Affairs, March 7, 2011, <http://www.cuny.edu/about/administration/offices/sa/specialprograms/SingleStopCCI/SingleStopInnovationAward.pdf>.