



The Commission on
INDEPENDENT
Colleges & Universities
in New York

**Testimony of
The Commission on Independent
Colleges and Universities**

Joint Budget Hearing on Higher Education

Thursday, February 8, 2024

Good morning, Chairpersons Krueger and Weinstein and members of the committees. I appreciate the opportunity to testify regarding the FY 2025 Executive Budget on behalf of the Commission on Independent Colleges & Universities representing the Independent Sector of higher education.

Higher Education Stands at a Crossroads

From the banning of Affirmative Action by the United States Supreme Court, which has the potential to dismantle decades of progress towards equal access to higher education, to concerted right-wing attacks that seek to banish diversity, equity, inclusion, and independent thinking, higher education stands at a crossroads. The path we choose will shape the future of higher education for generations to come.

Diversity & Equity

New York has always been unwavering in its commitment to breaking down the institutional and systemic barriers that have long denied underrepresented students access to higher education. There is a collective understanding of the significant economic, health, and social benefits that completing a four-year degree provides. Higher education is one of the most proven and effective ways of breaking down barriers and creating opportunity for all, including low-income individuals, and other marginalized groups who graduate high school, attend college, and complete their degrees at rates below the national average.

Student Aid & Opportunity Programs

Unfortunately, the Executive Budget includes misguided proposals that threaten decades of work by our campuses to ensure that all students can benefit from the transformative impact of higher education, and hinders their ability to help build the workforce, economy, and society that New York needs to remain vibrant and competitive on the world stage.

We were disheartened by the Governor's proposal to eliminate Unrestricted Aid to Independent Colleges and Universities, also known as Bundy Aid, to campuses with endowments greater than \$750 million.

Bundy Aid is outcome-based and student-focused, which means colleges receive funding based on the number of degrees they confer, and the funding is invested back into student aid and support programs that help more students graduate.

This proposal perpetuates the misconception that most independent colleges and universities have big, unregulated endowments that can be spent however an institution decides. In fact, most donations to endowments are restricted in how they can be spent. In 2021-22, forty-six percent of private sector endowment spending went to student aid. This cut will increase costs for hardworking students and their families who rely on the financial support provided by Bundy Aid to help them achieve their dream of a college

degree. New York should not be balancing its budget on the backs of these students. This is wrong and we urge you to reject it.

The same holds true for programs such as the Higher Education Opportunity, Science and Technology Entry, and Liberty Partnership Programs that provide access to higher education for talented students from underserved communities, which in turn helps increase representation and diversity on campus. We know that learning from and alongside people with experiences, beliefs, and perspectives different from our own enriches the educational experience. Last year the legislature provided an increase to Education Opportunity programs in the enacted budget, but it was cut from this year's budget. These proven programs need additional investment to continue providing high-quality educational support and services to meet demand. We urge you to stand up for student aid and increase funding for educational opportunity programs by 20 percent.

TAP Reinvestment

This year marks the 50th anniversary of New York's signature Tuition Assistance Program, one of the largest state-run student aid programs in the country. TAP has been the major vehicle for student success in higher education, with over six million New Yorkers benefiting from it in their pursuit of a college degree. TAP is unmatched in its simplicity, efficacy, and reach. Unfortunately, the program has stagnated. TAP is crucial to ensuring that lower-income students can attend and graduate from college.

The Independent Sector applauds and supports the Senate and Assembly Higher Education Committees' #TurnOnTheTAP campaign to ensure that TAP continues to be transformational for millions of students and their families.

We're hopeful that with your leadership, the state will finally increase the TAP income limit and awards levels, provide independent students with full TAP benefits, and restore graduate TAP for students seeking career in critical fields to ensure that our campuses can continue producing the educated and skilled workforce New York needs.

Partnerships & Collaboration

In addition to supporting students, we must also take steps to strengthen the partnerships and collaborations that fuel our state's economy. In fiscal year 2021-22, the Independent Sector generated almost \$95 billion in economic activity. To sustain this economic engine and maintain the state's competitive edge, higher education institutions require the state's partnership to remain at the forefront of science, technology, and business innovations that will attract global industries to New York.

We are pleased that Governor Hochul announced the creation of the Empire AI consortium to secure New York's place at the forefront of artificial intelligence. This consortium includes several CICU member institutions, including Columbia University, Cornell University, NYU, and RPI, which highlights the critical role New York's independent sector colleges play in incubating high-tech industry, driving job growth and

strengthening our state's economy. But we must note that the proposal to cut Bundy Aid targets these very campuses, among others.

Last year, the Independent Sector was invited to join a national consortium with the aim of transforming early literacy instruction by embedding the science of reading into educator preparation. New York is one of only seven states invited to join this effort. As our sector awards 55 percent of education degrees, we fully support Governor Hochul's "Back to Basics" plan to improve reading proficiency in New York. We stand ready to work with the State Education Department, the public sector, the teachers' unions, and other stakeholders to ensure all teachers are prepared and that all students succeed.

Similarly, CICU worked with SED, SUNY, CUNY and HESC to bring awareness to the importance of college bound students submitting the Free Application for Federal Student Aid (FAFSA). Every year in New York, more than \$200 million in Pell Grant funds are unclaimed because eligible students don't complete their FAFSA. We are pleased that Governor Hochul has proposed a FAFSA completion requirement for all high school seniors. This initiative will increase the amount of federal student aid received by New Yorkers, making college more affordable. CICU looks forward to working with the State Legislature to ensure this important proposal becomes law.

Given the extent of higher education's benefits to society, including lower rates of unemployment, greater earning potential, lower rates of incarceration and better health outcomes, we must do everything we can to maintain a robust higher education ecosystem in our state. The challenges confronting higher education are not insurmountable but require decisive action.

We urge the Legislature to reject short sighted proposals that diminish support for student aid, and instead prioritize the contributions of our higher education institutions as drivers of equity and access, and creators of solid pathways to upward mobility.

We look forward to working with you in support of New York's college students. Thank you.