



**TESTIMONY
OF THE
NEW YORK PUBLIC INTEREST RESEARCH GROUP
BEFORE THE
JOINT LEGISLATIVE BUDGET HEARING ON HIGHER EDUCATION
FOR THE 2024-2025 BUDGET
February 8, 2024
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.

Given the mounting crisis in New York’s system of higher education, we are disappointed with the governor’s budget. While there are elements worthy of support, her plan does not go far enough. The Governor’s proposal includes \$207 million in new, recurring funding for SUNY (\$100 million) and CUNY (\$107 million) operations. The amounts are offset by \$81 million (SUNY) and \$59 million (CUNY) in one-time funding from last year’s final budget. While creating new recurring funding is a benefit, the overall increase of \$19 million at SUNY and \$48 million at CUNY represents significantly less than what is needed to keep up with inflation and meet the needs of SUNY and CUNY students. State underinvestment in higher education not only forces colleges and college students to do more with less, it also hurts the state’s economy.

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.

- Expand the Tuition Assistance Program to graduate students, increase the minimum awards, extend the income threshold, make aid available in the summer and winter, and extend eligibility for students with Intellectual Disabilities.
- Restore cuts and enhance funding to Opportunity Programs.
- Restore Bundy Aid to historical levels of \$100 million for independent institutions.
- Expand funding to existing and create new student support programs including campus childcare, the Hunger Free Campus Act, mental health services, and reduced-price transit fares.

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

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/>.

- 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.²
- CUNY graduates working in New York paid an estimated \$4.2 billion in State income taxes in 2019.³
- 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.⁴

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.⁵

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 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.*⁶

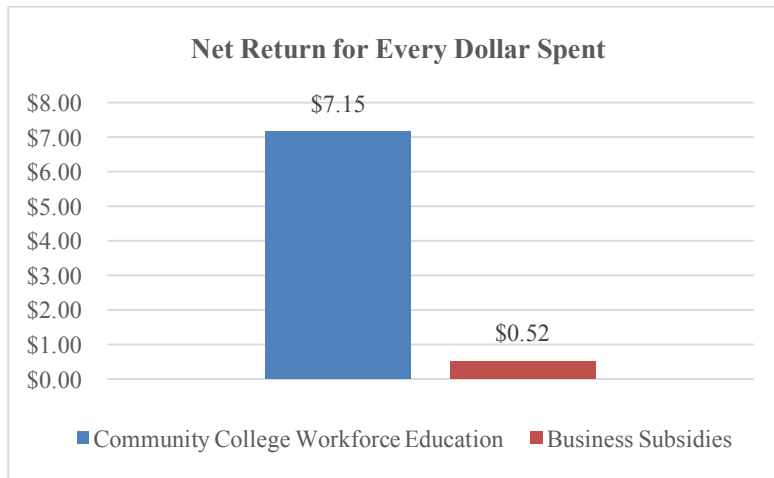
² Comptroller Stringer Analysis: CUNY Graduates Earn Combined \$57 Billion Annually, Highlighting CUNY’s Significant Contributions to Local and State Economies. <https://comptroller.nyc.gov/newsroom/comptroller-stringer-analysis-cuny-graduates-earn-combined-57-billion-annually-highlighting-cunys-significant-contributions-to-local-and-state-economies/>.

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 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/.

⁵ Bartik, 2019 <https://reinventalbany.org/wp-content/uploads/2022/11/Workforce-Development-Everybody-Says-They-Love-It.-But-What-Is-It-November-2022.pdf>.

⁶ Chart source, New Yorkers for Fiscal Fairness



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.*⁷

The SUNY system educates approximately 436,277 students, employs 77,900 faculty and staff, and has an operating budget of \$11.2 billion.⁸ 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, 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.

⁷ 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/>.

⁸ “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>.

- 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.⁹

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

According to a March 2021 report from the New York City Comptroller,¹⁰ 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 25.¹¹

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.¹² 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 2019.¹³

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

⁹ SUNY Graduates Post-Completion Wages <https://www.suny.edu/media/suny/content-assets/documents/institutional-research/DOL-report-Issue1.pdf>.

¹⁰ 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/>.

¹¹ 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/>.

¹² 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/.

¹³ Commission on Independent Colleges and Universities, “The Economic Impact of Independent Higher Education in New York,” <https://cicu.org/economic-community-impact>.

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.¹⁴

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

Over the past few decades, the state's Bundy Aid award has become a far smaller source of support. Given the dire circumstances found among the smaller colleges, we recommend that Bundy Aid be restored to its original levels of support. During the program's peak in the late 1980's, Bundy Aid was funded at \$198 million.¹⁵ After years of divestment, the state now funds Bundy aid at only \$35 million, which is only 18% of statutory levels.¹⁶ That means the state should be spending closer to \$200 million to today's \$35.13 million. We urge that any increase in Bundy Aid be targeted to those colleges which are most financially stressed and reject the Governor's proposed cut to the program, which would leave the award at just \$18 million for eligible campuses.

Recommendation: Boost State Support For Community Colleges

As mentioned earlier, community colleges are facing dire 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 more critical than ever as New Yorkers look to a post-COVID future. 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.¹⁷ And community

¹⁴ 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>.

¹⁵ Regents Commission on Higher Education, 1993 Report (page 28), <https://files.eric.ed.gov/fulltext/ED363251.pdf>

¹⁶ Commission on Independent Colleges and Universities, https://www.nysenate.gov/sites/default/files/commission_on_independent_colleges_and_universities.22.pdf.

¹⁷ 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

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.¹⁸

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 \$5,000,¹⁹ 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 \$11.7M for CUNY Community Colleges and an estimated \$23M at SUNY Community Colleges.**

The State's Tuition Assistance Program

New York State's Tuition Assistance Program (TAP) is fifty years old this year. For five decades, 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 University²⁰ and the City University²¹ 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.²²

Today, the maximum TAP award does not cover public college tuition²³ and comes nowhere near half of the costs of tuition costs for independent colleges.²⁴ 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.

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.

¹⁸ 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.

¹⁹ *Supra* 6

²⁰ Tuition at the SUNY 1974 <https://files.eric.ed.gov/fulltext/ED119552.pdf>.

²¹ Tuition at the CUNY 1974 <https://cunytime.wordpress.com/quick-facts/cuny-tuition/>.

²² 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>.

²³ Current SUNY tuition, “Tuition and Fees,” <https://www.suny.edu/smarttrack/tuition-and-fees/>.

²⁴ 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/#:~:text=For%20private%20colleges%20in%20New,average%20graduate%20tuition%20is%20%2425%2C834>.

A lot has changed on college campuses since the early 1970s. A college degree is far more necessary than it was five decades ago.²⁵ Today's college students are older, more likely to be female, and far more diverse than in 1974.²⁶ Also, a lot more students must work to afford college (in addition to the increased debts).²⁷

With the fifty-year anniversary of TAP, it makes sense for Governor Hochul and state lawmakers to modernize and strengthen the program to fit the needs of *today's* college students – both undergraduate and graduate – and to do it in a way that will help stabilize both public and independent colleges in New York. While true that important improvements have been made, it is also true that actions taken in particular by the previous Administration undermined the program.

During the Cuomo Administration, New York Severed the TAP/Public College Tuition Relationship

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 tied to the increase in the maximum award.

In 2011, a new Cuomo-backed law (“SUNY2020”) changed that relationship. Instead of tying the maximum TAP award to public college tuition, the state decided that tuition would be automatically raised and that TAP would be handled separately (essentially frozen for the following decade) and the colleges themselves would have to supplement financial assistance to the lowest income students.

As tuition was raised, public colleges had to dig deeper into their own resources – which had also been more or less frozen during this time – to provide necessary financial assistance. This deepening hole – the “TAP Gap” – shortchanged CUNY and SUNY for years, starving campus budgets and putting student support services and educational quality at risk. Prior to the recent changes in state support, CUNY reported a \$74 million TAP Gap.²⁸

As public college tuition has increased while TAP awards remained essentially unchanged (there has been one increase over the past decade), the gap between the maximum award and SUNY and CUNY tuition has led to financial pressures on the individual campuses. Under the “SUNY2020” law, those campuses must provide additional assistance to students in need to make up the “TAP Gap.” In the recent state budgets, the “TAP Gap” was eliminated as part of the budget agreements, but the structural defect from SUNY2020 was not reversed.

Declining Enrollments Have Reduced TAP Spending Over Time

In our review of the Annual Reports of the Higher Education Services Corporation, declining participation in the TAP program has reduced state spending.²⁹

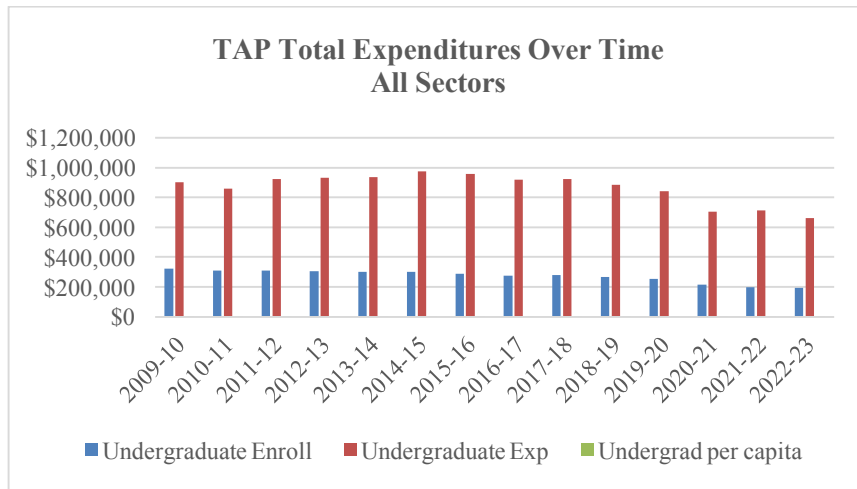
²⁵ Hanford, E., “The Value of a College Degree,” American Public Media, <https://americanradioworks.publicradio.org/features/tomorrows-college/dropouts/value-of-college-degree.html>.

²⁶ Education Data Initiative, “College Enrollment & Student Demographic Statistics,” October 1, 2023, <https://educationdata.org/college-enrollment-statistics>.

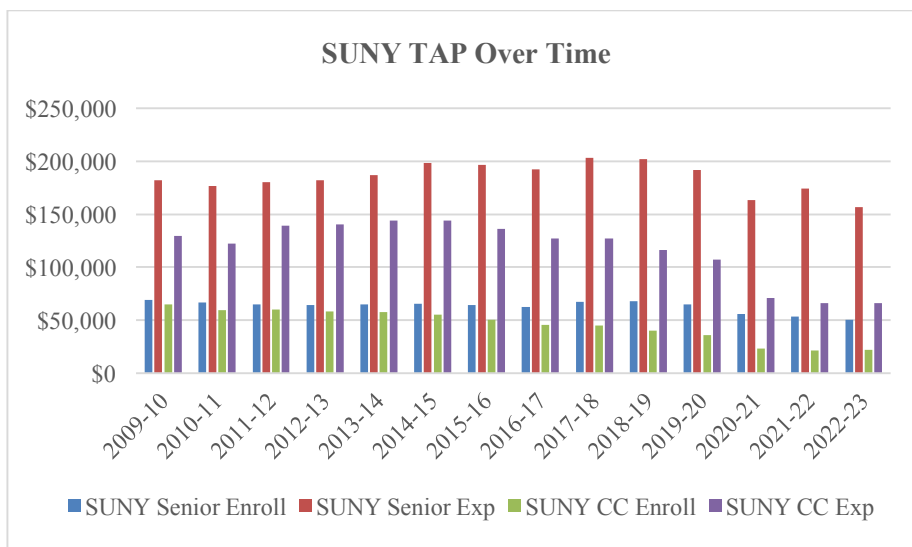
²⁷ Intelligent.com, “1970 vs. 2020: How Working Through College Has Changed,” November 12, 2021, <https://www.intelligent.com/1970-v-2020-how-working-through-college-has-changed/>.

²⁸ City University of New York, 2019-2020 Operating Budget Request and Four-Year Financial Plan; January 14, 2019, http://www2.cuny.edu/wp-content/uploads/sites/4/page-assets/about/administration/offices/budget-and-finance/FY2020-Budget-Request_for-OBF-Site-1.pdf.

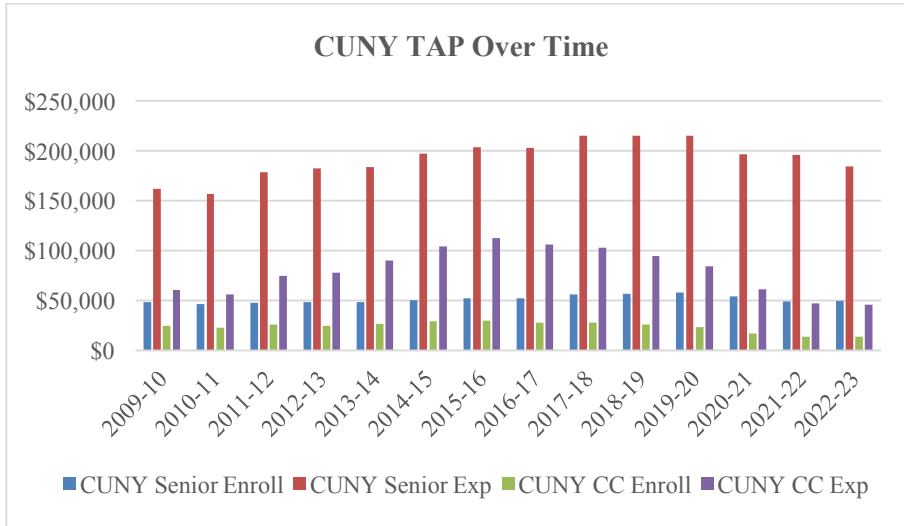
²⁹ All of the following charts are derived from information contained in Higher Education Services Corporation, Annual Reports 2010-11 through 2022-23, <https://www.hesc.ny.gov/annual-reports-financial-statements.html>.



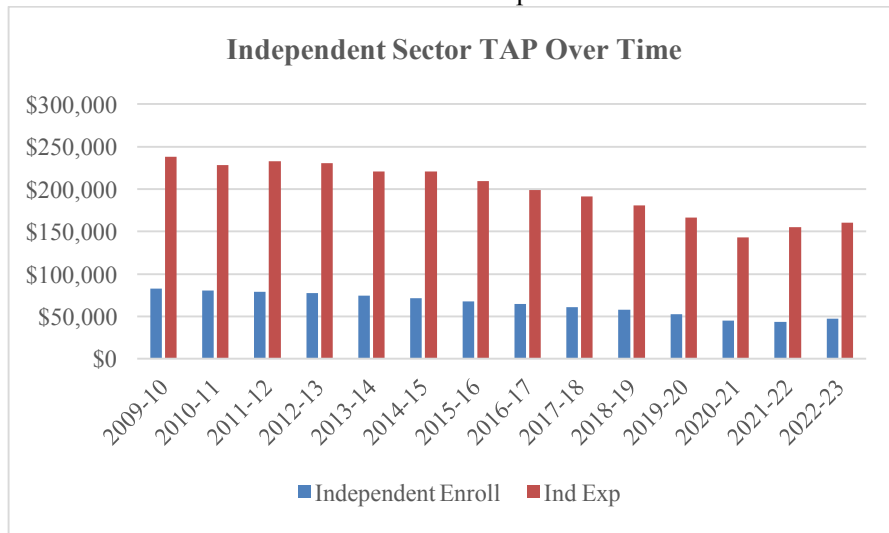
As seen below, even when adjusting for each of the three higher education sectors – SUNY, CUNY, and the Independents – declining TAP participation has resulted in reduced state expenditures, even with changes in the program, such as increased maximum award size and the recent expansion of TAP to part-time and incarcerated students. There are some differences in the three sectors, with SUNY showing TAP expenditure stagnation prior to the COVID pandemic, then a drop off.



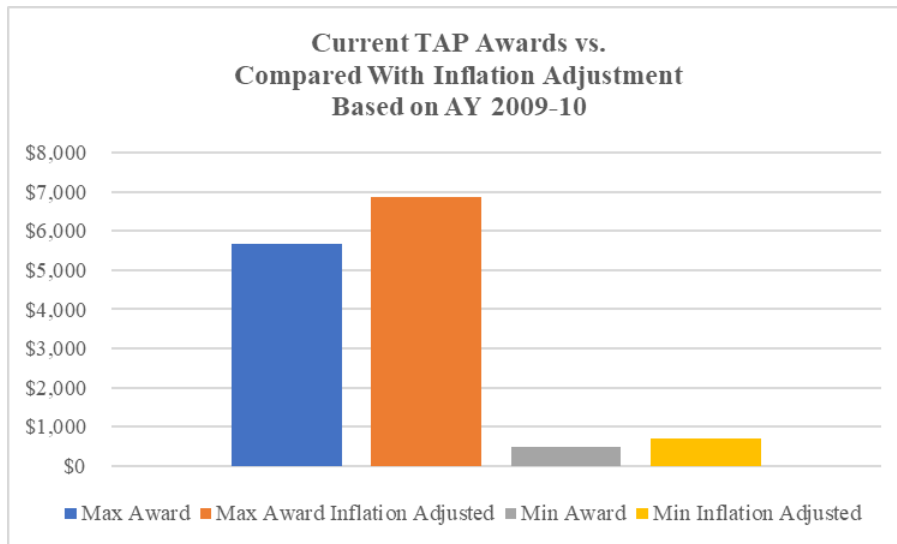
As seen below, the CUNY experience was different than SUNY going into the pandemic, with COVID triggering the decline in CUNY students’ TAP participation.



The drop in TAP participation is most pronounced in the independent sector, although in recent years the increased maximum award seems to have boosted TAP expenditures.



However, just adjusting for consumer inflation alone and just comparing what would have happened if the maximum and minimum TAP awards had tracked the Consumer Price Index (the inflation rate in higher education tends to run higher than consumer inflation), shows that TAP awards would have been \$x or x% greater if it kept pace with inflation for the higher education sector.



Going to College In-State

In-state universities are a popular choice for many prospective students. Lower tuition, scholarships and financial aid, and higher acceptance rates are a few examples of the benefits of attending college in-state. The number of first-time college students who attended school in-state varies by state.

New York State does a reasonably good job at keeping New York students in state institutions of higher education, with roughly three-quarters of college students attending campuses in-state. “In fall 2020, Alaska and Texas had the highest rates of first-time college students attending college in-state (over 90% for both states). Vermont, New Hampshire and Washington, DC, (31%, 24% and 9.1% respectively) had the lowest rates of residents attending college within the state or jurisdiction.”³⁰ The current TAP aid likely impacts New York’s relatively good performance in this area, but as seen above, more can be done.

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.³¹

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.³²

³⁰ USA Facts, “Where are students moving to attend college?” October 4, 2023, <https://usafacts.org/articles/where-are-students-moving-to-attend-college/>.

³¹ 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>.

³² Council Of Graduate Schools, Advisory Committee on Graduate Education and the Public Good, “Graduate Education and the Public Good,” 2008.

One of the key obstacles to attending graduate school is cost.³³

College costs are the No. 1 barrier to enrolling in higher education, according to a report from Gallup and the Lumina Foundation.³⁴ 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.”³⁵

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.

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.³⁶

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.

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.³⁷

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.

³³ 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/#:~:text=These%20challenges%20include%20time%20management,professional%20goals%20of%20the%20student>.

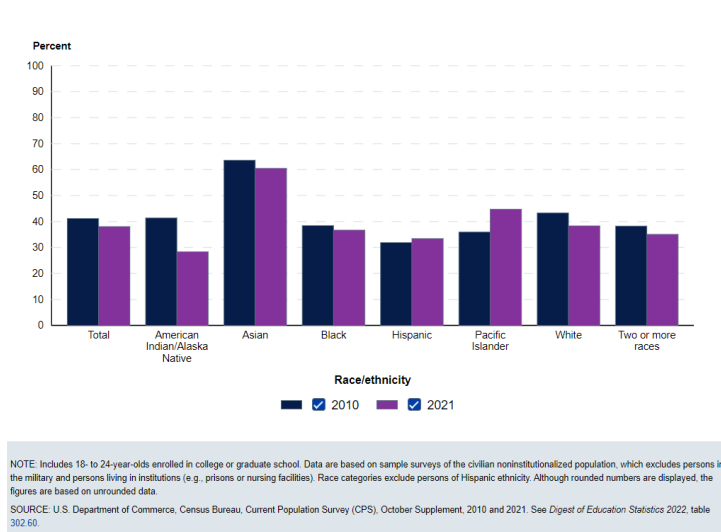
³⁴ Gallup, Lumina Foundation, “The State of Higher Education 2023 Report,” May 4, 2023, <https://www.luminafoundation.org/resource/the-state-of-higher-education-2023-report/>.

³⁵ Ibid.

³⁶ 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.

³⁷ 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/>.

Some 40 million Americans have some college credits but no degree, according to a recent report from the National Student Clearinghouse.³⁸



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 nearly 50 years of TAP, the program has helped four million New Yorkers afford college.³⁹ 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.⁴⁰ Updating it would have significant social and economic benefits.

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.

³⁸ 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/>.

³⁹ 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>.

⁴⁰ 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, <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>.

NYPIRG urges the Legislature to fix TAP by:

- Re-extending TAP eligibility to graduate students.
- Increasing the minimum awards from \$500 to \$1000, which would largely just keep up with inflation.⁴¹
- Making aid available in the summer and winter sessions
- Extending eligibility for students with Intellectual Disabilities in CTP programs.
- Increase the highest income level for TAP award eligibility to at least \$125,000 (subsume the Excelsior/Empire State Scholarships into this modernized TAP).
- 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,⁴² whereas first year retention rates for the general student body at SUNY senior colleges is approximately 84%.⁴³ The six-year graduation rate for EOP students is 73%,⁴⁴ whereas the SUNY-wide senior college rate is 68% – similar results exist for opportunity programs found in the independent sector.⁴⁵

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 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

⁴¹ U.S. Bureau of Labor Statistics, CPI Inflation Calculator, https://www.bls.gov/data/inflation_calculator.htm.

⁴² State University of New York's Office of Opportunity Programs, <http://system.suny.edu/oop/>.

⁴³ 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>.

⁴⁴ *Ibid.*

⁴⁵ SUNY Fast Facts, https://www.suny.edu/media/suny/content-assets/documents/FastFacts_2018-Flyer.pdf.

enrolled in these programs.⁴⁶ **The Legislature should restore cuts to opportunity programs in the Executive Budget and enhance funding for these proven programs.**

Recommendation: Expand funding to existing and create new student support programs including campus childcare, the Hunger Free Campus Act, mental health services, and reduced-price transit fares

Campus Childcare: CUNY and SUNY child care centers are a unique and powerful tool for socioeconomic 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.⁴⁷ 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.⁴⁸ 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.⁴⁹ 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 are also struggling receiving 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.2146-A and A.4461) 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, roughly 25% of the population.⁵⁰ 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

⁴⁶ 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.

⁴⁷ 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/>.

⁴⁸ *Ibid.*

⁴⁹ Professional Staff Congress - CUNY, Executive Budget Testimony, February 4, 2020 <https://nyassembly.gov/write/upload/publichearing/001101/002253.pdf>.

⁵⁰ AARP, Disrupt Disparities 3.0, <https://states.aarp.org/new-york/disrupting-racial-ethnic-disparities>

three times higher in 2020 than in 2018 and 54% of CUNY students reported a decrease in their own income due to COVID-19.⁵¹ 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 the Hunger Free Campus Act (S.2913-A/A.2645) to include monies in the budget to support the operating expenses of food pantries across campuses 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 MTA fare discounts and free transfers for college students, and to provide state funding for the expansion of Fair Fares to include all current CUNY students and other New Yorkers at 200% of the federal poverty level.**

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.

⁵¹ 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>.