

Testimony of Chancellor Félix V. Matos Rodríguez
The City University of New York
Joint Senate and Assembly Legislative Public Hearing on
the Fiscal Year 2025 Executive Budget Proposal
Tuesday, February 25, 2025

Good morning, Chairs Krueger, Stavisky, Hyndman, and Pretlow and members of the Senate and Assembly Higher Education committees, the Senate Finance and Assembly Ways and Means committees, staff and guests. I am Félix Matos Rodríguez, Chancellor of The City University of New York and I am extremely proud to be here representing CUNY, its 25 campuses, about 390,000 degree-seeking and continuing education students, and 40,000 faculty and staff.

I want to thank Governor Hochul and all of you, our friends in the state Senate and Assembly, for your commitment to public higher education, and for your support to our ability to continue delivering on CUNY's promise as one of our state's most potent economic engines. Please know that your support is not taken for granted at a time when some seem interested in undermining our progress.

This past year, we have welcomed more students and introduced more programs to help guide them to degrees and careers. We had a banner year as a research institution and celebrated our best year ever for major gifts from our generous philanthropic donors, including the two largest in CUNY history. And we completed 73 capital projects, totaling \$760 million, a critical advance in our ongoing project to modernize the University. All of this has helped broaden CUNY's reach as New York City's most impactful public institution and advance the goals of our Strategic Roadmap that I shared with you in 2023.

One of the key indicators of our impact is enrollment, as it reflects that more New Yorkers are accessing opportunities for a brighter future. For the second consecutive year, CUNY's student body has expanded, adding nearly 12,000 students over two years, representing a 5% growth.

And we're not slowing down. This past fall, more than 55,000 New York high school seniors applied to CUNY colleges during our four-week fee-waiver period, an initiative we started in 2023 with Governor Hochul's support. During this period, CUNY also sent letters to New York City high school seniors, accepting them to community colleges and encouraging them to apply to senior colleges. It's part of our growing partnership with New York City Public Schools that this year drove a 13% year-over-year jump in applications completed during the fall semester.

All our students benefit from CUNY's continuing growth of career-connected programs that also strengthen our city and state. One example is York College's Aviation and

Aerospace Academy, a new STEM education partnership with the Port Authority. Another is a program at Bronx Community College that is the first in New York State to award an online certificate in Nuclear Medicine Technology, a field with a severe shortage of technicians in our state.

This year, we have built on our momentum in partnering with employers and doing more to connect classrooms to careers. We now have more than 31,000 employers in every in-demand field actively recruiting in the CUNY system. And with support from public and private partners, we've connected more than 16,000 students directly to paid internships in the last three years, in addition to students who landed internships on their own. Meanwhile, over 100 of our academic departments have begun incorporating career-infused degree maps to help students reach milestones tailored to their majors as part of their course planning. And at the heart of these efforts are our faculty, who are integrating career connections into their own classrooms.

This spring, we are preparing to launch CUNY Beyond in Fall 2025, our campus roadmap for career success connecting classrooms to careers throughout our students' academic journeys. This wide-ranging strategy makes CUNY the first system in the country that will scale up approaches that we know work at every step of a student's academic journey. These approaches include working with high schools to offer career-connected college courses, introducing career discussions in orientations and first-year seminars, embedding careers in curriculum, expanding paid internships and growing our engagement with employers.

All these advances have helped CUNY campuses to once again dominate national rankings of colleges that deliver the best return on investment. Half of the top ten on The Wall Street Journal's list of best-value colleges were CUNY schools, while Forbes named nine of our colleges to its list of the "25 Colleges with the Highest Payoff."

We began the current Spring semester with the rollout of the CUNY Transfer Initiative, a sweeping reform that will eliminate longstanding obstacles to credit transfers when students move from one CUNY college to another. The new system will streamline the transfer process and smooth the road to a bachelor's degree. We expect it to save students an average of \$1,220 in excess tuition costs.

Looking beyond our campuses, our more than 10,000 faculty researchers garnered \$672 million in external funding for research, training and other sponsored activity -- an all-time-record high for the University for a second straight year.

We saw further affirmation of that work earlier this month, when the Carnegie Classifications of Institutions of Higher Education renewed the Research 1 designation of the CUNY Graduate Center for its high research expenditures and doctorate production, renewed City College as a Research 2 and for the first time added Hunter College to R2, cementing their positions in the highest ranks of the nation's public impact research universities. In addition, seven of our senior colleges received a newly

created distinction as Research Colleges and Universities, further reflecting the transformative growth in research we've had over the past 10 years.

To give you just a few examples of CUNY research that improves the lives of New Yorkers: Our scientists are advancing a new diagnostic tool to treat breast cancer patients whose tumors are elusive. They're revolutionizing quantum technology to bring ultra-broadband internet to New Yorkers. And they are pioneers of an emerging technology that tracks infectious diseases through wastewater.

The impact of this wide-ranging work is deeply embedded in CUNY's history. Recently, I was reminded that in each of the three pandemics of the past 100 years – polio, HIV-AIDS and Covid-19 – a CUNY-educated researcher either developed the first vaccine or contributed a key breakthrough in treatment.

This year, we elevated the CUNY School of Medicine to a standalone CUNY institution, significantly expanding its reach by adding graduate, residency, and other medical programs. This move strengthens the school's mission of producing diverse medical professionals, with 78% of graduates joining New York City hospitals to serve underserved communities. We are deeply grateful for the \$4 million budget commitment from the Governor and the legislature last year to support the School of Medicine.

At the same time, as you know, these are challenging times as we continue fighting antisemitism, bigotry and the rise of intolerance and hate in all forms. This is a special obligation for a university as diverse as CUNY, and we have taken strong action in the year since I last appeared before you.

And we became one of the first universities in the country to add four religious and cultural holidays to our academic calendar, reflecting our continued commitment to embracing our rich diversity. We began last month with Lunar New Year and will continue with the Muslim holidays Eid al-Fitr and Eid al-Adha and the Hindu celebration of Diwali.

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

Executive Budget

I would like to express my deep gratitude to Governor Hochul for an Executive Budget that provides significant new operating and capital funding for CUNY, which builds on additional funding for CUNY that Governor Hochul, you, and your colleagues appropriated over the last few years.

For CUNY's operating budget, there is an increase of \$96 million in operating support for our senior colleges, which will almost fully cover wage increases in Fiscal Year 2026 associated with the contract agreement we signed with our faculty union in December. An additional \$34 million is needed to fully cover the cost of those wage increases, and

we look forward to working with you in the weeks ahead to include this funding in the enacted budget.

We are also grateful that the Executive Budget makes available to CUNY, in our current fiscal year, one-time funding of \$192.2 million to cover one-time payments for retroactive wage increases and the lump-sum ratification bonus.

We are pleased to see that the community college funding floor is continued at 100 percent of the previous year's funding. We also appreciate the continuation of \$5.3 million in community college general operating support first enacted last year, which will further help shore up college finances.

The funding provided for our senior colleges to support CUNY's labor costs, coupled with operating support for our community colleges, will mean that CUNY will not need to absorb a big chunk of mandatory costs which would undoubtedly exacerbate the University's structural deficit.

Regarding our structural deficit, we have made significant progress in reducing it – from a high of \$234 million in fiscal year 2022 to a projected \$62 million at the end of this fiscal year – thanks to expense reduction strategies, enrollment growth, and additional operating aid that you enacted. Our goal is to sustain our momentum, and we ask for your assistance in fully funding the University's mandatory needs including fringe benefits and inflationary increases.

We applaud the Governor's inclusion of \$18.8 million for the New York State Opportunity Promise scholarship program to provide free community college tuition, \$8 million for our ASAP and ACE programs, and \$5 million for artificial intelligence initiatives.

Let's build on that strong foundation with:

- a \$7 million investment for CUNY Beyond, the first-of-its-kind systemwide Career Success Campus Model that I mentioned earlier;
- an additional \$4 million investment to extend the Opportunity Promise scholarship to associate degree programs in CUNY's three comprehensive colleges;
- an \$8.9 million investment for STEM, Health and Arts programs to help defray their higher instructional costs; and
- a continuation of \$4 million for CUNY's School of Medicine.

Turning to CUNY's capital budget, the executive budget provides critical infrastructure investments to modernize our 25 campuses. The plan allocates nearly \$500 million in new capital funding for our four-year schools and community colleges. The support will enable us to maintain our campuses in a State of Good Repair and make strategic investments in research facilities.

To conclude, budget season presents challenges for all of us responsible for public education in our state. While the specifics may vary, our objectives remain consistent. This year, as we confront new uncertainties, I recognize the presence of steadfast allies and true supporters of public higher education and opportunity within this room and in Albany. Your commitment has been demonstrated repeatedly, and I am confident that we can rely on you during this crucial time. I extend my sincere gratitude for your continued partnership and support.

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