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SUNY Power

Chancellor battles for autonomy to rebuild New York's economy

The Business Review (Albany) - by [Robin K. Cooper](#)

Chancellor Nancy Zimpher fears state lawmakers are smothering the **State University of New York's** efforts to drive innovation, research and entrepreneurship.

The head of state's 64-campus higher education system has lobbied hard to convince the Legislature to give SUNY more power so it can help rebuild New York's economy.

But legislators failed to adopt the Public Higher Education Empowerment and Innovation Act last week before passing the budget and leaving Albany.

The measure, introduced by Gov. David Paterson, would give SUNY and the **City University of New York** the ability to generate more revenue by allowing campuses to partner more easily with private business. It also would amend obscure laws regarding tuition. For the first time, colleges would be able to raise tuition and spend that money without legislative approval.

Those changes are a critical piece that will help SUNY underwrite its new strategic plan that seeks to create jobs and focus more on research, health care, technology and business incubation.

"I don't have the revenue-generating capacity now to do it," Zimpher said. "What a missed opportunity at a time when New York needs opportunity."

The Empowerment Act has attracted the attention of the business community and won support of economic development groups across upstate that believe the plan is vital to New York's success.

"We need this to ensure we expand our economy and create more private-sector opportunities," said F. Michael Tucker, president of the Center for Economic Growth, one of 19 local organizations to endorse the act.

Upstate voters appear to be behind the Empowerment Act, according to a poll released last month by the **Siena Research Institute**. It showed that 62 percent of upstate voters supported giving SUNY more flexibility. Forty-eight percent of New York City voters backed the plan.

Among the biggest opponents is the powerful **United University Professions**, a union representing 34,000 faculty and academic staff. The UUP argues that tuition increases could cause some SUNY schools to price themselves out of the market.

Zimpher assured the state that the Empowerment Act will control tuition increases and make them predictable to give parents a chance to budget. SUNY also promised to use tuition revenue to help lower-income students who some lawmakers fear would be unable to pay more.

The push to give SUNY autonomy comes after a three-year period in which the state cut higher education funding by \$623 million, forcing colleges to freeze wages, cut staff and eliminate programs.

SUNY Stony Brook on Long Island is closing most of its four-year-old Southhampton campus to save up to \$10 million a year.

Stony Brook President Samuel Stanley Jr. would rather be focusing his efforts on partnering with a private developer to build graduate student housing to help take the research school to the next level.

Under the existing SUNY guidelines, Stanley said he cannot build housing at a low enough price to support rents that graduate students could afford.

If Stony Brook could generate revenue through tuition increases or private partnerships, Stanley said, the college also could afford new faculty and researchers.



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"What a missed opportunity at a time when New York needs opportunity," says Chancellor Nancy Zimpher of the Legislature's failure to adopt the Public Higher Education Empowerment and Innovation Act.

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Instead, he's looking for other areas to trim expenses after sustaining \$60 million in state aid cuts in three years.

"Going forward, I don't think we will get away from work force reductions," Stanley said.

Erik Bitterbaum, the president of SUNY Cortland in central New York, also has missed opportunities to generate revenue.

The college tried to raise some money by leasing vacant land to a fast-food restaurant, but the process took too long and the restaurant ended up leasing from a private land owner instead.

"That may have generated thousands and thousands of dollars," he said.

The state's lengthy process for approving private partnerships also nearly cost SUNY Cortland the chance to host the **New York Jets** football team's summer training camp. The **National Football League** franchise moved its training camp to Cortland last year, a decision that brought \$4.26 million in economic activity to Cortland County.

"The return on investment is extraordinary and we almost lost it," Bitterbaum said.

Gov. Paterson has argued that the success of many upstate communities will depend on whether SUNY is given the power to help campuses create similar revenue generating opportunities more easily in the future.

That has become evident over the past decade in rural communities such as Cortland, Utica and Plattsburgh, where colleges have become the largest employers as manufacturing jobs and other businesses downsize or move out of state.

SUNY Cortland employs 1,300 faculty and staff, and has an enrollment of 7,200 students.

By contrast, SUNY Plattsburgh in northern New York has roughly 5,900 students and 1,000 employees.

The school is such an important part of our economy, said Bob Smith, president of Nine Platt Hospitality Group in Plattsburgh.

Smith runs a hotel and restaurant management company that employs 90 New Yorkers. And he's well aware of the college's efforts to train students for technical jobs as the economy continues to adjust from the loss of its biggest employer—a U.S. Air Force Base that closed in 1995.

"As we transition from a military town into private ownership those skills are necessary," Smith said.

But he believes the state should make it easier for colleges to continue growing and providing such services by making it easier for campuses to generate revenue to fund programs.

In rural areas such as Plattsburgh, colleges also are a recruiting tool, Smith said.

If you want to attract talented doctors to work at the hospital or college, campuses have to offer cultural programs and performing arts that will be enticing to their spouses, he said.

The desire to place more doctors and nurses in high-needs communities is one of the goals of SUNY's strategic plan, but Zimpher said it will be tough without more revenue flexibility.

"We won't go as fast. We won't go as wide. We won't go as deep," she said.

The Empowerment Act also would make it easier and faster for colleges to purchase equipment.

"We can't go to market and buy goods with the same speed of any of the private institutions," Zimpher said.

That's because current laws require colleges to undergo a lengthy pre-purchase audit.

Assembly Majority Leader Ronald Canestrari (D-Cohoes) said last week that lawmakers will return this fall to continue negotiating some agreement that would give SUNY more autonomy.

"We've got to do something if we are not going to give SUNY the operating money it needs," he said.

The governor has promised to call lawmakers back to Albany to address SUNY legislation in October if they don't come on their own.

It's a measure that Sen. William Stachowski (D-Buffalo) advocated as a critical tool to help the **University of Buffalo** grow and revitalize western New York.

It also will ensure that New York helps President Barack Obama reach his goal of increasing the number of college graduates in the United States by 10 million in the next decade.

“Everybody has said you can’t cut your way to prosperity,” Zimpher said. “You can’t afford to lose any momentum.”

Politically, Zimpher said she’s just beginning. “That is not an idle threat,” she said. “That is a promise of persistence.”

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