



THE STATE UNIVERSITY OF NEW YORK

Senate Standing Committee on Higher Education

Public Hearing

on

Middle Income Tuition Relief Program

**Testimony of
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**Van Buren Hearing Room A
Legislative Office Building**

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Senator LaValle and distinguished members of the Senate Higher Education Committee, I want to thank you on behalf of The State University of New York for this opportunity to appear before you today to discuss this most important issue of the affordability of a SUNY college education for the students of our hard-working middle class families.

Senator LaValle, first, I want to personally thank you for your tremendous and long-standing support of The State University of New York and your great work on the New York State Commission on Higher Education.

The preliminary report of the Commission calls for the State to make a strong and strategic investment in public higher education and outlines an educational plan for the promotion of SUNY, CUNY and the economy of our state through increased investment in faculty, research, operations and facilities. It is a plan which will hopefully make SUNY the best system of public higher education in the country and you, Senator and this committee will certainly play a large and significant role in this effort.

But to this most important issue of college affordability for middle income families, everyone should know that you, Senator LaValle, traditionally have been the leading voice on this issue and during the Commission proceedings you were certainly its champion.

At The State University of New York, I can assure you, Senator and the members of this committee that we understand and share your concern over the issue of college affordability. As a former college president at four SUNY institutions I can tell you, it was a constant source of concern of mine that middle income families were constantly being put under undue financial pressure by the cost of a college education. And I can say without equivocation that all sixty-four SUNY presidents feel the same way I do, no student should ever be deprived of a SUNY education because of financial inability.

Senator, as you and the members of this committee know, we, at The State University of New York continue to make the greatest attempt to keep our tuition and fees as low as possible which now average \$5,400 per year, considerably less than the average of the other state universities along the East Coast from Maryland to Maine. However, when you add room, board and other living expenses for a student residing on one of our campuses, the overall cost of attendance for the typical New Yorker, is about \$16,880 annually and this represents a real financial burden for the typical New York middle income class family, especially those who may have more than one dependent attending The State University of New York at the same time.

We believe that the one traditional way to improve financial opportunities for middle income families seeking a college education for their sons and daughters is for the State to continue its generous investments in public higher education in New York State.

Also at The State University of New York, quite frankly, there is another way to address the affordability issue and that is, we must assume a much greater role in fundraising. And while the current SUNY \$3 billion challenge is certainly a step in the right direction, I believe with a significant increase in SUNY fundraising, campuses can markedly increase the number of need-based scholarships to address the plight of middle class students under financial duress.

Another way to address the affordability of a higher education for middle income New Yorkers is to take into greater consideration a program you, Senator and members of this committee, are most familiar with and that is the state's Tuition Assistance Program

It has proven to be the most successful and effective need-based financial aid program in the country. As a matter of fact, and as you know, states nationally expend \$4 billion on need-based aid, and New York's Tuition Assistance Program comprises \$831 million of that total, so that New York's TAP program accounts for 20% of all state funded need-based aid in the United States. The New York State Legislature is to be complimented on the establishment and continuation of this program which is certainly the nation's leader.

At the State University, 125,630 of our 426,000 students receive \$263.0 million in tuition assistance dollars. At our state-operated campuses, 72,190 receive \$164.7 million in assistance, with 49,000 of these students receiving the full \$4,350 in tuition costs. At our community colleges, another 53,440 students receive \$98.3 million, with 24,000 receiving full tuition coverage as well.

Senator, you have outlined the parameters of a new financial assistance program that could help limit college cost expenditures of families with incomes of up to \$150,000 to no more than 10% of their income. We agree with your goal to keep a college education affordable for all New Yorkers.

We also respectfully suggest that the well established and very successful TAP program be also reviewed to achieve complementary goals. I am aware some of the ideas I am about to present may not be new and some were discussed during the Commission proceedings but I think they are worth taking another look at for possible action and funding to alleviate the plight of the middle class. As you certainly know, at this time at SUNY, only tuition is "TAPable". To provide some context, for SUNY students living in a residence hall, tuition represents only one-quarter of their total costs of attending college.

We would suggest the following ideas be reviewed:

1. The expansion of TAP in certain cost areas like fees, books and supplies may prove directly beneficial to middle income class families.

2. Increase the minimum TAP award from the current \$500 to help middle income families.
3. Raise the income cut-off to provide further relief for middle income class families.

In addition, we support the position that any program targeted to families capable of saving over time for college expenses should be based on regular participation in the New York College Savings 529 plan or a similar plan of savings.

Also, Senator if you would allow me, and the Committee members would bear with me, I would like to quickly review the SUNY budget request, especially as it relates to middle class families, the benefits a SUNY education affords them and the attempts we are making to keep our costs at a minimum but our quality of education at the highest levels possible.

Two months ago, the State University Board of Trustees approved their 2008-09 State Budget Request which sets forth a funding model that, if approved in the upcoming budget deliberations, will provide the University with the ability to expand our faculty ranks, increase access, improve our cutting-edge research, and institute a predictable tuition policy. The fundamental mechanism to implement these objectives is *The SUNY Compact*. The Compact creates a partnership between all the major stakeholders - SUNY, the state, elected officials, faculty, students and their parents, alumni and benefactors- creating a predictable investment model to enhance the academic quality of a SUNY education. It will allow SUNY to begin the hiring of over 1,000 new full-time faculty which will increase course offerings, reduce class sizes and provide more mentoring and counseling necessary for our students.

Most importantly, once the Compact is implemented incoming students would avoid the very large tuition increases that some SUNY students have experienced in recent years. Predictable tuition would also provide students from middle class families a better ability to effectively plan and budget for the cost of their college education.

Given such an opportunity, we can expand our faculty ranks and class offerings, ensuring timely graduation rates, while our low tuition and fees would continue to be a great value to all who seek access to a top-quality higher education.

I say top-quality because it is true - in the 2008 edition of "America's Best Colleges" by *US News & World Report*, twenty-two of SUNY's thirty-four state-operated campuses earned top rankings in categories including the leading 50 public national universities, campus diversity, least student debt and top academic programs. And even more recently, *Kiplinger's* ranked two SUNY campuses, Geneseo (6th) and Binghamton (8th), among the top 10 best values for public campuses in the nation. According to the publication, "Schools that top Kiplinger's 100 Best Values in Public Colleges are noteworthy for their combination of top-flight academics and affordable costs."

Hopefully, Senator, it is our goal that these modest tuition increases are manageable for our middle income class families and with your program and some of the financial ideas outlined in this short paper a SUNY education will always remain affordable for these families. But I repeat and stress no student should ever be denied a SUNY education because they and their hard-working families cannot afford to do so.

In closing, I want to thank the members of the committee for your support of The State University of New York and I want to thank you Senator LaValle for holding this hearing that focuses on a very important group, the middle class families, which compose the very heart and soul of New York. I want you to know that we take great pride in educating their sons and daughters and are determined to do it at a price they can afford. Thank you very much.