



**Commission on
Independent
Colleges and
Universities**

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Office of the President

*Quality
Access
Diversity
Choice*

Testimony

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The Value of Independent Higher Education in New York State

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Joint Legislative Hearing on Higher Education

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Introduction

Good afternoon, and thank you members of the Joint Legislative Committee on Higher Education. I am Laura Anglin, President of the Commission on Independent Colleges and Universities, representing more than 100 private, not-for-profit colleges and universities located here in New York State. I appreciate this opportunity to share the perspective of New York's Independent Sector of higher education.

You each have a copy of my testimony included in the back of our new publication *The Value of Independent Higher Education*. Throughout the pages of this booklet, you will see the difference the Independent Sector is making in the lives of thousands of New York's students and surrounding communities. The Independent Sector provides access, choice and diversity for New York students, serves as anchor tenants in the communities in which we are located, acts as workforce and innovation catalysts through research and development, and drives economic growth through job creation.

Pages in a book, however, can only tell part of the story. The real impact is witnessing in person the service that our Sector provides to New York college students. Many of our students are here today in Albany for the New York Student Aid Alliance Advocacy Day. This annual event brings together students from across New York State to stand up for and champion student aid, including the Tuition Assistance Program (TAP), the Arthur O. Eve Higher Education Opportunity Program

(HEOP), Collegiate Science and Technology Entry Program (C-STEP), Science Technology Entry Program (STEP) and Liberty Partnerships Program (LPP).

Earlier today, I welcomed hundreds of students to Albany to share their stories on the importance of student aid and the impact it has on their lives. Many are the first in their families to attend college and would not have been able to do so without the assistance from the wide array of New York State financial aid programs.

Students are at the core of New York's Independent Sector of higher education. Investment in New York's students is investment in New York's future. There are few opportunities to publicly express our appreciation, so thank you for supporting students and protecting their choice of more than 270 colleges and universities in New York State.

The Independent Sector

As I do each year, I would like to share a few highlights of our sector. New York's private, not-for-profit colleges and universities provide more than 490,000 students with a variety of higher education options and environments. The Independent Sector grants more than one-half of the bachelor's degrees, as well as the majority of master's, doctoral, and first professional degrees earned in the state. The sector enrolls 38 percent of New York's Black and 40 percent of Hispanic college students and graduates 57 percent of all Black and Hispanic students. Further, more than half of Independent Sector undergraduates who receive TAP support (52%) come from families with incomes less than \$20,000 and nearly three-quarters (73%) have family incomes below \$40,000.

Serving Students: Independent Sector Success

Within our campuses, students not only find the financial support they need through institutional grants and scholarships of \$4.6 billion, they also find the academic support and programs to make them succeed in college. Since 2000, graduation rates for first-time students earning a bachelor's degree has increased steadily. Currently, our Sector leads degree completions in the state with a 69.1 percent six-year graduation rate, coupled with a 14 percent increase in the number of degrees awarded since 2006. College completion is important to our Sector as college-educated citizens have a positive impact on their communities. A college degree leads to increased earning potential, healthier lifestyles, increased volunteerism, greater civic engagement and less reliance on state assistance programs.

Public-Private Partnerships

Thank you for your commitment to fully funding student aid programs that help New Yorkers meet their college expenses. We are grateful for your support of TAP, Direct Institutional "Bundy" Aid, HEOP, C-STEP and its high school counterpart STEP, LPP, and targeted programs for nursing and teaching.

It is through partnerships like these with the state that the Independent Sector can more fully leverage state and private dollars, serve and educate thousands of New York college students, and help New York educate students at a lower cost to taxpayers while providing students with a range of higher education campus options.

Tuition Assistance Program (TAP)

Since its inception, more than five million New Yorkers have used TAP to help meet their college expenses. I myself am a TAP recipient and like countless others was able to earn my college degree because of the TAP funding I received. Currently, 84,000 resident students depend on TAP annually to attend an independent college or university in New York State. In the last legislative session, you helped secure the first TAP award increase in more than a decade and implemented important changes for orphans, foster children and wards of the court. The increase of \$165 is an important starting point, and it is our hope that together we can enhance the maximum award to \$6,500 to promote greater access to higher education and consider other adjustments to increase the program's effectiveness.

By raising the levels of need-based grant aid, more students can benefit and TAP can continue to provide access for the state's residents and keep our students here at home in New York. Working with the Legislature has been a wonderful, positive partnership. This partnership has made it possible for programs like TAP to grow and enable New York's students to stay here at home for higher education. As we look forward to how we can keep TAP strong and serve more New Yorkers, including young immigrant New Yorkers, we support the following enhancements:

- Increase the undergraduate TAP maximum award to \$6,500;
- Increase the undergraduate TAP maximum award for independent students and increasing the income eligibility ceiling for these students;
- Reinstate Graduate TAP; and
- Reduce the restrictions on part-time TAP.

We also support reforms and enhancements including:

- Give financial aid officers the freedom to use their professional judgment and have the ability to update student and family income based on unforeseen circumstances;
- Reduce the number of TAP schedules to reduce complexity, improve efficiency and create incentives for students to complete degrees;
- Update the American with Disabilities Act (ADA) TAP so students receiving TAP who are enrolled part-time have realistic satisfactory academic progress guidelines;

- Use the federal definition of an Independent Student; and
- Discuss alternatives to Ability to Benefit requirements. (The President's budget for FY16 proposes to reinstate an ability-to-benefit option for students, and we will be closely monitoring this proposal to see how it develops before encouraging the state to consider alternatives, following the changes at the federal level.)

New York State's Opportunity Programs

New York has a wide array of opportunity programs which are models for the country and are an integral financial aid component of minority, economically disadvantaged, and first-generation students. These programs also help them prepare for and complete their degrees. Four opportunity programs serve approximately 25,000 students each year, but more needs to be done. We support an increase of \$6 million for these programs to expand the scope of their reach and help more students realize their college dreams.

Arthur O. Eve Higher Education Opportunity Program (HEOP)

The Arthur O. Eve Higher Education Opportunity Program provides more than 4,500 students with support services and financial aid, helping them graduate at rates above the national average for all students. Our Sector is deeply committed to this program and other opportunity programs.

The increase proposed in the Governor's Executive Budget is a good starting point from which we can serve more New Yorkers and meet the overwhelming demand for this program. More than simply a student aid program, HEOP is a community with an extensive support system. The success of the HEOP model has led to many Independent Sector schools replicating the model on campus and investing institutional dollars to expand the reach of students served outside the parameters of HEOP admission.

Last year began a new five-year funding cycle for HEOP and I am pleased to say that four new Independent Sector colleges joined the HEOP family, bringing to 53, the number of schools in our Sector serving students through HEOP.

Collegiate Science and Technology Entry Program (C-STEP), Science and Technology Entry Program (STEP)

While choice and access to higher education is important, retention and graduation are also critical components of what we do in the Independent Sector. C-STEP and STEP are two important programs focused on increasing the enrollment and retention of underrepresented and economically disadvantaged students in programs leading to scientific, technical, or health related careers. As demands for skilled workers in these fields continues to grow, it is important, now more than ever, to

ensure that we are preparing our young people to have the skills and tools necessary to be successful in these fields.

C-STEP is about to enter a new five-year funding cycle. Together with STEP, over 4,700 students are served at participating Independent Sector colleges, and we support improved funding for these two programs.

Liberty Partnerships Program (LPP)

The Liberty Partnerships Program works to ensure the successful transition of middle and high school students, who are identified as at-risk of dropping out, into successful college graduates who go on to become productive members of society. This program provides tutoring, mentoring, counseling, and promotes college awareness to these at risk students. We support increased funding to make sure that no student falls through the cracks and that they each get the support needed to fulfill their college aspirations.

Contributing to and Fueling New York's Economic Growth

Colleges and universities are significant economic drivers, providing local economies with jobs and economic activity. In 2013, New York's Independent Sector contributed a total of \$74.3 billion to the state's economy, a major impact in every region of the state. With a \$56.6 billion institutional impact, and over 390,000 employees paying close to \$2 billion in state and local taxes, Independent Sector campuses are among the top ten employers in eight of New York's ten regions. Payroll alone totaled \$26.5 billion, up 15 percent from 2011. The fiscal impact represents the revenue generated by \$1.5 billion in personal income tax paid by Independent Sector employees. These employees support local economies through their spending on goods and services, contributing \$415 million in state and local sales taxes.

Regulatory Reform: Program Approval

The Executive Budget contains provisions to streamline the process to approve programs and degrees at SUNY and CUNY. This new program approval process does not extend to private, not-for-profit colleges and universities. As the marketplace changes, employers seek new skills and tools in the graduates they hire to meet the demands they face. Streamlined processes for program approval are how colleges and universities are best able to respond to these business needs and better serve students. Current delays in program approval are a major challenge facing the Independent Sector, inhibiting our schools from being nimble in focusing their academic programs to best prepare their students for the workplace upon graduation.

Currently, thirty-six other states (including California and Texas) have no regulatory authority over the approval of academic programs offered by private, not-for-profit colleges and universities. More recently in 2012, Pennsylvania's Legislature

passed, and the Governor signed, a law that eliminates the need for an institution with a “restricted” charter that is Middle States accredited and in existence in Pennsylvania for at least ten years to receive Pennsylvania Department of Education program or degree approval. The Massachusetts Legislature is currently considering similar legislation.

In order to keep businesses in the state and attract new ones, program approval should cover all of New York’s colleges and universities so the college graduates of this state are ready from day one to meet the dynamic needs of the business marketplace.

Leverage College and University Research Partnerships

We are supportive of another round of Regional Economic Development Council funding, as well as for START-UP NY and high technology programs including the Centers for Advanced Technology (CATs), Centers of Excellence, the Innovation Hot Spots and Incubators program and the Stem Cell Innovation Fund. Supplementing these efforts, we believe the state should fund the Faculty Development Program and the Technology Transfer Incentive Program to retain talented researchers and promote commercialization. These two programs were reinstated and funded in last year’s budget, but the Executive Budget eliminates funding for this year.

Exceptional Educators: Developing the Pipeline

Science, Technology, Engineering, and Mathematics (STEM) Incentive Program

The future of New York State’s growth and prosperity and its position in the global marketplace rests in its students. Providing quality of choice, access through opportunity programs, retention and graduation of these students is paramount in the mission of Independent Sector colleges and universities. We are leaders in degree conferrals in critical high needs areas such as science, technology, engineering, math and education.

The STEM Incentive Program, established in last year’s budget, denies a student’s ability to choose the college or university of their choice that best fits them. Existing state scholarship programs currently in statute allow students to take their scholarship to the college or university of their choice. With additional funding in the Executive Budget coupled with lower than anticipated participation in year one, we believe that the Independent Sector could be included in this program without additional cost to the state.

Our Sector produces 56 percent of the bachelor’s degrees and 73 percent of graduate degrees in STEM fields and the state is projected to have nearly a half-million STEM jobs by 2018, the third highest in the country. To meet this demand and prevent the outsourcing of these jobs out-of-state, the state should tap into the built in strength of all sectors of higher education by expanding the STEM Incentive

Program so talented students can take their scholarship dollars to any college or university in New York State.

Masters-in-Education Teacher Incentive Scholarship Program

New York State has some of the best teachers in the country with a wide array of opportunities and schools to choose from. Seventy Independent Sector campuses confer 61 percent of the state's bachelor's and graduate education degrees. If the goal is to have the best teachers, then let us work together to do that by expanding the Masters-in-Education Teacher Incentive Scholarship Program to include our Sector. The goal of all of us is to provide quality access and diversity of choice for high school students across New York so they can choose the institution of higher education that best fits them and gives them the best chance for success.

Loan Forgiveness: Get on Your Feet Loan Forgiveness Program

Financial aid programs for students to get into college and complete college are important and allow many to be the first in their families to attain a college degree; however, it is equally important to make sure that these students are not burdened with insurmountable debt loads. The Governor's proposed Get on Your Feet Loan Forgiveness Program seeks to help alleviate and make manageable student loan debt that many graduates face upon entering the workforce. This program would make it easier for recent college graduates to live and work in New York and support our alumni as they launch their careers in the Empire State.

Conclusion

In closing, I would like to thank the Legislature for its support of students, and key aid programs that help them achieve their higher education dreams. We have made great strides in strengthening the support network for our students, but as more and more high school students choose to pursue their college dreams, the demand continues to grow and we must work to ensure adequate resources are provided. Let us build on the gains of last year and continue to invest in our students as we prepare and cultivate them to be the future stewards of New York State. I look forward to working with you this year, and I am happy to answer any questions.