



UNITED UNIVERSITY PROFESSIONS

Examining the New York State Tuition Assistance Program

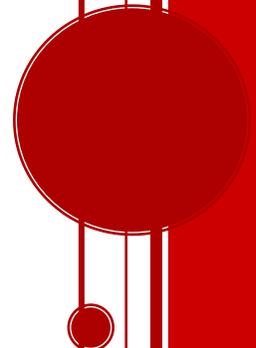
Presented To:

Assembly Standing Committee on
Higher Education

Presented By:

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I'd like to take this opportunity to thank the Assembly Standing Committee on Higher Education for holding a hearing to examine the effectiveness of the New York State Tuition Assistance Program (TAP). To ensure continued access, we must take the time to consider possible updates and improvements to this program to better meet the needs of students at universities and colleges across New York State.

I am Frederick E. Kowal, President of United University Professions (UUP). We are the nation's largest higher education union, representing more than 35,000 academic and professional faculty and staff at SUNY four-year campuses statewide.

The time is now to invest in higher education. There is no time to lose.

SUNY's neediest students are supplemented by their campuses under NYSUNY 2020's tuition credit program. But once the SUNY tuition credit sunsets at the end of the 2015-16 academic year, those students will be faced with an estimated \$1,330 gap between the maximum TAP award and SUNY tuition. The Legislature must act to ensure that these students have access to quality, public higher education. The time is now for a real investment in higher education, and the time is now for TAP reform.

What would TAP reform look like? It starts with passage of the DREAM Act. The DREAM Act would expand tuition assistance awards and other financial aid programs and scholarships to undocumented college students. I would like to recognize and thank the Assembly for passing the Dream Act. UUP believes that extending state financial aid eligibility to these students will yield social and economic benefits that will positively impact our students, our campuses, and our communities. In today's society, a college degree is necessary to compete,

to thrive, and to provide for one's family. The DREAM Act would provide these students an opportunity to have access to a quality, affordable higher education, to obtain a job and be productive citizens.

We also need more TAP. With greater numbers of nontraditional students in pursuit of a degree and the cost of college ever increasing, we need to have a TAP that realistically reflects the needs of these students and their families. That's why I believe the maximum TAP award must be increased to \$6,500 **for all** students. And TAP award income thresholds for independent single students and married students without dependent children must increase to the same maximum level of \$6,500.

Part-time students must have direct access to TAP. Restrictions that require part-time students to attend college full-time for a year before becoming eligible for part-time TAP awards should be lifted.

The length of time for TAP eligibility must be extended as well. Students in the state's Educational Opportunity Program are eligible for extended TAP; they can receive TAP awards for up to 10 semesters, compared to 8 for other students. Unfortunately, there are not enough seats available in the EOP for eligible students. That's why we are asking that two semesters of TAP eligibility be added for students identified by the state as educationally disadvantaged but are not enrolled in programs such as SUNY EOP.

A college education must be viewed as the new high school diploma. It is no longer an option; it is a necessity to succeed. The fact is, by 2020, more than 65 percent of all jobs nationwide will require an education beyond high school.

For many, student loans are the only way to pay for this **fundamentally necessary education**. Approximately 2.8 million New Yorkers carry a student debt burden totaling \$73.2 billion. In New York State, 60 percent of college students graduate with student debt and last year, SUNY students graduating

with a bachelor's degree borrowed an average of \$22,575 to earn that degree. This is an untenable situation for the future of students and our University.

I have spoken often about the underfunding of SUNY, but it goes hand-in-hand with the issue we are discussing today. Millions of dollars in state aid have been cut from SUNY since 2010, and the result has been catastrophic. Classes have been cut, courses and student services have been downsized, and tuition is on the rise. In turn, this has jeopardized students' ability to graduate on time, forcing many of them to take out loans to earn their degrees.

Continuously underfunding higher education has created an unfair and unsustainable financial crisis for those seeking the education necessary to obtain a job in today's knowledge-based economy.

UUP has developed a series of initiatives for improving funding to SUNY and for building a more accessible, affordable public higher education system. Today, I would like to share these ideas and invite all of you to join UUP in developing a realistic, achievable long-term plan for student success and a thriving public university system.

As you may recall, UUP last year supported and pushed for the creation of a permanent endowment to provide a long-term source of funding for SUNY. We believe in this plan and once again, with the backing of NYSUT and its affiliates, we are advocating for the creation of an endowment.

This endowment would help rebuild SUNY's academic departments that have been depleted by chronic underfunding. It would increase full-time faculty, professional, and support staff lines; and give part-time employees opportunities to move into full-time positions. A permanent SUNY endowment will safeguard the quality of public higher education in New York by providing an adequate and stable academic and support staff for students.

In addition, UUP will press for a 50 percent target for state funding for SUNY and a true Maintenance of Effort. The state should not depend on students

for the bulk of SUNY funding. Yet students, through tuition and fees, account for approximately 63 percent of SUNY's funding. UUP asks that the state cover at least half of the funding for SUNY – its fair share.

To provide a strong financial foundation, SUNY must be funded by a genuine Maintenance of Effort. This must accurately reflect the needs of the University. It would include SUNY's hospitals and cover the basic expenses of its state-operated campuses, as well as the cost of collective bargaining agreements.

UUP is also formalizing a legislative proposal called BOSS, or Bringing Opportunities for Student Success.

Under Boss, additional incentive funding would be awarded to campuses that embrace:

- increasing full-time faculty, professional, and support staff, which would result in smaller class sizes and more access to student services;
- improving student and faculty diversity to provide a well-rounded, enriched, educational experience;
- increasing the total dollar value of scholarships awarded to underrepresented and under-resourced students to improve access; and
- providing an Educational Opportunity Program (EOP) pre-freshman summer program—with significant campus support—to improve retention and student success. EOP has a proven student success rate.

UUP believes that any incentive program must emphasize access, quality, and affordability. However, BOSS can only be effective if the state provides at least half of SUNY's funding, and agrees to a genuine Maintenance of Effort.

We are researching and developing a program to help students identify potential career paths, apply for college and financial aid, and prepare for college challenges. This program would provide guidance and support to underrepresented and under-resourced families and students.

Getting students into college is important, but so is helping them pay for their education. So, UUP is focusing on developing proposals to lower the incredibly high debt burden facing college students and recent graduates. We cannot wait for Congress to act; New York must take the lead.

To diminish outstanding loan burdens on New York students, UUP is advocating for a SUNY Student Loan Refinancing program. Under the plan, SUNY student borrowers can refinance loans at a much lower interest rate than they currently pay. The program would place a fixed interest rate on refinanced loans, based on the 10-year Treasury note rate. Borrowers can further reduce interest rates by 1 percent after making 61 on-time payments.

This program will lower repayment costs for students and generate economic growth for the state as borrowers are able to put money toward other purchases. In addition, UUP is proposing a SUNY-employed Adjuncts Loan Forgiveness Program, which would provide student loan relief for overworked, underpaid adjuncts.

To fund these crucial initiatives, I am asking the Legislature to support and press for some of the state's current surplus to be invested in New York State's public higher education system. With the success Attorney General Eric Schneiderman has had in his actions against Wall Street banks, I can think of no better use for those hundreds of millions of dollars of ill-gotten gains than to use them to rebuild SUNY, for the benefit of the citizens of our state.

New York State must invest heavily in student financial aid and opportunity programs, and update and reform the state's Tuition Assistance Program. These positive changes will ensure a strong public higher education system that offers quality, access and opportunity for all.

Thank you for your time.