



HIGHER EDUCATION



The Executive Budget continues to implement Governor Hochul's vision to transform the State's public higher education system to become the best and most equitable statewide system of higher education in the country, with actions to expand enrollment and access to colleges across the State and strengthen the **State University of New York (SUNY)** and **City University of New York (CUNY)** systems.

OFFICES AND PROGRAMS

- New York State's higher education system educates over 1.1 million students, according to reported Fall 2021 enrollment. This includes 47 four-year colleges and graduate schools administered by SUNY and CUNY that provide 371,000 full- and part-time students with an array of undergraduate, graduate, and professional degrees; 37 local and regional community colleges supported by SUNY and CUNY serving over 234,000 students; and nearly 200 private colleges and universities educating 534,000 students across the State.
- The **State University Construction Fund (SUCF)**, the **City University Construction Fund (CUCF)**, and the **Dormitory Authority of the State of New York (DASNY)** administer a capital program for over 3,000 academic, research, hospital, dormitory, and multi-use facilities, which make up the physical infrastructure of the public university systems across New York State.
- The **Higher Education Services Corporation (HESC)**, New York State's student financial aid agency, is a national leader in helping make college affordable for students. HESC oversees numerous State-funded financial aid programs, including the **Excelsior Scholarship**, the **Tuition Assistance Program (TAP)**, and 26 other scholarship and loan forgiveness programs. Together, these programs provided financial aid to approximately 300,000 students during the 2022-23 academic year (AY 2023). HESC also partners with the Office of the State Comptroller to administer the **College Choice Tuition Savings program**.

The **State Education Department (SED)** also contributes funding for higher education, including opportunity programs that help support the success of disadvantaged students.

EXTENDING OPPORTUNITY TO OUR STUDENTS

In 2022, in her first State of the State Address, Governor Hochul outlined a vision to transform SUNY and secure its status as the best and most equitable statewide system of higher education in the country. Specifically, the Governor outlined goals related to increasing enrollment and completion rates, preparing students for in-demand jobs, ensuring a world-class student experience, recruiting top faculty, providing a wide range of degrees and credentials, and doubling sponsored research, startups, and patents. In the FY 2023 Budget, the Governor provided SUNY and CUNY with significant increases in operating aid and capital funding, expanded TAP for part-time students, increased support for opportunity programs, and announced that Stony Brook University and the University at Buffalo would become SUNY's flagship institutions.

Governor Hochul took additional steps to transform the State's higher education system in the FY 2024 Budget, investing \$2.4 billion in new funding for capital projects and \$381 million in operating support for SUNY and CUNY, creating a \$500 million State matching fund for contributions to the endowments of SUNY's four university centers, and allowing flexibility for both systems to increase graduate and non-resident tuition rates to generate additional campus operating revenue.

ABOUT NEW YORK'S INVESTMENT IN HIGHER EDUCATION

- In the two budgets enacted under Governor Hochul, State operating funding for higher education has increased by a total of \$1.07 billion (17 percent), growing from \$6.15 billion to \$7.22 billion.
- State and local funding per student for public colleges in New York was \$12,428 in AY 2022 – \$3,660 (36 percent) more than the national average and higher than 44 other states.

- More than two-thirds (69 percent) of New York State's public colleges' total revenue comes from State and local support – 11 percentage points higher than the national average and more than 40 other states.
- The average tuition and fees at the State's four-year public institutions was \$8,579 in AY 2024 – \$2,681 (24 percent) less than the national average and lower than 43 other states.
- New York's generous investment in student financial aid, including TAP and Excelsior Scholarships, helped over 176,000 New York State residents – 58 percent of full-time resident undergraduate students – attend SUNY and CUNY tuition-free in AY 2023, including 52 percent at SUNY State-operated campuses and 67 percent at CUNY senior colleges.
- \$2 million for micro-credential programs that educate teachers in the science of reading (\$1 million SUNY, \$1 million CUNY); and
- \$1.5 million for the State Weather Risk Communication Center at the University at Albany, providing real-time weather information for public-sector stakeholders.

PROPOSED FY 2025 BUDGET ACTIONS

As implementation of Governor Hochul's vision continues in 2024, the Governor will take additional action in the FY 2025 Executive Budget to strengthen and transform our State's higher education system:

- **Providing \$207 Million in New State Support for SUNY and CUNY Campuses.** The Executive Budget provides \$207 million in new, recurring State support for SUNY State-operated campuses (\$100 million) and CUNY senior colleges (\$107 million). This funding includes:
 - \$106 million in increased funding for university employee fringe benefits (\$36 million SUNY, \$70 million CUNY);
 - \$90 million in recurring general operating support (\$54 million SUNY, \$36 million CUNY);
 - \$2.75 million for the SUNY Empire State Service Corps, offering students community service work opportunities;
 - \$2.5 million for the operating costs of SUNY's participation in the Empire AI consortium to spur artificial intelligence research and innovation;
 - \$2 million for SUNY's role in the larger Statewide Investment in More Swimming (NY SWIMS) initiative;
- **Advancing Additional State Support to Help Cover SUNY Collective Bargaining Costs.** The Executive Budget will provide SUNY with \$103 million in June 2024 to cover the lump-sum payments from the general salary increases of 2 percent effective in 2022 and 3 percent in 2023 under the recently ratified United University Professions contract, representing an advance on funding SUNY would otherwise receive in the following academic year.
- **Maintaining the Community College Funding Floor.** The Executive Budget will maintain a funding floor for community colleges at 100 percent of prior year funding. Without a funding floor, community colleges would face a \$143 million (23 percent) loss in formula aid due to enrollment declines.
- **Providing \$1.2 Billion for New Capital Projects at SUNY and CUNY Campuses.** The Executive Budget provides \$1.2 billion in new funding for capital projects to help maintain SUNY and CUNY campus facilities in a state of good repair and make strategic investments in new facilities. This includes: \$650 million for SUNY State-operated campuses, \$384 million for CUNY senior colleges, and \$154 million for community colleges (\$138 million SUNY, \$16 million CUNY). In addition, the Executive Budget also includes \$70 million for capital program administration (\$29 million SUCF, \$18 million CUCF, \$23 million DASNY).

- **Making FAFSA Completion Universal.** The Executive Budget requires school districts to ensure that every high school senior completes the Free Application for Federal Student Aid (FAFSA) or the New York State Dream Act application (or in the alternative, signs a waiver form indicating that they are aware of, but choose not to fill out, the FAFSA). All individual students will still be able to graduate regardless of whether they complete the FAFSA.
- **Limiting Bundy Aid. Beginning in AY 2025.** the Executive Budget limits eligibility for Unrestricted Aid to Independent Colleges and Universities, also known as Bundy Aid, to institutions with endowment assets less than \$750 million. Aid to such institutions is funded at the same \$15.8 million level as in AY 2024.

Higher Education General Fund Spending				
CATEGORY	FY 2024 <i>(MILLIONS OF DOLLARS)</i>	FY 2025 <i>(MILLIONS OF DOLLARS)</i>	DOLLAR CHANGE <i>(MILLIONS OF DOLLARS)</i>	PERCENT CHANGE (%)
SUNY State-Operated Campuses	3,600	3,619	19	0.5
CUNY Senior Colleges	1,795	1,844	48	2.7
HESC Financial Aid Programs	966	963	(4)	(0.4)
Community Colleges	691	689	(2)	(0.3)
SED Programs	164	144	(20)	(12)
GENERAL FUND TOTAL	7,218	7,259	42	0.6

Data Notes:

- The \$19 million net increase for SUNY State-operated campuses includes \$100 million of new, recurring State support, offset by \$81 million in FY 2024 funding for transformational initiatives and other nonrecurring investments.
- The \$48 million increase for CUNY senior colleges includes \$107 million in new, recurring State support, offset by \$58 million in FY 2024 funding for transformational initiatives and other nonrecurring investments.
- The year-to-year decreases in funding for community colleges and HESC financial aid programs are attributable to one-time funding provided by the FY 2024 Budget.
- The decrease in funding for SED programs is largely attributable to the Executive Budget proposal to limit Bundy Aid eligibility to independent colleges and universities with endowment assets less than \$750 million beginning in AY 2025.
- In addition to the \$7.3 billion in State support cited in the chart, the State is estimated to pay \$939 million in FY 2025 for debt service on bond-financed capital projects at SUNY and CUNY.
- In addition, the FY 2024 Budget appropriated \$500 million as a State match to contributions to the endowments of the four SUNY university centers.