



Division of  
the Budget

## HIGHER EDUCATION

The Executive Budget provides a **\$103 million** increase in funding for higher education in New York, bringing total support to nearly **\$7.5 billion**.



State support increased

**\$1.4 BILLION**

since 2012.



Average tuition and fees at New York's public four-year colleges are **20 percent less** than the national average and lower than 39 other states.

The **DREAM Act** will open the doors of higher education to thousands of undocumented students, an investment in New York's future.



The Excelsior Scholarship **income eligibility threshold increases** to include New Yorkers with household incomes

**UP TO \$110,000**



**210,000**

students will attend SUNY and CUNY **tuition-free**

## Budget Highlights

**\$7.5 Billion for Higher Education.** The Executive Budget provides a \$103 million increase in funding for higher education in New York, bringing total support to nearly \$7.5 billion – an increase of \$1.4 billion or 24 percent since FY 2012.

**Launch the Second Phase of the Excelsior Free Tuition Program.** The Excelsior Scholarship income eligibility threshold is increased for the 2018-2019 academic year to include New Yorkers with household incomes up to \$110,000.

**Combat Exploding Student Loan Debt.** A series of new reforms will alleviate the crushing burden of student loans. The plan creates a student loan ombudsman, increases consumer protection standards and transparency for the student loan industry, among other changes.

**Pass the DREAM Act.** The DREAM Act will open the doors of higher education to thousands of undocumented students, an investment in New York's future.

**Require Food Pantries on all SUNY and CUNY Campuses.** To ensure consistent healthy food options are available, food pantries and other options will be required.

The FY 2019 Executive Budget expands access to higher education by launching the second phase of the Excelsior free tuition program, advancing a comprehensive plan to combat exploding student loan debt, and establishing the DREAM Act. The Budget also includes strategic investments that will ensure no student goes hungry on college campuses and provide New Yorkers with the tools and skills they need in the 21<sup>st</sup> century economy.

## Overview

New York State's higher education institutions educate over 1.2 million students. The State University of New York (SUNY) and the City University of New York (CUNY) administer 47 four-year colleges and graduate schools that provide more than 404,000 full- and part-time students with an array of undergraduate, graduate, and first professional educational opportunities. SUNY and CUNY also support 37 community colleges, serving nearly 320,000 students. In addition, nearly 515,000 students attend the more than 100 private colleges and universities across the State. Over the past 10 years, enrollment at New York's public and private higher education institutions has increased by 85,000 (7 percent).

The State University Construction Fund (SUCF), 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 university systems.

The Higher Education Services Corporation (HESC) is New York State's student financial aid agency and a national leader in helping make college affordable for New York residents. HESC oversees numerous State-funded financial aid programs, including the new Excelsior Scholarship, the Tuition Assistance Program (TAP), the Aid for Part Time Study program, and 23 other scholarship and loan forgiveness programs. Together, these programs provide financial aid to approximately 400,000 students. HESC also partners with the Office of the State Comptroller in administering the College Choice Tuition Savings program.

The State Education Department administers funding for higher education, including opportunity programs that help support the success of disadvantaged students.

## Expanding Access to Higher Education

Under Governor Cuomo's leadership, New York is leading the nation in expanding access to a quality and affordable college education and providing our future workforce with the tools and skills they need in the 21st century economy. Today, a college education is more important than ever before: By 2024, 3.5 million jobs in New York State will require an Associate's Degree or higher – roughly 420,000 more jobs than in 2014.

Funding for higher education has increased by \$1.4 billion since 2012 (24 percent) from \$6.1 billion to \$7.5 billion in the FY 2019 Executive Budget. The State is also providing \$1.2 billion for strategic programs to make college more affordable and encourage the best and brightest students to build their future in New York.

New York State has been aggressively reducing financial barriers to college. In 2011, the State enacted Governor Cuomo's plan to end decades of unpredictable and sudden tuition hikes with a rational tuition system that limits SUNY and CUNY tuition increases. The average tuition at the State's four-year public institutions is currently lower than 39 other states. In 2015, Governor Cuomo created the Get On Your Feet Student Loan Forgiveness Program to provide up to two years of student loan payments for recent college graduates.

Last year, building on the State's already generous tuition assistance, New York launched the groundbreaking Excelsior Scholarship to provide tuition-free college for middle class families. The first-of-its-kind program covers tuition at New York's public colleges and universities for families making up to \$125,000 a year, when fully phased in, ensuring that more than 53 percent of full-time SUNY and CUNY in-state students can go to school tuition-free.

The State is also helping to address other costs of college by investing \$8 million to help reduce the costs of textbooks through innovations like Open Educational Resources at SUNY and CUNY.

SUNY and CUNY campuses have also received significant support for their capital assets. Since FY 2012, the State has provided nearly \$700 million to enhance the learning structures and facilitate new innovations through the SUNY and CUNY 2020 programs.

### Performance Profile

**Improving Access to a College Education.** Along with other sources of tuition assistance, including the generous New York State Tuition Assistance Program, the Excelsior Scholarship will allow approximately 53 percent of full-time SUNY and CUNY in-state students, or more than 210,000 New York residents, to attend college tuition-free when fully phased in.

**Keeping Tuition Predictable and Affordable.** New York's predictable tuition plan has kept public college tuition affordable. Average tuition and fees at New York's public four-year colleges are among the lowest in the nation – \$2,030, or 20 percent less than the national average and lower than 39 other states.

**Improving On-Time Graduation.** On-time completion is a cornerstone of the Excelsior Scholarship helping to alleviate the crushing burden of student debt. This fall, SUNY and CUNY experienced a notable increase in the number of full-time freshman taking 15 credits or more in their first semester, the amount necessary to graduate on-time. CUNY experienced a 39 percent increase, while SUNY increased 11 percent.

**Table 9: Summary of Higher Education Spending (General Fund)**

Category	Academic FY 2018 (millions)	Academic FY 2019 (millions)	Change	
			Dollars (millions)	Percent
SUNY State-Operated Campuses (a)	2,943	2,954	11	0.4
CUNY Senior Colleges (a)	1,279	1,316	37	2.9
SUNY and CUNY Debt Service	1,205	1,240	35	2.9
HESC Financial Aid Programs	1,099	1,179	80	7.3
Community Colleges (b)	736	718	(18)	(2.4)
SED Programs (c)	126	84	(42)	(33.3)
<b>General Fund Total</b>	<b>7,388</b>	<b>7,491</b>	<b>103</b>	<b>1.4</b>

(a) Includes funding for campus and hospital operations and employee fringe benefits. FY 2019 does not reflect \$78.6 million in support for SUNY hospitals that is reinvested into State-supported capital projects.

(b) Decrease is largely attributable to enrollment declines at SUNY community colleges.

(c) Decrease includes Bundy Aid and non-recurring appropriations for other programs, and does not reflect a new \$30 million reinvestment of aid to private colleges for strategic capital investments.

## Proposed FY 2019 Budget Actions

Building on the accomplishments of providing students with a path to an affordable quality college education, the Executive Budget proposes several strategic investments to ensure all of New York's aspiring students can go to college and achieve their dreams.

- Launch the Second Phase of the Excelsior Free Tuition Program.** In 2017, Governor Cuomo created the historic Excelsior Scholarship, a first-in-the-nation program that provides free tuition at New York's public colleges and universities for middle class families. In FY 2019, the Excelsior Scholarship will enter the second year of a three-year phase-in. For the 2018-19 academic year, the Excelsior Scholarship income eligibility threshold will increase, allowing New Yorkers with household incomes up to \$110,000 to be eligible. To continue this landmark program, the Budget includes \$118 million to support free tuition for an estimated 27,000 students. Along with other sources of tuition assistance, the Excelsior Scholarship and State tuition assistance programs will allow approximately 53 percent of full-time SUNY and CUNY in-state students, or more than 210,000 New York residents, to attend college tuition-free when fully phased in.
- Combat Exploding Student Loan Debt.** At a time when a college education is more important than ever, the cost of higher education is on the rise and student debt is reaching record highs. Today, student loan debt is the second highest debt category in the United States after mortgage debt, accounting for 10 percent of debt balance and amounting to \$1.48 trillion in total. The Executive Budget advances a comprehensive plan to further reduce student loan debt, including:

- Creating a Student Loan Ombudsman at the Department of Financial Services;
  - Requiring all colleges to annually provide students with estimates of their incurred student loans, including the amount of loans incurred to date, a range of the total payoff amount containing principal and interest, and the monthly repayment amount that the student may incur for the loan to date;
  - Enacting sweeping protections for students including ensuring that no student loan servicers or debt consultants can mislead a borrower or engage in any predatory act or practice, misapply payments, provide credit reporting agencies with inaccurate information, or any other practices that may harm the borrower; and
  - Prohibiting the suspension of professional licenses of individuals behind or in default on their student loans.
- **Pass the DREAM Act.** The Executive Budget includes legislation to implement the DREAM Act, opening the doors of higher education to thousands of New Yorkers. Since 2002, undocumented students qualify for in-state tuition at SUNY and CUNY if they graduated from a New York high school or received a GED in the state. Yet, each year, many talented students who graduate from New York high schools remain unable to fulfill their potential simply because they cannot afford the tuition and lack access to tuition assistance to help pay for school. The DREAM Act will give undocumented students access to the new Excelsior Scholarship, the Tuition Assistance Program, as well as other state-administered scholarships. An investment in young immigrants' futures is an investment in New York's future.
  - **Require Food Pantries on all SUNY and CUNY Campuses.** As part of the Governor's No Student Goes Hungry Initiative, all SUNY and CUNY schools will be required to either provide physical food pantries on campus, or enable students to receive food through a separate arrangement that is stigma-free so that all students on college campuses have access to healthy food options. In 2009, fewer than 10 campus food pantries existed at private and state colleges nationwide, and as of 2017, more than 570 currently exist. Only about half of all SUNY and CUNY campuses have food pantries currently in place. New York State would be the first state to require every public campus to have a food pantry.
  - **Expand the Murphy Institute for Worker Education and Labor Studies into the CUNY School of Labor and Urban Studies.** The Joseph S. Murphy Institute for Worker Education and Labor Studies, which was established in collaboration with New York City labor unions in 1984 to meet the higher education needs of working adults, now serves more than 1,200 adult and traditional-aged students across the CUNY system in undergraduate and graduate degree, and certificate programs focused on labor-related issues. The Institute provides higher education programs in three general categories including labor, urban studies, and worker education/workforce development. The Executive Budget includes a \$1.5 million investment to expand the institute into the CUNY School of Labor and Urban Studies, a recognition of the invaluable role the Institute plays in the CUNY community and as a center of labor discourse.



- **Make State Support for Private Colleges More Impactful.** The Executive Budget proposes a more impactful investment of State aid to New York's independent colleges and universities, focused on strategic investments. Under a program popularly referred to as Bundy Aid, the State currently provides unrestricted financial support to more than 100 independent postsecondary institutions located in New York State. On average, Bundy Aid represents 0.1 percent of revenue for eligible colleges. To improve the focus of State resources and make it more impactful, the Budget discontinues the Bundy Aid program and reinvests funds in a new \$30 million competitive round of the Higher Education Capital Matching Grants program. Grants will support strategic investments at independent colleges to improve academic programs, enhance student life or provide economic development benefits to the college community. In addition, to make college more affordable for New York residents attending private colleges, the Executive Budget will include \$22.9 million for the second phase of the Enhanced Tuition Award program. Established in FY 2018, these awards enable students attending private not-for-profit colleges to receive financial assistance to complete their college degree. The program provides a maximum award of \$3,000, requires private colleges to provide a match and freeze student tuition for the duration of the award – maximizing the financial benefit to the student.