



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 build the strength of the four university centers of the State University of New York (SUNY), including the two flagship institutions.

OFFICES AND PROGRAMS

- New York State’s higher education institutions educate over 1.1 million students, as reported for Fall 2021 enrollment. SUNY and the City University of New York (CUNY) administer 47 four-year colleges and graduate schools that provide 371,000 full- and part-time students with an array of undergraduate, graduate, and professional degrees. SUNY and CUNY also support 37 community colleges that serve 234,000 students. In addition, 534,000 students attend the nearly 200 private colleges and universities across the State.
- The State University Construction Fund, the City University Construction Fund, and the Dormitory Authority of the State of New York 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 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 New York residents. 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 2021-22 academic year (AY 2022). HESC also partners with the Office of the State Comptroller in administering 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.

TRANSFORMING OUR STATE’S HIGHER EDUCATION SYSTEM

In 2022, 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.

Governor Hochul took initial steps toward implementing her plan to transform the State’s higher education system in last year’s budget, with significant increases in operating aid and capital funding for SUNY and CUNY, historic expansion of TAP to part-time students, increased support for opportunity programs, and the announcement that Stony Brook University and the University at Buffalo would become the flagship institutions of the SUNY system.

These substantial investments will secure and strengthen New York as a national leader in expanding access to a quality, affordable college education.

- With the \$836 million or 12.6 percent annual increase in the FY 2024 Executive Budget, funding for higher education will have increased by \$2.1 billion (38 percent) over 10 years, from \$5.4 billion to \$7.5 billion.
- State and local funding per student for public colleges in New York was \$12,428 in AY 2021 – \$3,101 (33 percent) more than the national average and higher than 44 other states.
- More than two-thirds (68 percent) of New York State’s public colleges’ total revenue comes from State and local support – 10 percentage points higher than the national average and more than 41 other states.

- The average tuition and fees at the State’s four-year public institutions was \$8,556 in AY 2023 – \$2,384 (22 percent) less than the national average and lower than 42 other states.
- New York’s generous investment in student financial aid, including TAP and Excelsior Scholarships, helped over 180,000 New York State residents -- 58 percent of full-time resident undergraduate students -- attend SUNY and CUNY tuition-free in AY 2022, including 53 percent at SUNY State-operated campuses and 66 percent at CUNY senior colleges.
- \$200 million for digital transformation and IT infrastructure across the SUNY system. These funds will be used in part to improve systems serving students in order to create a seamless and intuitive experience buoyed by world-class technology.
- \$75 million for transformational initiatives at campuses that support innovation, help meet the workforce needs of the future, and provide needed support to students.
- \$200 million in capital funding for new and renovated research buildings, laboratories, and state-of-the art instrumentation at SUNY’s flagship institutions, Stony Brook University and the University at Buffalo.

PROPOSED FY 2024 BUDGET ACTIONS

As planning for full implementation of Governor Hochul’s vision continues in 2023, the Governor will take additional action in the FY 2024 Executive Budget to strengthen and transform our State’s higher education system:

- **Establish a State-Matching Fund for Endowment Contributions.** Endowments provide perpetual, stable, and long-term funding in support of campus operations, student scholarships for a diverse student body, endowed professorships to attract world-class faculty, innovative research, and the development of new academic fields. The nation’s leading research institutions have large endowments, and so, too, should SUNY’s university centers. The Executive Budget will create the first-ever New York State matching fund for contributions made to the endowments of SUNY’s four university centers: Albany, Binghamton, Buffalo, and Stony Brook. The fund will provide \$1 of State funds for every \$2 of private contributions to the universities’ endowments, up to \$500 million in total State funds.
- **Provide Funding for SUNY’s Transformation.** The Executive Budget will make one-time strategic investments to expand enrollment and access to SUNY campuses across the state and build the strength of the four university centers, including the two flagship institutions. These investments include:
 - **Provide Tuition Flexibility Throughout CUNY and SUNY.** To ensure that institutions in the CUNY and SUNY systems can reliably invest in their long-term futures as costs rise, while prioritizing the evolving needs of students, ensuring academic excellence, and continuing to maintain low-cost and stable tuition rates for New York residents, the Executive Budget authorizes modest annual tuition increases for both CUNY senior colleges and SUNY State-operated campuses indexed to the lesser of the Higher Education Price Index or 3 percent. In addition, to allow them to realize their potential as leading research institutions, the Executive Budget proposes phasing in differential tuition for SUNY’s university centers, allowing tuition at these campuses to rise an additional 6 percentage



INVESTING IN TRANSFORMATION

points above SUNY's base tuition rate each year for the next five years (capped at 30 percent above the base rate) for in-state students. The tuition plan, assuming comparable increases for non-resident and graduate students, is expected to provide \$97 million in new operating support to SUNY and \$31 million for CUNY in AY 2024.

- **Provide \$270 Million in New State Support for SUNY and CUNY Campuses.** The Executive Budget provides \$270 million in new, recurring State support for SUNY State-operated campuses (\$176 million) and CUNY senior colleges (\$94 million). This funding is in addition to the \$75 million provided for SUNY transformation initiatives and includes:
 - \$100 million in recurring general operating support (\$60 million SUNY, \$40 million CUNY);
 - \$120 million increase in funding for university employee fringe benefits (\$84 million SUNY, \$36 million CUNY); and
 - \$50 million increase to fund financial aid to help cover the tuition costs of New York residents (\$32 million SUNY, \$18 million CUNY).
- **Maintain 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 \$138 million (22 percent) loss in formula aid due to enrollment declines.
- **Provide \$1.5 Billion for New Capital Projects at SUNY and CUNY Campuses.** The Executive Budget provides \$1.5 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 funding is in addition to the \$400 million for SUNY transformation capital investments and includes: \$750 million for SUNY State-operated campuses, \$104 million for SUNY community colleges, \$484 million for CUNY senior colleges, and \$120 million for CUNY community colleges.

Higher Education General Fund Spending				
CATEGORY	FY 2023 (MILLIONS OF DOLLARS)	FY 2024 (MILLIONS OF DOLLARS)	DOLLAR CHANGE (MILLIONS OF DOLLARS)	PERCENT CHANGE (%)
SUNY State-Operated Campuses	3,221	3,313	92	2.9
SUNY Transformation	0	575	575	N/A
CUNY Senior Colleges	1,655	1,699	44	2.6
HESC Financial Aid Programs	923	1,061	138	14.9
Community Colleges	697	689	(8)	(1.6)
SED Programs	162	157	(5)	(3.0)
GENERAL FUND TOTAL	6,659	7,495	836	12.6

Data Notes:

- The \$92 million increase for SUNY State-operated campuses includes \$84 million for employee fringe benefits. The Executive Budget also provides \$60 million in new, recurring general operating support, which does not appear as an increase because the FY 2023 Enacted Budget included \$60 million for non-recurring strategic investments.
- The \$575 million increase for SUNY Transformation includes \$500 million for endowment matching contributions and \$75 million for transformational initiatives.
- The \$44 million increase for CUNY senior colleges includes \$36 million for employee fringe benefits. The Executive Budget also provides \$40 million in new, recurring general operating support, which does not appear as an increase because the FY 2023 Enacted Budget included \$40 million for non-recurring strategic investments.
- The decreases in funding for community colleges and SED-administered programs is attributable to non-recurring FY 2023 funding for legislative adds and other initiatives.
- In addition to the \$7.5 billion in State support cited in the chart, the State is estimated to pay \$975 million in FY 2024 for debt service on bond-financed capital projects at SUNY and CUNY.