IMPROVE TAP TO IMPROVE ACCESS AND COMPLETION

It’s About Student Choice

The Commission on Independent Colleges and Universities (CICU) in New York urges the Legislature to reject the 2017-18 Executive Budget proposals to impose price controls on private institutions and provide “free tuition” at the State University of New York (SUNY) and the City University of New York (CUNY). These proposals will disadvantage private institutions, seriously compromise the role colleges and universities play in supporting local economic growth and, most importantly, shift student choice from best fit to finances.

The Executive Budget proposes funding for additional scholarship support for New York State residents, but only if they attend SUNY or CUNY. State student aid should be based on need and nothing else.

Further, any college or university that raises tuition and fee rates above a government-regulated threshold would see Tuition Assistance Program (TAP) eligibility and Direct “Bundy” Aid for their students eliminated. This would harm students of modest means who benefit from the financial aid made possible by TAP, Bundy and tuition revenue. (The trustees of institutions of higher education in New York State seek to avoid tuition increases in order to remain competitive and attract the most qualified students. It is important to remember that tuition supports student aid, campus diversity, educational quality, career preparation, state-of-the-art learning technology and facilities, as well as financial stability.)

If Affordability is the Goal, New York Should:

• Raise the TAP maximum award to $6,500 (from $5,165);
• Increase the TAP minimum award to $1,000 (from $500);
• Expand eligibility by extending the income ceiling to $125,000 (from $80,000);
• Create a new program of Graduate Tuition Assistance; and
• Expand proven opportunity programs such as the Arthur O. Eve Higher Education Opportunity Program (HEOP), the Science and Technology Entry Programs (STEP/C-STEP); and the Liberty Partnerships Program.

Why It Matters:

New York State is unique in the quality, breadth and scope of its private, not-for-profit colleges and universities. These campuses educate nearly 500,000 students a year, and often
are the single largest employer in their communities. At a time when the state is losing population, independent colleges and universities help keep New Yorkers here at home for higher education, with many campuses recruiting the majority of their students from within 150 miles.

New York State’s approach to higher education is a bargain for taxpayers. A lower percentage of the state budget is devoted to higher education than what is devoted in all but seven states. This is because our largely privately financed not-for-profit campuses produce about half of New York’s baccalaureate degrees (51%) and the overwhelming majority of graduate degrees (72% of master’s degrees and 79% of doctoral and first professional degrees). This is an excellent example of public/private partnership at its best.

Consider:

- According to the Bureau of Labor Statistics, job seekers wishing to obtain entry-level positions in 11 of the 15 fastest growing occupations through 2024 will need to have some form of higher education. Occupations that require more education are projected to grow at faster rates than those that require less postsecondary experience. New York State’s private, not-for-profit colleges and universities are ready to meet projected growth in major occupational areas.
- Any effort to provide supplemental financial aid must treat all New Yorkers the same, regardless of whether they want to attend one of our 100+ private, not-for-profit campus or a public campus.
- Nearly 300,000 New York students choose private higher education as their best opportunity for academic and career success.
- More than 80,500 of our students qualify for TAP, and an expansion could serve as many as 21,000 more.
- New York’s Independent Sector provided $5.1 billion in student assistance in 2014-15, leading to an average net tuition of $12,700, well below “sticker” price. Since the Great Recession, nearly every new dollar in tuition revenue has gone for financial aid.
- The Independent Sector led degree completion with a 70.1 percent six-year graduation rate in 2015
- Each year, more Black and Hispanic students earn baccalaureate and graduate degrees from private, not-for-profit institutions in New York than anywhere else in the state.
- New York taxpayers provide approximately $650 in support per student in private, not-for-profit colleges and universities, compared to $8,830 for each student in the SUNY or CUNY system.
- Private, non-profit institutions are economic engines—particularly in Upstate New York communities—accounting for 400,000 jobs and almost $80 billion in annual economic activity across the state. New York’s private, not-for-profit colleges and universities pay $2 billion in taxes annually.