

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON HIGHER EDUCATION

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November 18, 2009

Start: 1:22 pm

Recess: 2:41 pm

HELD AT: Council Chambers
City Hall

B E F O R E:

CHARLES BARRON
Chairperson

COUNCIL MEMBERS:

Council Member Tony Avella
Council Member Gale A. Brewer
Council Member Darlene Mealy
Council Member Larry B. Seabrook
Council Member Eric A. Ulrich

A P P E A R A N C E S [CONTINUED]

Charles Barron
Opening Statement
Chairperson
Committee on Higher Education

Committee Clerk

Matthew Sapienza
University Budget Director
City University of New York

Ricardo R. Fernandez
President
Lehman College

Eduardo J. Marti
President
Queensboro Community College

Peter Jordan
Interim Vice Chancellor
Student Affairs
City University of New York

Arthurine DeSola
Secretary
Professional Staff Congress

Patrick Krug
Chairman
New York Public Interest Research Group

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COMMITTEE ON HIGHER EDUCATION

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[START 1001.MP3]

MR. EDDIE RENTO CORIASO: Today's
Committee is going to be Higher Education.
Today's date is November 18, 2009 and it's being
recorded by Eddie Rento Coriaso.

[END 1001.MP3]

[START 1002.MP3]

CHAIRPERSON BARRON: Good afternoon
everyone. Thank you for your patience, thank you
for being here. My name is Councilman Charles
Barron.

[Applause]

CHAIRPERSON BARRON: Thank you,
thank you very much Tony.

[Laughter]

CHAIRPERSON BARRON: Soon to be
Congressman Barron, thereafter Mayor Barron and
thereafter President Barron after Barack serves
his term. So I just want to let you know I'm
working on some things and I don't come here to
politic but I just wanted to give you the news
that was around.

We're living in some very, very
serious fiscal times. Very serious but I think

1
2 more of a problem or a challenge for us as the
3 political will or the lack of the political will
4 of both legislative bodies, I think, the City
5 Council and the State and the Assembly, to do the
6 right thing or the fiscally prudent thing. And
7 that is to make those who have more, pay more, to
8 deal with these budget deficits.

9 I just wanted to take a minute to
10 let you know some things that I'm going to be
11 talking to people I know in Washington about.
12 Some of these, you know, are long shot ideas but I
13 think they should be brought up anyway. It was
14 thinking about the budget deficit on the Federal
15 level, when you have a \$3.2 trillion national
16 budget, \$3.2 trillion, you know, I don't even know
17 how to make all those zeros. \$3.2 trillion, there
18 shouldn't be a hungry person in American nor a
19 homeless person in America. No one should be in
20 foreclosure. And really no State should not have
21 a balanced budget. When you just think of the
22 \$800 billion that was given to Wall Street because
23 of their thievery and business failings, and I
24 never know that you're supposed to be bailed out
25 when you fail. When you fail in business you shut

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down and somebody else opens up the business to handle the things necessary. But just think of this for one moment and it's not far fetched and we should put out this call, if you can give out \$800 billion to Wall Street, another \$700 billion to \$800 billion for the wars abroad, and then prior to Barack coming in, Bush giving \$750 billion to Wall Street, \$40 billion, \$50 billion, \$60 billion to the automobile industry, you know, it would be interesting if you added up all of the deficits from each State in the nation, it doesn't come near \$800 billion. It doesn't come near that. Just think of that, adding up all the deficits from every state. New York is talking about \$15 billion. What is California? \$30 billion, \$40 billion maybe. So that's the 2 highest deficits in the 2 greatest states in the union, is about \$50 billion, \$60 billion. Now take the other 49 states and let's just be generous and give them a \$10 billion deficit each. That's \$490 billion. We're talking about \$500 billion. And every state budget could be balanced by the Federal government bailing out the states instead of bailing out Wall Street. Give me a

1
2 handclap. That was deep and you know it. So give
3 it up.

4 [Applause]

5 CHAIRPERSON BARRON: And this
6 sounds like some idealism but it could really
7 happen. And then if we wanted to bail out, why
8 not bail out those homes, those people who are in
9 foreclosure. You say we have a credit crisis.
10 The banks are in crises. Why not, why not take
11 Federal subsidies and go to those who are in
12 foreclosure, those who are making \$40,000,
13 \$50,000, \$60,000 a year and they got predatory
14 loans of \$500,000 which they couldn't afford. And
15 now why not restructure those loans and if the
16 principal was \$500,000 and they only made \$50,000,
17 instead of making--paying \$4,000 mortgage a month,
18 why not have the Federal government subsidize
19 them, like they do the corporations who make so
20 much hundreds of millions, subsidize them.
21 Restructure the loan, take half the principal off.
22 Give them \$250,000 a family; knock it down to
23 \$200,000. They can pay \$1,000 a month. The bank
24 gets their money instead of repossessing their
25 homes, we restructured the loans. We have the

1 money and the resources to do that.

2 [Applause]

3 CHAIRPERSON BARRON: Thank you.

4 Thank you very much. Finally on a state level, on
5 a state level, one of the things I spoke to
6 Malcolm Smith when he was up there and David
7 Paterson himself, you know, they did for many,
8 many years, I think, whether you made \$40,000 a
9 year or \$4 million a year, your tax structure was
10 6.85%. That's ridiculous. Somebody making \$4
11 million, paying the same state taxes as somebody
12 making \$40,000 a year. So they went and they
13 listened to some of what we said and they said
14 well what we'll do is increase the percentage by
15 1.5% for those who are making \$250,000 a year.
16 And they stopped there. And the couples that are
17 making \$350,000. They stopped there. And they
18 were able to get \$4 billion. Do you know if they
19 would have listened to us and continued up the
20 ladder, if you're making \$1 million, 2.5%
21 increase? If you're making \$5 million, 5.5%
22 increase. If you're making \$10 million, 7.5%
23 increase. We would have had another \$11 billion.
24 And they're talking about they need \$3.2 billion
25

1
2 to close the deficit. And those people that paid
3 that wouldn't have mind. Could care less because
4 it's chump change for them. They wouldn't even
5 have felt it, seen it, know it was even happening.
6 Matter of fact, you could have snuck it on them;
7 they wouldn't even have known it happened. But
8 yet now we're talking about we're in a crisis.
9 And it's going to trickle down to New York City.
10 And now they're talking about CUNY, you know,
11 cutting your budget to balance the budget. We've
12 got to tighten up our belts, the Mayor says. What
13 about the fat belt of Steinbrenner who you gave
14 hundreds of millions of dollars to build Yankee
15 Stadium? Now why do we always have to do the belt
16 tightening, to pull ourselves up by our
17 bootstraps? Some of us don't have boots. You
18 know, all of this stuff. So we are looking at
19 trying to put pressure. I've been talking to John
20 Sampson's office and others to tell them to leave
21 CUNY alone. And they're--the Department of
22 Education can only get a 1.5% pay. Now why not
23 CUNY only get a 1.5% pay. I don't think the 4%
24 pay going to other agencies or 8% next year,
25 that's going to be very, very damaging. And the

1
2 increase that we have to spend in CUNY because of
3 an increase of people, you know, registering for
4 CUNY schools. And the remediation that has to be
5 done, you know, it's just ridiculous that each and
6 every year we have to go through those. So I'm
7 hoping that the 450,000 students, 250,000 degreed
8 program students can get, you know, we've got to
9 get up. We've got to rise up and let them know
10 that they can't just do that especially when there
11 are other ways that this could happen on a city
12 and state level. They are raising SUNY's tuition,
13 I think, by 2% from \$4,900 and change, now they
14 have to pay \$5,000 and change. So their tuition
15 went up. And, you know, we need to hold the line.
16 And you can't keep taxing the poor and the
17 struggling working class, students. We've got to
18 pay a subway fare. That's a tax on us. Tuition,
19 that's a tax on us. And Bloomberg is cold-blooded
20 man. He's even charging the homeless rent. Now
21 how could you charge the homeless rent? What is
22 he going to do? Evict them if they don't pay
23 rent? You can't charge the homeless rent.

24 So so much for my political
25 statement for the morning. Thank you very much.

1
2 Now let me read my statement for the record and
3 proceed with our hearings. But on a very, very
4 serious note we have to launch a student movement
5 in this town to stop them from doing this because
6 we cannot continue to bleed CUNY and close daycare
7 centers. You watch this budget time around.

8 We're closing a \$4.1 billion budget, it was \$5
9 billion. They got some new tax windfall of \$685
10 million that came in. But you watch what happens
11 around budget time. It's going to be madness.
12 And I think that we need to begin to launch a
13 movement to do something about that.

14 Good afternoon. My name is Charles
15 Barron, Chair of the Committee on Higher
16 Education. I'd like to thank everyone for coming
17 to this very important hearing today on how the
18 Governor's Deficit Reduction Plan impacts CUNY.
19 And I want to thank my colleagues, Tony Avella.
20 Tony, you know, this is his last year he's going
21 to be with us and I'm telling you, I'm going to
22 miss Tony because if there is anyone in the City
23 Council that really stood with integrity for CUNY
24 and for the struggling working class families in
25 this city, to stop gentrification and development,

1
2 it was Tony Avella. And I'm going to miss that
3 one vote 'cause there's always 49 to 2; now Tony,
4 you left me at 50 to 1.

5 [Laughter, applause]

6 CHAIRPERSON BARRON: But Tony,
7 thank you so much for your contribution and he
8 really did a standup job running for Mayor. I
9 told him if he was a brother I would have
10 considered him but I had to go with Billy. So we
11 had to work on them things but we had an
12 understanding. So but Tony, thank you for your
13 friendship and thank you for your integrity, your
14 courage and your commitment to the vulnerable
15 people of this city. And whatever you do in the
16 future, I know you will do it well.

17 And Gale Brewer's here too. A
18 long-time champion of CUNY, give Gale a big
19 handclap.

20 [Applause]

21 Governor David Paterson recently
22 announced his Deficit Reduction Plan which
23 includes proposed cuts of \$53 million to CUNY's
24 senior colleges and \$10 million to the Community
25 Colleges affecting programs like College

1
2 Discovery, Childcare Centers, Workforce
3 Development. The plan also calls for a \$26.2
4 million to the Tuition Assistance Program, TAP,
5 which would amount to \$120 reduction in aid for
6 students receiving TAP awards.

7 CUNY students make up about 22% of
8 all New York State students who receive TAP and
9 are also among the poorest, struggling students in
10 the State. The Governor's proposal to cut higher
11 education funding comes at a time when CUNY
12 imposed a 15% tuition increase that began this
13 Fall Semester, shame on you, to make up for the
14 State's \$44 million cut already made this year.

15 This year CUNY's senior college
16 suffered a \$68.2 million cut from the State. In
17 addition the senior and community colleges are
18 experiencing record high enrollment. And for the
19 first time, most community colleges had to stop
20 accepting applications much earlier than the
21 regular deadline.

22 The proposed cuts would further
23 challenge the CUNY administration to meet the
24 overwhelming demands of a rapidly growing student
25 population. There is much concern that these cuts

1
2 may lead to more tuition increases, less course
3 offerings, and less faculty. As the economy
4 slowly recovers and job opportunities remain
5 scarce, New Yorkers are seeking higher education
6 to develop the skills they need to have a
7 competitive edge in the workforce. It is
8 absolutely necessary to increase support for CUNY
9 during these harsh economic times rather than
10 impose cuts. Students are struggling to make ends
11 meet to pay for college and any additional cuts to
12 higher education is outrageous.

13 We should be investing in CUNY not
14 divesting from CUNY. We look forward to hearing
15 testimony from those of you who will be testifying
16 today. And with that we'll call up our first
17 panel. Excuse me, would any of my colleagues like
18 to say anything?

19 COMMITTEE CLERK: Vice Chancellor
20 Peter Jordan, President Eduardo Marti, President
21 Ricardo Fernandez, and Mr. Matthew Sapienza.

22 [Pause]

23 COMMITTEE CLERK: Okay. Raise your
24 right hand. Do you swear to give testimony as
25 truthful and accurate? Okay.

MR. MATTHEW SAPIENZA: Good

afternoon Chairperson Barron and members of the Higher Education Committee. I'm University Budget Director Matthew Sapienza. And I'll be testifying this afternoon in place of Vice Chancellor for Budget and Financing Ernesto Milade [phonetic], who is taking an extended medical leave. Also testifying are two of our college presidents, Ricardo Fernandez, President of Lehman College; and Eduardo Marti, President of Queensboro Community College. Our panel also includes Peter Jordan in his role as Vice Chancellor of Student Affairs.

We are pleased to have the opportunity to offer testimony regarding the State's Deficit Reduction Plan and its impact on CUNY's programs and services. The university is very grateful for the New York City Council's long-time support of CUNY's operating and capital needs. All of us at CUNY look forward to continuing to work in partnership with the Council on behalf of CUNY's growing student body. In fact the university is experiencing record enrollment growth. The number of students enrolled in credit

1 bearing courses this fall is almost 260,000, an
2 increase of more than 6% over fall 2008 and the
3 highest since 1974.

4
5 CUNY's senior colleges saw an
6 enrollment increase of 4.6% from fall 2008 which
7 the community colleges experienced a 9% increase
8 over fall 2008 enrollment. Adult and continuing
9 education enrollments are also expected to exceed
10 all records by the conclusion of the academic
11 year.

12 This unprecedented growth reflects
13 the economic challenges currently facing our
14 country and our state as increasing numbers of
15 students look to gain advanced skills and reshape
16 careers in order to compete successfully in a
17 changing economic environment. At the same time
18 the enrollment increases are a measure of New
19 Yorker's increased confidence in CUNY where
20 students know they can find the high quality,
21 affordable education that is the hallmark of
22 public universities. As a partner in CUNY's
23 advancement, the Council shares credit for the
24 universities resurgence.

25 Maintaining the quality of academic

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2 programs remains the universities highest
3 priority. However record enrollment growth poses
4 significant challenges. The demand for faculty,
5 programs, class sections, academic and student
6 services, and classroom and laboratory space is
7 also a record levels. The surge in students has
8 taxed the universities' resources and
9 infrastructure at every level.

10 During this time of economic crisis
11 our state and our city face difficult financial
12 choices as reflected in the Governor's Deficit
13 Reduction Plan. Every state or state-supported
14 agency to the extent that it can must work to
15 alleviate the state's burden. The proposed
16 reduction for CUNY's senior colleges in our
17 current year is \$53 million which represents a
18 4.8% cut in state support taken against non-
19 personnel service costs. Clearly it is difficult
20 for the university to absorb a midyear reduction,
21 particularly when it follows previous cuts to CUNY
22 senior colleges totaling \$68.3 million.

23 While the university anticipated
24 the likelihood of a midyear cut and took
25 appropriate measures to mitigate its effect and

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2 prevent significant diminishment of academic
3 services, the fact remains that as Chancellor
4 Matthew Goldstein has said, it will have a
5 chilling effect on CUNY's plans.

6 As the Legislature reviews their
7 proposed OTPS reductions, the university will
8 continue to focus on protecting its core mission.
9 Going forward, a serious concern is the cumulative
10 effect of these cuts on the quality of education
11 at our senior colleges. We must prevent the
12 permanent damage that will result from a sustained
13 period of reductions.

14 In addition the reduction plan
15 proposes cuts in state aid to the community
16 colleges in the amount of \$260 per student as well
17 as cuts to related community college support,
18 including childcare centers, rental aid, workforce
19 development and the College Discovery Program.
20 Community colleges are a focal point of our
21 national and state recovery efforts, providing
22 affordable degree and workforce training programs
23 for increasing numbers of students. Unprecedented
24 national initiatives to increase the number of
25 college graduates, including President Obama's

1
2 American Graduation Initiative, have been directed
3 at community colleges which serve almost half of
4 the country's undergraduates.

5 CUNY's community college has
6 absorbed significant enrollment increases,
7 straining their ability to meet the wide range of
8 student needs. Over the last decade enrollment
9 has increase by 43% at our 6 community colleges.
10 This year the university experienced an increase
11 of nearly 60% in the number of applicants who
12 selected a community college as their first choice
13 college.

14 Four community colleges have seen
15 their number of student grow by well over 10%
16 since last year. Queensboro Community College
17 alone is up 18%. For these reasons the university
18 will remain vigilant about the fiscal health of
19 its community colleges, one of the state and
20 city's best engines of economic development.

21 The Governor has also proposed a
22 \$120 midyear reduction in TAP awards for all TAP
23 recipients. Based on the 63,850 recipients at
24 CUNY in spring 2009, this reduction would lower
25 our students' TAP awards by \$7.7 million for the

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2 spring 2010 semester. When applying this cut to a
3 full year based on the unduplicated account of
4 undergraduate TAP recipients of 86,300 for all of
5 2008-2009, the reduction in TAP that our students
6 would be facing in Fiscal Year 2011 would exceed
7 \$10.3 million. If this proposal is enacted our
8 lowest income students will be forced to use part
9 of their Pell Grants to meet their tuition
10 responsibilities at CUNY during each term that
11 they are enrolled, thereby reducing the funds
12 available for other expenses such as fees, books
13 and transportation.

14 Financial aid awards, always
15 critical to enabling access to higher education,
16 are essential in times of fiscal distress. The
17 university's priority is to assist the neediest
18 students. Thanks to the continued assistance of
19 this Committee and the Council, the university is
20 providing \$10 million of financial assistance to
21 students this academic year through the CUNY
22 Student Financial Aid Initiative.

23 This initiative encompasses several
24 measures including partial tuition waivers, a
25 tuition payment plan, a textbook e-book program,

1
2 which was the subject of a previous Committee
3 hearing, and a student employment program.

4 Financial aid is most equitable when it is aimed
5 at students with the greatest need and those in
6 the middle class who are hard pressed.

7 Today more than ever, economic
8 conditions require that all of us work together to
9 protect those most vulnerable and to enable the
10 state and city to recover and ultimately invest in
11 New York's future. During these very challenging
12 times CUNY looks forward to continuing its
13 partnership with the Council in order to maintain
14 the university's critical role in revitalizing our
15 economy and bolstering our educated workforce.

16 I will now ask our two esteemed
17 Presidents, Ricardo Fernandez and Eduardo Marti to
18 describe the impact that these proposed reductions
19 will have at the campus level. Thank you.

20 [Pause]

21 MR. RICARDO FERNANDEZ: Thank you
22 Mr. Sapienza, Chairperson Barron and members of
23 the Higher Education Committee. Thank you for the
24 opportunity to testify on the New York State
25 Budget Deficit Reduction Plan. I am Ricardo

1
2 Fernandez, President of Lehman College.

3 Lehman College and CUNY are
4 grateful for the New York City Council's enduring
5 commitment to the university and its senior and
6 community colleges. And we look forward to
7 continuing to work with you in helping provide our
8 students with the knowledge and skills that they
9 need to live, work and prosper in the 21st Century.

10 For many of Lehman College's
11 students, higher education would be out of reach
12 were it not for federal and state financial aid
13 programs. Receipt of a financial aid award helps
14 the city's neediest students gain access to higher
15 education. A dependable stream of financial aid
16 makes it possible for these students in good
17 academic standing to progress in their coursework
18 and graduate with their Baccalaureate degrees.

19 Lehman College has a student body
20 of just over 12,200 students this fall. Of that
21 number 9,700 are undergraduate students; just over
22 60% of our students are Bronx residents. And as
23 one would expect, with the Bronx having a median
24 family income of just 60% of the national average
25 and a poverty rate that is twice the national

1
2 average, a disproportionate share of Lehman
3 College's students comes from lower income
4 families.

5 The most recent survey of incoming
6 freshmen is representative of Lehman's overall
7 student body. The data is instructive of the
8 financial challenges faced by Lehman College's
9 students. In that survey nearly 50% of the
10 students stated that their families would provide
11 no resources to cover their educational expenses
12 during their first year at Lehman.

13 In terms of family income the
14 contrast is even starker. 38% of our students
15 reported annual family income of less than \$20,000
16 per year and that is in contrast to 11% of
17 students at all public 4-year schools. 73% had
18 family income of less than \$50,000 in contrast to
19 only 35% or less than half of the students at all
20 public 4-year colleges.

21 It should come as no surprise,
22 therefore, that just a little over a quarter of
23 Lehman College's incoming students were confident
24 that they would have sufficient funds to finance
25 their education. From an institutional

1 perspective that lack of confidence is worrisome.

2
3 New York State's Tuition Assistance
4 Program plays an important role in making it
5 possible for Lehman College students to pursue
6 higher education. Presently Lehman has 3,540 TAP
7 recipients, 82% receive \$1,000 or more per
8 semester and 47% receive \$2,000 or more per
9 semester. For many of Lehman College's students
10 every dollar in aid truly makes a difference.
11 Neither they nor their families have the financial
12 ability to absorb the proposed cut.

13 Already many of Lehman College's
14 students spend considerable time working off
15 campus, one-third of Lehman College students work
16 more than 20 hours per week and nearly 20% work 35
17 or more hours, full time. A partial loss of TAP
18 make confront a student from a low income family
19 with a need to work longer hours, to continue his
20 or her studies, if she or he can find a part-time
21 job in this recession's labor market.

22 In short, the proposed reduction in
23 TAP assistance is likely to have a negative impact
24 on college retention and graduation rates.
25 Additional time spent earning money to finance the

1
2 cost of higher education could lead to reduced
3 time available for academic activities. Reduced
4 time spent in classes, on homework, or in labs
5 could undermine a student's academic performance.

6 In our experience a student's
7 running out of funds often leads to his or her
8 temporarily stopping out from college. Either
9 outcome would reduce his or her chances of
10 graduating. In today's demanding global business
11 environment a college degree is increasingly
12 becoming the minimum foundation for job security
13 and a meaningful income. Higher education is
14 vital to helping today's neediest students realize
15 tomorrow's career and life opportunities.

16 In closing, while acknowledging the
17 difficult situation, financial condition of our
18 state, we must not lose perspective of the value
19 of investment in higher education and the impact
20 reductions in such investment can have on today's
21 students, particularly those from lower income
22 families. A failure to understand the value of
23 higher education would certainly have real
24 implications for tomorrow's labor force and tax
25 base. Thank you.

1
2 MR. EDUARDO MARTI: Good afternoon
3 Chairman Barron and members of the Higher
4 Education Committee. My name is Eduardo Marti. I
5 am the President of Queensboro Community College.
6 I am here to provide testimony on the impact of
7 the proposed state cuts to community colleges and
8 how these cuts will affect our students at
9 Queensboro Community College.

10 Before I begin, I want to express
11 my deep appreciation to you Chairman Barron and to
12 your Committee and to the City Council for the
13 unwavering support of CUNY and its community
14 colleges. It is because of your support that
15 we're still able to serve a large number of
16 students who otherwise would be denied access to a
17 great university.

18 Community colleges are the portals
19 of entry to higher education. But these portals
20 are getting smaller and smaller. It is sad to see
21 that even though public officials, especially in
22 New York City, try their very best to maintain
23 these portals wide open so that the most needy
24 students can see their dreams of a better life
25 fulfilled, it is becoming increasingly difficult

1
2 to maintain educational services to these most
3 needy of populations.

4 It is almost ironic that nationally
5 when finally we have a President who recognizes
6 the importance of community colleges and who is
7 willing to put some \$12 billion into the American
8 Graduation Initiative that calls for the increase
9 of up to 5 million more associate degree
10 recipients by 2020, the fiscal situation in the
11 states is causing draconic reductions in state
12 budgets. I think you referred to this in your
13 political statement.

14 It is almost ironic that community
15 colleges attempt to bring more services to more
16 students and then we're forced to close the open
17 door because we have run out of space. It is
18 ironic that while educational institutions are
19 willing to serve more students, we have to cut
20 services or significantly increase the cost of
21 attendance.

22 I am proud to serve a university
23 that with the support of public officials has
24 taken care to protect community colleges against
25 unreasonable cuts. This City Council has fought

1
2 for our students. Because of your victories we
3 can still serve the largest class ever. We have
4 been limited only by our physical space. But now
5 it seems that we may be limited by a fiscal
6 constraint.

7 At the risk of stating the obvious,
8 let us think about the typical community college
9 student. Isranna Said [phonetic], a chemistry
10 student who came to us from one of the local area
11 public high schools and found an academic home at
12 Queensboro. She's now pursuing her Bachelor's
13 degree in biomedical engineering at Stony Brook
14 and headed to medical school.

15 And then there's Rosa Rosales,
16 again, another chemistry student who came to us
17 with very serious basic skills deficiencies. She
18 graduated from Queensboro, went on to earn a
19 degree from Buffalo and is now gainfully employed
20 at a chemical company in Port Washington on Long
21 Island. Rosa also teaches a lab section at our
22 college. Without your support where would they
23 have gone?

24 You know what we do. You and many
25 of the city leaders are products of CUNY. And you

1
2 know how important it is to maintain the services
3 that increase our retention and our graduation
4 rates. We have done good work but there's much
5 more to do. And this takes resources.

6 We do not have the luxury of doing
7 more with less. We're willing to do our part but
8 we need your help. If the state cuts are kept as
9 proposed it will be a \$260 per FTE reduction to
10 our basic aid. This represents a \$9.9 million cut
11 to CUNY's community colleges. And as was stated
12 before if the \$120 cut to TAP is not restored, the
13 most needy of our students will suffer the most.

14 If we continue in this path, the
15 natural conclusion will be to reduce services, to
16 cut courses, in short, to provide less service to
17 our students, all of this while our President is
18 trying to address the fact that community colleges
19 are for the public good, for the welfare of our
20 economy, rather than for the individual's gain.

21 All of this while we try to ensure
22 that our workforce is competitive. All of this
23 while we recognize that the majority of the
24 minorities are attending community colleges. So
25 Mr. Barron, here we are again. We're looking for

1
2 you to help us. We're looking for you to place a
3 spotlight of public attention on these egalitarian
4 institutions of higher education that serve our
5 city and our country so very well. Let us join
6 forces once again to ensure that these proposed
7 cuts don't come to fruition. Let us ensure that
8 we preserve access and quality at CUNY's community
9 colleges. Thank you.

10 [Pause]

11 MR. PETER JORDAN: Good afternoon
12 Chairman Barron and members of the Higher
13 Education Committee. I'm Peter Jordan, Interim
14 Vice Chancellor for Student Affairs of the City
15 University of New York. I'm honored to join my
16 colleagues this afternoon to offer testimony
17 concerning the state's Deficit Reduction Plan and
18 specifically the impact the proposed cuts to
19 Tuition Assistance Program will have on CUNY's
20 students.

21 As Budget Director Sapienza said,
22 the Governor has proposed a \$120 midyear reduction
23 in TAP awards for all TAP recipients. Here's what
24 we know about how CUNY students benefit from TAP
25 and the effects the Governor's proposed \$120

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2 midyear and future cut will have on our students.

3 70% of CUNY's full-time
4 undergraduates rely on financial assistance to
5 cover their education costs. The reduction in
6 TAP, no matter how small it may appear, is certain
7 to undermine the already thin financial margin on
8 which 70% of CUNY's students operate.

9 TAP helps students cover tuition
10 costs which permit them to use Pell and other
11 forms of aid to cover indirect educational costs
12 such as books, fees, transportation, and related
13 educational expenses. Just as a TAP cut will
14 force students to rely more on these resources of
15 aid, it will also drive them to increase their job
16 hours outside of the college and/or increase their
17 dependence on loans.

18 The university is keenly aware of
19 well-documented research that indicates what it
20 takes for university students, including CUNY
21 students, to succeed in college. Let me remind
22 you of two important factors that fosters student
23 persistence and graduation.

24 First we know that students who
25 attend college full time persist and graduate at

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2 higher rates than part-time students. Currently
3 the majority, 63% of CUNY's students are enrolled
4 on a full-time basis, carrying 12 credits per
5 semester or more.

6 Second, the evidence is undisputed
7 that students who hold jobs off campus are more
8 likely to stop out, drop out or extend time to
9 completion to their degrees. Already 41% of CUNY
10 students work 20 hours or more per week.

11 Therefore as you know, our student financial aid
12 initiative includes a component to create
13 additional on campus jobs for CUNY students.

14 The proposed cuts have the
15 potential of undermining what little financial
16 security our students now depend on to keep them
17 engaged in full-time study. These cuts could also
18 increase their dependence on off-campus employment
19 and loans.

20 We are deeply concerned that these
21 proposed cuts will hinder lower income students'
22 path towards a degree and better career and
23 financial opportunities, particularly in these
24 tough economic times. The City University of New
25 York's priority is to assist the neediest

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2 students. As Chancellor Goldstein has often said,
3 financial aid is most equitable when it is aimed
4 at students with the greatest need. These are
5 often students who have the most to gain from a
6 college degree.

7 It is worth noting that the federal
8 government, recognizing the importance of keeping
9 financially needy students out of harm's way,
10 increased the maximum Pell award this year to
11 \$5,350, an increase of \$619 from the previous
12 year. As our country faces its greatest economic
13 downturn since The Great Depression, we must
14 encourage students to prepare for a competitive
15 future and improve their long-term financial
16 security through public education.

17 I want to echo my colleagues here
18 in expressing my tremendous gratitude to you,
19 Chairman Barron, to the Higher Education Committee
20 and to the City Council for your unwavering
21 support of the City University of New York. We
22 ask for your continued partnership as we seek to
23 ensure that our growing numbers of students have
24 the resources they need to achieve their
25 educational and life's dreams. Thank you very

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much.

CHAIRPERSON BARRON: I want to thank all of you for your testimony. And also want to acknowledge that the Council Member Larry Seabrook from the Bronx is here. We always appreciate his long-time support of CUNY.

I wanted to ask you, I know the November Fiscal Plan came out and said that since we have an increase with a \$54 million and another \$10 million for fees and all of that, so roughly \$64 million, how is that going to be used, number one. And how will the PEG or the cut from the state and the city, when they try to cut into that and say well you got extra so it shouldn't hurt you 'cause we're going to take it out of the extra that you received. How would you respond to that and what impact is that going to have on CUNY?

MR. SAPIENZA: These adjustments that you mentioned Chair Barron, the \$54 million being added for additional tuition increase and \$10 million for addition fee revenue increases are really technical adjustments that OMB is doing in order to rebase our revenue budget. As you know, and as you mentioned in your earlier remarks, we

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2 had a tuition increase this year at the community
3 colleges of 12.5% that was effective in this fall
4 semester. We also have had two large enrollment
5 increases at the community colleges over the last
6 two years. And so this adjustment that OMB is
7 making is bringing our revenue in line with what
8 we're projecting to bring in from tuition this
9 year. And our colleges have plans to spend these
10 funds 'cause this is the revenue that they're
11 collecting from their students in order to serve
12 the additional student population you need to hire
13 faculty. They need to hire and spend more money
14 on maintenance to keep the schools open longer and
15 to keep them cleaner and the like. So these funds
16 are to bring us up to where we think we're going
17 to be collecting our revenue.

18 In terms of the reductions from
19 both the city and state, you know, the city
20 proposed a cut which came out; you know, late on
21 Monday, \$9.5 million for our community colleges
22 this year. This will affect our colleges' ability
23 to serve those increased students and to hire the
24 faculty and to, you know, offer the class actions
25 that are needed to serve the increased enrollment.

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2 MR. MARTI: At Queensboro for
3 example, we are hiring 35 additional full-time
4 faculty. We have hired 14; we have just released
5 another 21. If these cuts come, become reality
6 then we--

7 CHAIRPERSON BARRON: [Interposing]
8 I know, this is not like you have money hanging
9 around there for them to cut and, you know, so see
10 that's what they would have us believe, that we
11 have this extra money so the cuts are not going to
12 hurt us because you already have \$64 million. I
13 think if you can outline what you said to us and
14 send that to me--

15 MR. SAPIENZA: [Interposing] Sure.

16 CHAIRPERSON BARRON: --so that we
17 can be very, very clear on what it's being spent
18 for. And if you can include in there, since Mayor
19 Bloomberg and Chancellor Klein is the custodians
20 of a failing Department of Education system,
21 that's graduating students from high school, you
22 know what they do? They turn elementary and
23 education into a test-taking mill. So they do
24 test prep every day as though students are going
25 to have to learn how to take tests to get jobs.

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2 They're doing the test prepping and they're
3 talking about the scores in the elementary schools
4 and in the middle schools and totally neglecting
5 the high schools. So by the time these thousands
6 of students get to CUNY, they then have to go into
7 remediation at the community colleges. And so
8 that's the failure of the Klein-Bloomberg school
9 system, isn't that correct? They're failing.

10 [Off mic]

11 CHAIRPERSON BARRON: All right.
12 Keep your job. Keep your job. Keep your job.

13 [Laughter]

14 CHAIRPERSON BARRON: I just was
15 testing you to see if you were savvy, you know,
16 politically savvy.

17 [Off mic]

18 CHAIRPERSON BARRON: That was a
19 test. You see he stopped for a minute just to say
20 how do I deal with this.

21 MR. SAPIENZA: Before I came to
22 CUNY I spent 11 years at the Board of
23 Ed/Department of Ed so.

24 CHAIRPERSON BARRON: Oh you did.
25 Oh so then you know--

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2 MR. SAPIENZA: [Interposing] It
3 would not be good for me to answer that question.

4 [Laughter]

5 CHAIRPERSON BARRON: So then you
6 could prove that they're a failure, I see.

7 [Laughter]

8 CHAIRPERSON BARRON: You have the
9 experience. But thousands of students are coming
10 to CUNY, are not being able to go to the 4-year
11 colleges and have to go to the community colleges.
12 And I'm proud of community colleges because I'm a
13 graduate of a community college. And it's a great
14 education. But still it speaks to the fact that
15 what about more--there's more money has to go into
16 remediation now that that reality is there.

17 MR. MARTI: Yeah I can handle this.
18 Yes but absolutely, the amount of resources that
19 we have to spend on remedial courses is
20 tremendous. We also have to spend resources in
21 frankly educating our students how to go to
22 college. Because when they come to us they have
23 unrealistic expectations. I want to be an
24 accounting in two years or I want to be a
25 physician in two years. So there's a tremendous

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2 amount of work that we have to do when these
3 students come into the campus. And we need to
4 clarify their goals. So it's more than basic
5 educational skills, it's really preparation for a
6 college life that I think that we really need to
7 pay attention to. And, I'm, you know, I'm proud
8 to say I attended community colleges for all of my
9 life. I started out at Borough of Manhattan
10 Community College in 1966, my god. But the work
11 that is done at community colleges is tremendous
12 however we need to be very clear that it's hard
13 work, it needs resources. And if we're going to
14 do it well, if we're going to do it well, if we're
15 really going to fulfill the dreams of everyone who
16 comes through our doors, the resources that we
17 have available to us right now are totally
18 inadequate.

19 CHAIRPERSON BARRON: So if you
20 could, the \$64 million and if you could put an
21 extra emphasis on the amount of money that has to
22 go towards remedial, you know, services to
23 students that Bloomberg has failed, and that's F-
24 A-I-L-E-D, I would appreciate that--

25 MR. MARTI: [Interposing] Sure.

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2 CHAIRPERSON BARRON: --because I
3 think the sooner I can get that the better it will
4 be for us to make our case to the city and also up
5 in Albany on the state level. But Council Member
6 Brewer?

7 COUNCIL MEMBER BREWER: I have
8 laryngitis. Just so you know, the paid sick leave
9 it didn't [laughing]. Anyway I can talk, just so
10 you know I have laryngitis.

11 CHAIRPERSON BARRON: Want some
12 water?

13 COUNCIL MEMBER BREWER: No I have
14 my tea, thanks. First of all thank you for all
15 your work, the desperately needed, need more
16 support for community colleges. I share the
17 Chair's interest in that. In the paper recently,
18 in The Times, there was a big article about
19 community colleges. And one of the issues is that
20 I think that most of the colleges except for
21 Kingsboro have had to stop accepting students. So
22 where do those students go? Now what worries me,
23 not being the expert in the field, is that some of
24 them are going to the proprietary schools which
25 are so much worse than the amazing work that CUNY

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2 does. So I always tell students, I don't know
3 whether this is popular or not, don't go to the
4 proprietary, you must go to CUNY. So I'm just
5 wondering, do you have any sense of how many are
6 turning down or where they're going or the status
7 'cause goodness knows they need to be in your
8 institutions.

9 MR. MARTI: Yeah. I can tell you,
10 Queensboro's figures. We closed admission on
11 August 12th for new students. And what we did was,
12 there were about 200 students who came after
13 August 12th. And what we did with each one of
14 those students is we provided the basic education
15 skills test in September. We offered those
16 students the possibility of having a college-level
17 immersion program for their remedial courses
18 during the fall with the, obviously, implied
19 promise that they would be entering the college in
20 the spring.

21 I must report to you that
22 unfortunately only about 50 of those students took
23 advantage of it. And my assumption is that they
24 will be reapplying for the spring. However I also
25 must tell you that for the spring, we are at

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2 capacity. And we are going to be most likely
3 stopping the new admissions on December 12th. So
4 we're contacting those students now and saying
5 come now.

6 But to your point, in the long run,
7 what are we going to do with those students? And
8 I think that it just speaks to the need to
9 increase or maintain, at the very least maintain,
10 but certainly increase the revenue so that we can
11 do that. We, you know, right now we're
12 constricted by space, no doubt about it. But
13 we're also constricted by financial resources. We
14 can always rent space. I mean if we have the
15 facilities, if we have the fiscal resources, we
16 can go. However we have to be careful. And I'm--
17 I don't want to dominate the conversation but we
18 have to be careful because that article that
19 appeared in The New York Times about the Bunker
20 Hill Community College, I think that one of the
21 wonderful things that has been done in the City
22 University of New York and really with the support
23 of the Council, and I really mean this, is the
24 fact that we are emphasizing quality as well as
25 access. So we really look at the percentage of

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2 instructors, the instruction delivered by full-
3 time faculty, because it's been proven that full-
4 time faculty is much better than part-time
5 faculty. When you leave New York City, with all
6 due respect to my wonderful colleagues outside of
7 New York City, you find that there is no--it's the
8 same degree of attention paid to full-time
9 faculty, it's not there. So. We need to be
10 careful of comparisons with other states.

11 COUNCIL MEMBER BREWER: Thank you.

12 MR. MARTI: And since I have the
13 floor--

14 COUNCIL MEMBER BREWER:

15 [Interposing] Okay.

16 MR. MARTI: --California,
17 California is a good example of a place where you
18 don't have to take the entrance exam for basic
19 skills. You don't have to take a remedial course
20 if you demonstrate deficiencies. And yet how are
21 you going to be able to maintain rigor?

22 COUNCIL MEMBER BREWER: Thank you
23 very much. And the issue of the funding, just so
24 I understand it, obviously there's this horrific
25 possible state cut, what is the federal government

1
2 doing? 'Cause to the credit of Obama as you all
3 stated, there's been a lot of emphasis. Is there
4 any more federal money? Is there something that
5 you can access? Will it--I mean what you don't
6 want is more federal money and then the state and
7 the city say oh we don't need to give you money,
8 that kind of situation you do not want. So can
9 you just explain to me--?

10 MR. MARTI: [Interposing] Now I'm
11 going to make a political statement.

12 COUNCIL MEMBER BREWER: That's
13 fine.

14 MR. MARTI: What is the cost of an
15 F-16?

16 COUNCIL MEMBER BREWER: Right. Oh
17 I understand.

18 MR. MARTI: \$12 billion for 1,200
19 community colleges.

20 COUNCIL MEMBER BREWER: Right.

21 MR. MARTI: Everybody's after that
22 money. It's a wonderful thing that finally we
23 have a President that's said, you know, these are
24 important colleges. But to depend on federal
25 assistance, it's going to be a long, long road.

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2 COUNCIL MEMBER BREWER: Okay. All
3 right. I appreciate it.

4 MR. JORDAN: I would just add to
5 that that the Pell grants have increased in their
6 number by \$619 or something like that. So that's
7 been a very major good thing that's happened. The
8 bad thing of course is that as federal funds go up
9 other funds go down--

10 COUNCIL MEMBER BREWER:
11 [Interposing] That's what I was worried about.

12 MR. JORDAN: --so the total amount
13 of money actually hasn't increased.

14 COUNCIL MEMBER BREWER: And the
15 other question I have is, you have childcare
16 centers, are those endangered due to budget cuts
17 or are they okay? I know that Council Member
18 Dickens is very supportive of the one in the
19 Manhattan...

20 MR. SAPIENZA: As part of the
21 Deficit Reduction Plan the Governor's proposing,
22 basically a 10% cut in funding the childcare
23 centers at the community colleges.

24 COUNCIL MEMBER BREWER: And what
25 would that mean? Do you have any sense for that,

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for those centers?

MR. SAPIENZA: It will likely mean off--we won't have as many slots to offer to students who need the childcare centers.

COUNCIL MEMBER BREWER: Thank you. I mean I just want to add my voice to the support. I don't really understand why anybody wouldn't be increasing money because it's so cost effective for all the reasons you've described. There's every piece of research, every piece of discussion is fund the community colleges at greater, because everybody stays in New York, everybody has a skill. Everybody is employed. It's a no-brainer. So I--it's the way that the city should be going so I would like to be supportive in any way I can. And I can't talk any more, thank you.

CHAIRPERSON BARRON: Thank you very much. What about the area where we always have our differences? Is there going to be a tuition increase on the students because of all of this? Because too often the students bear the brunt of the raising taxes that they don't want to do on the rich but they'll do it on the students through tuition.

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2 MR. SAPIENZA: As part of the
3 university's 2011 budget request which will be
4 presented to the full Board of Trustees on Monday,
5 the university is continuing its compact
6 initiative as the mechanism to finance the budget
7 request. And in the compact we have called for a
8 rational tuition policy which calls for
9 incremental--

10 CHAIRPERSON BARRON: [Interposing]
11 There is no rational increase of tuition. It is
12 irrational. So you mean the irrational
13 incremental increase?

14 MR. SAPIENZA: For 2011 the budget
15 request includes a 2% increase to both senior
16 college and community college tuition rates.

17 CHAIRPERSON BARRON: What would
18 that mean in dollars?

19 MR. SAPIENZA: At the senior
20 colleges on a semester basis it's \$45 a semester.
21 And for the community colleges it's \$30 a
22 semester.

23 CHAIRPERSON BARRON: You know I
24 don't even care if it's a penny. We have to stop
25 that, you know, I'm not for the incremental

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2 increases on our students. And even if you say
3 we're going to take their money and put it back
4 into their services, you know, all the rationale,
5 we need to stop that. We need to stop the
6 increases on our students. And just as we tell
7 the state, you know, when you comb the budgets,
8 you know, what is CUNY's overall budget? Is it
9 \$4.-something billion?

10 MR. SAPIENZA: It's \$2.6 billion.

11 CHAIRPERSON BARRON: \$2.6 billion,
12 which it was \$4.--huh? \$2.6 billion. See, you
13 know, what I always look at when I look at budgets
14 and I know a lot has to be done with budgets.
15 It's a lot of money but it's a lot of expenses as
16 well. And a lot of things have to be done. But
17 you know when you look at \$131 billion state
18 budget, and you look at a \$60 billion city budget
19 and then you look at a \$2.6 billion CUNY budget,
20 you look at \$11 billion MTA budget, you look at a
21 \$21 billion education, Department of Education
22 budget, and then we've got to take \$45 from the
23 students. And we've got to add another quarter on
24 for the fare, you know, for the people. See I've
25 got real problems with that. And I want to

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2 strongly oppose even a penny increase on the
3 students. And I want to say that I'm totally in
4 disagreement with that. Wherever it has to be
5 cut, in other areas, or we get some more private
6 donation increases or something but we've got to
7 stop raising, even incrementally. Because
8 sometimes you think \$30 is, oh, you know that's
9 chump change, you know, they can handle it. You
10 know, some students are, you know, barely eating
11 lunch or have to just determine--and textbooks,
12 man, textbooks alone is just incredible. You
13 know, the hundreds of dollars that they have to
14 pay for textbooks. We're trying to launch a whole
15 textbook movement in CUNY. If there's any
16 revolution that's going to start in CUNY, it's
17 going to be around these textbooks because these
18 prices are ridiculous. We're trying to get them
19 to unbundled. You can't even buy just a textbook.
20 You have to buy a \$200 package that has a CD in
21 it. And then don't let, don't let last year's
22 textbook have a one paragraph different, that's a
23 new edition. So that one is no good no more so
24 you've got to buy--and then when you have to buy
25 it back, you know, you pay \$130 for it and they

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2 give you \$5, \$10, \$15, you know, to give it back.
3 Then they don't want you to reimport, you can't
4 even purchase the same textbook for \$65 in England
5 that's \$130 here. They don't even want you to go
6 and try to do that. We have to help our students.
7 In these fiscal crises they can't be the ones that
8 bear it, not even incrementally. Not even
9 incrementally. And I know that may not be your
10 call but that's just a problem I have with this
11 compact, master, whatever you all are taking
12 about. This is not a good idea. So we're hoping
13 that we can back up off that. And I'm hoping that
14 we can organize students to help you, to convince
15 you to back up off of it. Because we can't be the
16 brunt, the students, of helping to balance this
17 budget or offset cuts. 'Cause you don't know the
18 kind of pressure and stress that students are
19 under. That are, you know, struggling. We
20 already have the income level of all of our--the
21 students in CUNY, the families, you know, what
22 percentage of families are really struggling, that
23 are trying to send. So it may seem like \$45 is
24 nothing or that \$90 for the year is \$45 per each
25 semester, \$60, you know, it may seem nothing but

2 it's a big deal for CUNY students. And we
3 strongly disagree with that and hope that we can
4 not do that to help offset the budget cuts.
5 That's it from me. I have nothing else other
6 than, once again, we've just got to work together
7 on these issues 'cause no matter whether there's a
8 surplus or a deficit, \$60 billion is going to be
9 spent. Surplus or deficit, on the state level,
10 \$130-some-odd billion is going to be spent. Cuts
11 or no cuts, \$2.6 billion is going to be spent at
12 CUNY. It's a question of prioritizing spending on
13 who, and it's a question of who will bear the
14 brunt during these economic crises times. The
15 vulnerable, struggling students or someone else.
16 Thank you very much. Appreciate your testimony.
17 This hearing is adjourned--

18 COMMITTEE CLERK: [Interposing]
19 It's not adjourned.

20 CHAIRPERSON BARRON: --oh no. Oh
21 we have more? I'm sorry. I'm sorry. We have
22 another panel?

23 COMMITTEE CLERK: Yeah.

24 CHAIRPERSON BARRON: Oh great. Oh,
25 does anyone else want to sign up to testify?

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Okay, we have two more.

[Pause]

COMMITTEE CLERK: Okay. Arthurine DeSola and Patrick Krug.

CHAIRPERSON BARRON: I was ready to cut you guys out. [Chuckling]

[Pause]

COMMITTEE CLERK: Okay, raise your right hand. Do you swear that the testimony you are about to give is truthful and accurate? Okay.

[Pause]

CHAIRPERSON BARRON: You may proceed.

[Pause]

MS. ARTHURINE DESOLA: Good afternoon Chairman Barron and distinguished members of the Committee. I want to thank you for holding this hearing and giving the PSC an opportunity to testify to the serious impact that midyear budget cuts to CUNY's budget proposed by Governor Paterson will have on the university. On behalf of the 22,000 faculty and professional staff in our union, I urge you to call on the Senate and Assembly to reject the Governor's

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Deficit Reduction Plan.

There are alternatives, both long and short; to raise revenues that would forestall what would be a devastating loss in the middle of the academic year. Having spent time in Albany this week, we can report that while some Legislators have pledged not to cut education. They have made it clear that they do not include CUNY and public higher education in this pledge. Thus it is of extreme importance that members of the Committee and the City Council as a whole call on their state colleagues to reject the proposals to cut funding to higher education.

I will get right to the point.

CUNY is chronically under-resourced and cannot absorb more cuts. The Deficit Reduction Plan known as the DRP proposed by Governor Paterson would take an additional \$53 million from CUNY's senior colleges and \$9.9 million from the community colleges immediately. CUNY's budget has been cut the last two budget cycles. Lawmakers diminished state funding to CUNY senior colleges by \$68.3 million in the 2008-2009 academic year and \$44.6 million in the current year. Altogether

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2 this is \$176 million over 2 years at a time when
3 CUNY's enrollments have soared.

4 The Governor's Deficit Reduction
5 Plan will damage CUNY's core academic program and
6 jeopardize educational quality. Governor Paterson
7 contends that these cuts will be limited to non-
8 personnel services. But we believe that the cuts
9 of this magnitude in the middle of the year cannot
10 be absorbed without hitting the classroom.

11 Total state aid to CUNY's senior
12 colleges this year, before the proposed cuts are
13 implemented, is \$1.1 billion and state aid to CUNY
14 community colleges is \$192 million. But only 15%
15 of CUNY's total expenses are non-personnel. Thus
16 there is no way to make these cuts without
17 addressing personnel and without cutting into the
18 student's education.

19 In the face of such large reduction
20 in state aid, CUNY is relying on greater student
21 enrollments and charging higher tuition to make
22 ends meet. That is not the way to solve CUNY's
23 funding crisis. More students require more
24 resources. The number of students has grown
25 faster than the number of full-time faculty needed

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2 to teach them. The result is more overcrowded
3 classrooms and more reliance on part-time adjunct
4 faculty.

5 Governor Paterson's choices in
6 cutting college funding runs exactly counter to
7 the direction being signaled by President Obama
8 who made the historic announcement this summer of
9 a Federal funding initiative for community
10 colleges. The Obama Administration has called for
11 an additional 5 million community college degrees
12 and certificates by the year 2020. CUNY is on the
13 way to contributing to this number through its
14 soaring community college enrollments as well as
15 its strong tradition of 4-year college education.

16 New York State has a chance of
17 being the leader in this initiative. The Deficit
18 Reduction Program's cut works in just the opposite
19 direction. Cuts to TAP, educational opportunity
20 programs, and scholarship programs hurt students'
21 ability to progress towards graduation. The
22 proposed Deficit Reduction Plan would not only cut
23 CUNY directly but also take \$28.4 million from
24 programs administered by the Higher Education
25 Services Corporation, including a cut of \$26.2

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2 million from the Tuition Assistance Program known
3 as TAP.

4 All students receiving TAP would
5 see their grants cut by \$120 beginning in the
6 spring semester. This may seem like a small
7 amount but for many students it will mean fewer
8 books, supplies and other necessities or
9 increasing their work hours and sacrificing what
10 time they have for their studies. State funding
11 for on-campus childcare centers at both senior and
12 community colleges would also be cut under the
13 Governor's plan.

14 There are alternatives however to
15 midyear reductions. Rather than close the door to
16 a college education for New York's working people,
17 we urge you to call on our elected state Senators
18 and Assembly Members that the Governor pursue
19 other options. First use the State Tax
20 Stabilization Fund which has a \$1.39 billion and
21 the State Day Rainy Fund which totals \$400 million
22 before cutting CUNY's budget.

23 Second pursue additional Federal
24 stimulus funding, through Federal ARRP (sic) funds
25 will be available next year, this may not last

1
2 long enough to pull New York out of this severe
3 recession. Governor Paterson would do well to
4 show leadership by pressing Washington now for a
5 second round of stimulus monies that would help
6 New York and the 47 other states maintain critical
7 services including public higher education.

8 Third, utilize the state's enormous
9 buying power to negotiate bulk purchases from
10 pharmaceutical companies for the Department of
11 Health. The Fiscal Policy Institute estimates
12 that savings could be in the hundreds of millions
13 of dollars.

14 Finally enact additional
15 progressive tax reform to the state's personal
16 income tax. Last year the Legislature took an
17 important step by imposing a modest increase on
18 the state's highest earners however this tax
19 reform was both small and temporary. We believe
20 that the only lasting solution to the structural
21 deficit is to restore a progressive tax system.

22 A great university needs more
23 public funding not less. The reduction proposed
24 in the Deficit Reduction Plan would be devastating
25 because they come on top of a history of

1
2 underfeeding. They are cuts to a university that
3 has already been compromised because of lack of
4 funds. Every classroom, every library, and every
5 laboratory bears this out. We cannot absorb
6 another cut and call on the City Council to
7 immediately appeal to the Governor and the
8 Legislature.

9 CUNY needs more money, not less.
10 CUNY needs more money, not less funding if it is
11 to ensure that all students have a chance at a
12 good life and if New York is to have that
13 educational workforce that positions it to grow as
14 the national economy recovers. Thank you.

15 MR. PATRICK KRUG: Good afternoon
16 Chairman Barron and thank you for holding this
17 hearing today. My name is Patrick Krug and I'm
18 the Chairperson of the New York Public Interest
19 Research Group and a student at Brooklyn College.
20 NYPIRG is New York State's largest student
21 directed nonpartisan research and advocacy
22 organization with a Board of Directors comprised
23 of college and university students elected from
24 campuses with NYPIRG chapters across the state,
25 including nine at CUNY schools and one at the

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Pratt Institute here in New York City.

We are deeply concerned about the rising cost of college. The impact of the current recession on students' access to higher education and the harm that could be done to students by the latest round of proposed cuts to CUNY's state funding. NYPIRG thanks the Council's Higher Education Committee--

CHAIRPERSON BARRON: [Interposing]

Excuse me. I don't mean to interrupt; did you have copies of your testimony?

MR. KRUG: I do.

CHAIRPERSON BARRON: Oh okay. Let me get that.

[Pause]

CHAIRPERSON BARRON: Thank you, you have proceed--

MR. KRUG: [Interposing] Sure. The state Legislature and the Governor are currently negotiating legislation to close the state's \$3.2 billion deficit. And we need to convince our elected officials in Albany to stop making cuts to higher education. The most important thing the City Council can do to preserve access to

1
2 affordable, quality higher education in New York
3 City is to protect and to eventually expand city
4 funding for financial aid, opportunity programs
5 and community colleges. In this economy we would
6 not be surprised to see another round of proposed
7 cuts from the Mayor and CUNY students need your
8 support now more than ever.

9 Governor Paterson has proposed
10 hundreds of millions of dollars in midyear cuts to
11 higher education. At CUNY these proposed cuts
12 would reduce funding for opportunity programs like
13 College Discovery by \$83,000 and the Collegiate
14 Science and Technology Entry Program by \$306,000.
15 The Governor's plan would also reduce funding for
16 CUNY senior colleges by \$53 million and CUNY
17 community colleges by \$9.9 million and even shrink
18 Tuition Assistance Program awards by \$120 per
19 student.

20 We know that the state budget
21 crisis demands hard choices and that the deficit
22 cannot be closed without them. Nevertheless we
23 believe CUNY students have already paid their
24 share of sacrifice to budget deficits and that
25 deeper cuts to higher education would undermine

1 the state's economic recovery.

2
3 In the 2008-2009 and the 2009-2010
4 state budgets, CUNY absorbed a total of \$113
5 million in funding cuts. In addition to those
6 cuts CUNY students have been subjected to big
7 tuition hikes and the senior college tuition hike
8 is largely being swept into the general fund to
9 pay down the deficit.

10 Long before this recession state
11 support for CUNY had been declining. In fact a
12 recent report shows that from 1992 to 2009 at CUNY
13 state support for senior colleges declined by 14%
14 and support for community colleges declined by
15 25.6% when adjusted for inflation and full-time
16 equivalent student enrollment.

17 According to the Chancellor, CUNY's
18 senior college enrollment has increased by 4.6%
19 and their community college enrollment has
20 increased by 9% since the fall of 2008. Revenues
21 derived from rising enrollment and this year's
22 tuition hike have allowed CUNY to add some full-
23 time faculty but the university is still
24 struggling to serve their expanding student body.
25 CUNY is under funded and they are making ends meet

1
2 by relying far too heavily on overcrowded
3 classrooms and part-time faculty members.

4 Another round of cuts to CUNY could
5 make things much worse. It could reduce critical
6 student services like counseling and childcare,
7 push class sizes beyond capacity and reduce course
8 offerings so much that many students will have
9 trouble graduating on time because they can't get
10 the courses they need. Another funding cut could
11 also force another difficult to bear tuition hike.

12 In their 2011 budget request CUNY
13 is urging the state and city to provide enough
14 money to cover 100% of the university's mandatory
15 expenses such as energy costs, benefits,
16 collective bargaining agreements, etcetera. CUNY
17 is also seeking a tuition hike of \$60 per year for
18 community college student and \$90 per year for
19 senior college students. CUNY plans to use the
20 money from that tuition hike, combined with the
21 requested modest increase in state funds, to hire
22 more full-time faculty and provide support for
23 expanded research, academic enhancements and
24 student services.

25 While we applaud CUNY's efforts to

1
2 fortify the university, we are deeply concerned
3 that the Governor and the Legislature won't honor
4 their request to fund these additional
5 investments. Instead we fear that they will once
6 again sweep state funding away from CUNY and
7 offset that cut with students' hard earned tuition
8 dollars.

9 NYPIRG students will be urging the
10 Legislature and the Governor to fund CUNY's
11 current obligations and these new investments so
12 that CUNY might avoid any tuition hike. Please
13 join us in pressing the Legislature and the
14 Governor on this point.

15 In the past many lawmakers and CUNY
16 stakeholders gave their reluctant support to
17 tuition hikes in part because they know that the
18 Tuition Assistance Program has to be there to
19 protect access for most low income students. In
20 the current budget climate there are no guarantees
21 that TAP will be there to shield low income
22 students.

23 In his Deficit Reduction Plan,
24 Governor Paterson proposed reducing every
25 student's TAP award by \$120. Legislative leaders

1
2 have indicated that they will oppose cutting TAP
3 at this time but we would not be surprised to see
4 another cut to TAP proposed in the Executive
5 Budget. A tuition hike, even a \$60 or a \$90 hike
6 would be too much for many low income students to
7 bear especially if it came paired with a financial
8 aid cut. Even if TAP does survive the next budget
9 process unscathed and most of the poorest students
10 are protected from the effects of these proposed
11 tuition hikes, thousands of low income adult CUNY
12 students will be harmed.

13 More than 18,000 CUNY students
14 receive smaller TAP awards because they qualify
15 for TAP through the program's much less generous
16 independent award schedule. These students,
17 typically working poor, unmarried, adult students
18 with no dependents of their own, already receive
19 maximum TAP awards that pay significantly less
20 than CUNY's full-time undergraduate tuition.
21 Independent students felt the sting of this year's
22 tuition hike and they will feel it again if
23 tuition is further increased.

24 This year CUNY is reinvesting \$10
25 million generated from the recent tuition hikes

1
2 back into programs to protect students' access by
3 providing partial tuition waivers, more affordable
4 textbook options, expanded work-study, and
5 discounts on the tuition payment plan. NYPIRG
6 could not support the tuition hike but we were
7 glad to see CUNY's commitment to protect students
8 who might otherwise have been priced out of
9 college by the tuition hike.

10 We're anxious to hear how these
11 programs have been played out, especially how many
12 students have benefited from the waivers. Your
13 recent oversight hearing regarding textbooks has
14 already helped shed some light on how CUNY's
15 Textbook Initiative is saving students' money.

16 Next year if the state fails to
17 provide CUNY with the resources it needs and
18 tuition is increased again over the objections of
19 students and families, CUNY should continue and
20 expand their Student Financial Aid Initiative.

21 With regards to community colleges,
22 last week a New York Times article chronicled the
23 end, which is temporary we hope, of open
24 admissions at CUNY community colleges. Years of
25 under funding from the state, rising enrollments

1
2 and a recent crest in applications caused by the
3 recession are actually forcing CUNY to turn away
4 students who need their help. If last year's cut
5 to the state funding for community colleges had
6 not been offset by Federal stimulus dollars,
7 things at CUNY community colleges would be much
8 worse.

9 Now CUNY is once again facing a big
10 cut to state funding for community colleges.
11 Community colleges are crucial for New York City
12 students. They are the only affordable entryway
13 into higher education for thousands of low income
14 students. And they may be the first place workers
15 turn when they need to update their job skills
16 after a layoff or strengthen their resumes to
17 compete in a tight job market.

18 CUNY is urging the state to
19 increase funding for community colleges by \$4.37
20 million but they are also proposing a \$60 per
21 semester tuition hike for community college
22 students. NYPIRG wholeheartedly endorses greater
23 state support for community colleges but we cannot
24 support a tuition hike because community colleges
25 typically serve a large contingent of low income,

1
2 part-time students who do not receive TAP or Pell
3 and many students who receive smaller TAP awards,
4 as determined by TAP's miserly independent award
5 schedule.

6 We ask the members of the Council's
7 Higher Education Committee to support CUNY's
8 efforts to increase state and city funding for
9 community colleges. And we also ask you to join
10 us in our call to increase city and state support
11 by an amount great enough to avoid a tuition hike.

12 We thank the Council's Higher
13 Education Committee for your efforts to maintain
14 affordable and accessible public higher education.
15 Our city and state are facing unprecedented
16 challenges and they are being forced to make
17 difficult choices. We appreciate the vigor you
18 bring to higher education advocacy and oversight
19 efforts. And we look forward to your continued
20 support. Thank you.

21 CHAIRPERSON BARRON: Thank you very
22 much. We've been joined by Council Member Darlene
23 Mealy from Brooklyn. And we're glad that you
24 came. And we appreciate your long-time support
25 for CUNY so but thank you for coming 'cause you've

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always been a great supporter.

I wanted to know if you could provide us with, I think, the Working Families Party, had an outline of if they went further up with the increase in the personal income tax of those who make \$1 million or \$5 million. Do you have the actual numbers on that you can perhaps provide for us?

MS. DESOLA: I don't have that with me this afternoon Chairman Barron but we'd be more than happy to provide it for you.

CHAIRPERSON BARRON: Okay. That would--

MS. DESOLA: [Interposing] Yeah.

CHAIRPERSON BARRON: --be very, very helpful. And then any anecdotal student accounts on the impact that the \$60--because sometimes people hear \$60 and \$90 and they think that, oh TAP will cover it, it's not going to hurt folks. I think you outlined it excellently in here. If you have any data on that, that would be helpful as well. Because what I do intend to do is call out the Chairman of the Caucus, Democratic Caucus in the state, John Sampson, who's the

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Senator in my District and also Senator Eric Adams. And of course one of the best and greatest Assembly Persons in the state is Assemblywoman Inez Barron, my wife--

MS. DESOLA: [Interposing] Yes I know.

CHAIRPERSON BARRON: --and I'll be speaking to her as well, who's on the Higher Education Committee up there. So in the next couple of days I'll be talking to them 'cause things are moving fast. So if I can get that information it would be greatly appreciated. And thank you for your testimony. Darlene, do you have anything you want to say? Thank you very much.

With that now I can say this meeting is adjourned.

[Gavel banging]

Thank you Ma'am as always.

[END 1002.MP3]

C E R T I F I C A T E

I, Laura L. Springate certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

A handwritten signature in cursive script that reads "Laura L. Springate". The signature is written in black ink on a light-colored background.

Signature Laura L. Springate

Date November 22, 2009