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Remnants of Spitzer's Plan for Universities Are in Peril

By **LISA W. FODERARO**

During **Eliot Spitzer's** campaign for governor, he often wondered why New York lacked a public university on a par with Berkeley, the **University of California's** flagship. Once elected, he seemed poised to raise the profile of the state's two huge systems — the **State University of New York** and the **City University of New York** — and maybe even create a couple of Berkeleys in the process.

A commission appointed by Governor Spitzer recommended a **major infusion of state financial support**, the hiring of 2,200 additional full-time faculty members and the creation of a \$3 billion research fund. But the sex scandal that forced him from office in early 2008 was followed by economic freefall, and today, most of the big-ticket proposals for reinventing SUNY and CUNY have largely been ignored.

Mr. Spitzer's successor, Gov. **David A. Paterson**, salvaged a few items from the commission, known as the New York State Commission on Higher Education, namely the commitment of nearly a billion dollars a year to critical maintenance and repairs across the two systems, as well as the creation of a low-interest **student loan** program.

Last month, Mr. Paterson dusted off a few more recommendations from the commission, including one to let the SUNY and CUNY boards set their own tuition and set different rates for each college.

His proposal, the **Public Higher Education Empowerment and Innovation Act**, drew cheers from the leaders of CUNY and SUNY and from some members of the commission. But its passage by the State Legislature is uncertain at best, with the heads of both houses' higher education committees expressing strong reservations.

Currently, the Legislature determines tuition rates, and in general the cost is the same for all campuses in each system. The proposal seeks to avoid the pattern of recent years in which tuition remained flat for years but then increased sharply during downturns, by as much as 30 percent in a single year, to make up for cuts in state aid. University administrators complain

that this frustrates planning and growth and is unfair to students enrolled when tuition jumps.

Matthew Goldstein, chancellor of CUNY, welcomed the flexibility of setting different tuition rates depending on the program — a master's of business degree versus a master's of journalism, for instance.

"I don't want Hunter to have a different tuition than Baruch because we have students constantly transferring," Dr. Goldstein said. "But I do want to differentiate on the basis of price elasticity and competitiveness of the program, and that would be very helpful to CUNY."

Critics of varying tuition rates say that it could set up a Darwinian struggle among institutions, with the large research universities and most selective colleges coming out on top.

"It will help the strongest colleges and tilt the playing field so that the smaller colleges will suffer," said Toby Ann Stavisky, a Queens Democrat who is chairwoman of the Higher Education Committee of the State Senate.

The state commission made a strong case that New Yorkers had reason to worry about the higher education systems, pointing out that other states — and nations — had poured far more resources into their public colleges. "Cracks are beginning to appear in the foundation, literally and figuratively," it warned.

The commission framed its arguments in terms of global competitiveness, citing "troubling evidence" that the state's stature had slipped. While the state garnered 10 percent of the country's spending on academic research and development in 1980, that proportion had fallen to 7.9 percent by 2008.

"Using just this one measure," the report stated, "the commission calculates that more than \$2.2 billion and over 27,000 jobs have been lost in the state. The commission believes that outstanding research universities are key to the state's future."

Proponents of the commission's recommendations, including those who served on the panel, said the ideas were caught in a maelstrom: Mr. Spitzer's embarrassing resignation diverted attention from his top priorities, while the financial crisis diverted the huge financial resources needed to see the plan through.

But even if Mr. Spitzer had remained in office and the economy had been robust, it is not clear that the commission's vision would have been realized. Spending several billion dollars on one enterprise, no matter how worthy, is an extremely tough sell in any economic climate. And many of the ideas had been around for decades.

Deborah J. Glick, a Manhattan Democrat and chairwoman of the Assembly's Higher Education Committee, said the report contained "the same tired old ideas that had come up before."

Another impediment, some say, was a lack of political will. If one campus were to emerge as New York's answer to Berkeley — the **University at Buffalo** or **Stony Brook University**, say — then the others are diminished, or so the thinking goes.

"The legislators all favor their own local campuses, and they don't want to see other campuses being treated better than their own," said Hunter R. Rawlings III, a former president of **Cornell University** who was chairman of the Commission on Higher Education. "The result is that SUNY campuses are all treated pretty similarly, and you don't have the differentiation that other states have achieved."

Still, university leaders are encouraged by Mr. Paterson's tuition proposal, which could take some of the sting out of the recent cuts in state support, they said. The plan would move tuition outside the state budget process and would let SUNY and CUNY receive and distribute revenues from tuition without an appropriation from the Legislature.

The governor's plan calls for tuition to change incrementally, with an annual ceiling of 2.5 times the five-year average rise in the Higher Education Price Index, a nationwide inflation index related to campus expenses. (Currently, such a cap would be around 10 percent a year.)

Although **Nancy L. Zimpfer**, the SUNY chancellor, and Dr. Goldstein of CUNY insist that the tuition increases are unlikely to approach that ceiling, critics of the plan worry about the temptation to push tuition ever higher.

"My fear is that over the next few years, higher education becomes unaffordable and inaccessible to large numbers of poor and working-class families," Ms. Glick said.

Taking another page from the commission's report, Mr. Paterson's proposal would also give colleges and universities the freedom to move more quickly in making purchases and signing contracts. The plan would do away with the advance approval of contracts by the Office of the State Comptroller but would provide for "post-audits" instead.

And the governor's plan would enable institutions to generate money by using one of their greatest assets: land. If a developer wanted to lease land from a college, for example, a new three-member "asset maximization board" would decide on proposals within 45 days, as opposed to the 12 months that it can take for approval from the Legislature.

By SUNY's own estimate, the tuition flexibility and regulatory relief under the plan would create 2,200 faculty positions, along with 7,000 staff positions and 43,000 construction jobs. "This

will positively impact every community in the state with the creation of tens of thousands of new jobs and through billions of dollars in local investment," Dr. Zimpher said.

But Senator Stavisky questioned the idea of using public colleges' land for private ends, along with the educational mission of some recent land-use proposals, from building a wind farm to housing for the elderly.

"I have a major problem permitting the lease of SUNY property," she said, "because it's not SUNY property; it's taxpayer property."

Despite the resistance the proposal is sure to encounter in the Legislature, some education officials were buoyed by the fact that some of the commission's ideas would get public discussion.

"We may not get it this year," said [Carl T. Hayden](#), chairman of the SUNY board of trustees, "but this is just the beginning of a serious assault on the constraints that presently bind us."

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