

INSIDE HIGHER ED

Advertisement



News

New Push in New York

January 18, 2010

New York Gov. David A. Paterson on Friday [proposed legislation](#) that could give the state's two huge university systems a large infusion of funds and far more flexibility -- even in what is going to be another tight budget year.

The proposal receiving the most attention would allow the State University of New York and City University of New York to set their own tuition rates and to consider differential tuition policies by campus or academic program. Further, the proposal would allow the university systems to keep any additional tuition revenues they generate.

The combined impact of these shifts could be dramatic. Currently, the Legislature sets tuition during the annual appropriations process and doesn't necessarily allocate the additional revenue generated from tuition to higher education. So SUNY and CUNY have been in the unenviable position of seeing rates go up to bail out the state, not to help students.

The governor is also proposing significant regulatory reforms for university systems that have long complained of spending too much time dealing with the Albany bureaucracy. For example, campuses will have greater freedom to lease property and to sign contracts without prior state approval. These changes are expected to speed up many construction projects that have languished, even if funds have been found for them.

The governor's office projected that the shifts together could, at SUNY, result in the creation of more than 2,200 faculty positions and the ability for campuses to enroll an additional 20,000 students above planned targets.

With the governor due to present his budget plan on Tuesday (a plan unlikely to please higher education, given the depth of the state's financial woes), Friday's announcement shifted moods on many campuses. A big question mark, of course, is whether the plan will win legislative favor. Governor Paterson -- currently considered a long shot in his bid to win a full term on his own this year -- isn't a political powerhouse these days. But SUNY and CUNY officials hope that there are enough campuses that would benefit from the plan that a legislative majority will emerge.

Nancy L. Zimpher, chancellor of the SUNY system, said that she spent some time Friday afternoon talking to legislators and that she found a willingness to seriously consider the plan. She acknowledged that lawmakers have been hesitant in the past to give up their control over tuition rates, but she noted that the governor's plan has a specific limit on any increase -- two and a half times the rolling five-year average of the [Higher Education Price Index](#), which for the most recent year was 2.3 percent. She also said that state leaders want the university system to do more for the state, and yet lack funds for a major additional state investment right now. "This is a no-cost option" (for the state), she said, "that has 'return on investment' written all over it."

"These times are different," she said.

For full-time undergraduates who are New York residents, [SUNY tuition](#) is \$4,970 this year and [CUNY tuition](#) is \$4,600.

Student groups tend to be skeptical of tuition increases. Fran Clark, program coordinator for higher education of the New York Public Interest Research Group, said that any tuition increase generates "concerns about access" and over whether the state is engaged in "a shifting of resources away from students." He also said that he feared that differential tuition by campus or program would result in low-income students being discouraged from enrolling on certain campuses or in certain programs.

University officials, however, pointed out that the choice for New York State students wasn't between the governor's plan and level tuition, but between two different approaches to tuition increases.

Allan Dobrin, vice chancellor and chief operating officer of CUNY, said that the way New York State has set tuition is "almost perfectly wrong." He noted that "we don't raise tuition in good economic times when families have more money, and then [do] raise it in bad times." Students and their families would benefit from "small increases" on a regular basis, with the funds paying for improvements in student aid and academic programs, he said.

Different approaches are expected to any flexibility the state grants on tuition rates by campus or program. CUNY is expected to consider differential tuition not by campus, but by academic program, particularly for those with higher than normal costs due to laboratory needs, specialized faculty and so forth.

Within SUNY, the strongest push for higher tuition rates is expected to come from the university centers. Because SUNY's four-year institutions include large research universities and small undergraduate colleges, the former have said that they are limited by having to charge the same as the latter. Leaders of the university centers were quick to endorse the governor's plan.

Samuel L. Stanley, president at Stony Brook, said that the additional funds would provide for extra financial aid for low-income students. But in [a statement](#), he said that the additional funds would benefit all students, enabling the university to hire 400 new faculty members over the next decade and to reduce class sizes.

John B. Simpson, president of SUNY's university center at Buffalo, said that the governor's proposal makes it possible that he could for the first time in seven years "be focused on investing in quality" instead of "another budgetary disappointment." The shifts being proposed could give SUNY campuses the ability to compete nationally in a way that has been difficult for them.

[Buffalo has been pushing for more authority to set its own tuition](#) and made some progress on that front (but fell short) in the legislature last year. Simpson said that the governor's plan would achieve his key objectives in giving Buffalo the flexibility it needs, and others in the state said that by broadening the flexibility options, the governor might make the plan attract more support beyond western New York.

Simpson said he believed students could be won over as well. He noted that when the state last increased SUNY tuition, 90 percent went straight to the state, without providing any help for the university. "The status quo is pretty horrible," he said.

— [Scott Jaschik](#)