



## **Student Assembly of the State University of New York**

### **Legislative Agenda 2013-14 Addendum**

#### **State Agenda**

##### **In-State Veteran Tuition**

Many former New York State residents, upon leaving active duty, return to New York to continue their lives. Often, returning veterans choose to attend college to attain a degree or certificate, but are forced to pay out-of-state tuition. This is due to recent changes in the Post 9/11 GI Bill that only covers the net price of in-state tuition for our nation's Veterans. The difference in tuition for these men and women is approximately \$10,000.

The students of the State University of New York realizes that this is an unnecessary burden for these individuals. That is why we plan on advocating for the New York State Legislature to amend NYS Education Law to make any veteran eligible for in-state tuition rates.

##### **Increase community college base aid by at least \$150 per full-time equivalent (FTE) as a part of the ongoing Rational Aid approach for community colleges for the next 5 years.**

According to New York State Education Law: New York has an obligation to pay up to 40% of a community college's Net Operating Cost (NOC) or a flat rate per FTE (base aid), whichever is less. Several years before 2011, there were a lot of cuts and flat budgets. In 2011-12 and 2012-13 academic years, The State Legislature passed increases of \$150 per FTE in the budget. Since these increases, the average base aid per FTE is \$2,382 (an average 25.6% of Net Operating Cost; 27.2% when excluding FIT) with a range of \$2,240 - \$2,908. We request that the Legislature provide our community colleges with the state support they are entitled to by law.

The Rational Aid approach remains a top priority for SUNY's students. We sincerely thank the New York State Legislature for allowing a \$150 per FTE increase in this year's budget. However, we are continuing to request that the costs of educating and kick-starting New York's economy increasingly shift from students to the State and counties. Community Colleges play a tremendous role in the New York State economy. Not only do they educate, but also serve as hubs for tremendous economic and workforce development for their communities. Governor Cuomo spoke of reimagining our community colleges in his State of the State address; increasing the government's share of community college costs is a great way to start.

##### **Reform the current community college chargeback system, while urging counties to follow the existing law until change is implemented.**

New York's community colleges are currently operating under an arcane and archaic chargeback system that is inefficient. Chargebacks are used to fund state residents who attend a state community college other than the one that their county sponsors. Pursuant to Education Law §6305(2), our community colleges are classified as SUNY Board and Sponsor Governed, SUNY Regionally Governed, or CUNY Board and Sponsor Governed; each classification operates differently.

The results of the current system are unacceptable as the funds, for various reasons, are ultimately not going to their rightful owners. Reformation towards a unified, streamlined, and transparent system will allow for greater accountability and give sponsors the opportunity to recoup the revenues that belong to them. With the rising cost of providing the high-quality public education that New York needs and hard-working New Yorkers deserve, it is doubly critical that sponsors' budgets are not unnecessarily shortchanged.

The recent economic crisis brings attention to the critical importance of the revenue from all three funding streams: local share (which includes sponsor contribution and chargeback revenue), state aid, and tuition.

The SUNY Student Assembly respectfully requests that the New York State Legislature examine possible reform measures to the current chargeback system assuring that SUNY's community colleges are adequately funded.

### **Reinstate the Tuition Assistance Program (TAP) for graduate students and expand access to TAP for all students.**

The Tuition Assistance Program (TAP) is one of the most preeminent ways our State supports New Yorkers who wish to better themselves and our state by pursuing a two- or four-year higher education program. Effective 2010-11 academic year, graduate TAP was eliminated leaving many graduate students without additional aid for college. This elimination of need-based aid creates a financial burden on those seeking to attain an advanced degree.

The SUNY Student Assembly requests that graduate need-based aid through the TAP program be reinstated, incentivizing New Yorkers to attain a graduate degree.

Currently, New York students, if qualified to receive TAP, are only given eight semesters of TAP. Many students take as much up to four and a half years to complete a bachelors program and are unable to receive TAP after the cut-off level. This leaves the student with an unnecessary financial burden in finishing a four-year program. The SUNY Student Assembly realizes that it is vital to lessen this financial burden on students by expanding the number of eligible semesters for one to receive TAP.

### **Federal Agenda**

#### **Untie interest rates on federal student loans from the market and return it to a lower fixed rate.**

In 2007, the College Cost Reduction and Access Act (CCRA) became law, lowering interest rates on federal subsidized loans for five years to 3.4%, which would revert to 6.8%. In 2010, provisions in the Student Aid and Fiscal Responsibility Act (SAFRA) terminated the Federal

Family Education Loan Program (FFEL) and converting all new federal education loans through the William D. Ford Federal Direct Program; making the federal government the lender of these loans instead of private institutions. Last year when the CCRA was set to expire, Congress extended the 3.4% rate for one year under the Temporary Surface Transportation Extension Act (TSTE) of 2012.

In 2013, after the TSTE Act deadline, Federal Direct Loans interest rates doubled from 3.4% to 6.8%. After several months of debate, this August, Congress passed the Bipartisan Student Loan Certainty Act of 2013; which constructs new interest rates each July. The new rates will consist of a combination of a mandatory basement of: 2.05% for undergraduate loans, 3.6% for graduate loans, and 4.6% for PLUS loans; as well as, be tied to the market and fluctuate based upon the previous May's auction of the 10 Year U.S Treasury Notes. The rates would be capped at 8.25%, 9.5%, and 10.5% respectively.

The SUNY Student Assembly realized the variable component of this policy puts unneeded stress on students, and advocate for the reimplementation of a fixed rate on federal student loan interest rates.