



NEWS from the Fiscal Policy Institute

For Immediate Release, January 15, 2009

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New report: <http://www.fiscalpolicy.org/UnderinvestmentPublicHigherEd.html>

New York Under-Invests in Higher Education, Report Finds *After More Than a Decade of Financial Support Falling Short of Growing Enrollment, Proposed Budget Calls for Cuts to SUNY and CUNY*

More Students Seeking Post-Secondary Opportunities in Downturn

New York State is not providing the funds needed to help CUNY and SUNY adjust to increasing numbers of students. That's the conclusion of a report released today as legislators in Albany hear testimony on higher education funding in the state budget.

The report, issued by the Fiscal Policy Institute, shows that even before mid-year cuts in the 2008-2009 budget, state aid to SUNY's four-year colleges and graduate schools fell by five percent per student since the early 1990s, and at CUNY state support was down by 14 percent over the same period. The picture is even more drastic at community colleges, with funding down by 12 percent at SUNY and 26 percent at CUNY. The figures are adjusted for inflation, and enrollment is calculated on a full-time equivalent basis.

"Increased enrollment at SUNY and CUNY simply haven't been matched by a similar increase in funding," said David Dyssegaard Kallick, senior fellow of the Fiscal Policy Institute.

"Next year's classes at SUNY and CUNY are expected to be larger than ever," Kallick said. "Yet, rather than expand funding to an already overstressed system, the state budget proposal recommends a decrease in support for public higher education. That's not a smart economic strategy, and it's not good stewardship of two of the country's great systems of public higher education."

The share of the state labor force with at least an associate's degree has increased from 38 percent in 1990 to 47 percent today, according to the report. That provides a strong basis for the state's high productivity, but also requires increasing levels of education for workers.

“An important way to maintain a highly productive economy in a downturn, and to prepare for a growing middle class in the eventual recovery, is for workers to upgrade their education and their skills,” said James Parrott, deputy director and chief economist of the Fiscal Policy Institute. “In this economy, people are flocking to CUNY and SUNY. The state should be doing everything it can to support them. We should be investing in a better-educated workforce. Instead, the governor's current budget proposal is to cut funding as the economy sours. It would be better economics to maintain services, and make up for decreased revenues by restoring progressivity to the state income tax.”

Making sure that CUNY and SUNY can accommodate the larger number of students is particularly important to communities of color, immigrants, and low-income New Yorkers. Currently, 20 percent of SUNY students and 69 percent of CUNY students are people of color, the report shows.

Unemployment rates are already higher in black and Latino communities, and communities of color and immigrants are being hit especially hard by foreclosures in the current housing crisis. “Making sure that people of color, immigrants, and low-wage workers have good opportunities to expand their skills and education during this downturn should be a high priority for state officials,” Kallick said.

The Fiscal Policy Institute (FPI) is a nonpartisan research and education organization that focuses on the tax, budget, and economic public policy issues that affect the quality of life and the economic well being of New York State residents.

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