

# FISCAL POLICY INSTITUTE

11 Park Place, Suite 701, New York, NY 10007

(212) 721-7164 • [www.fiscalpolicy.org](http://www.fiscalpolicy.org)

Testimony of  
David Dyssegaard Kallick  
Senior Fellow, Fiscal Policy Institute, and director of FPI's Immigration Research  
Initiative

Before the  
**City Council Committee on Higher Education**

Hearing on  
**State Funding for CUNY**  
March 21, 2016

## **CUNY Matters**

Thank you for inviting me to testify today. I am David Dyssegaard Kallick, senior fellow of the Fiscal Policy Institute, where I also direct our Immigration Research Initiative.

It would be hard to overstate the importance of CUNY to New York City—to the economy, to the prospects for social mobility, to the richness of life in or city. It's no exaggeration that, in practically any crowded room in New York City, if you asked for a show of hands of who directly gained from a CUNY education you would get an impressive number. You've probably done something similar in this room, so I won't ask you to do it now. But, CUNY graduates are everywhere. Maintaining a system of quality, affordable public higher education is just critical to the city's well being.

What I hope I may be able to add today is a little context about the state budget. When Governor Cuomo announced, in his executive budget, that he intended to shift \$485 million from the state budget to the city, it sent little shock waves around the offices of fiscal analysts. Did the governor negotiate this with city officials? Where did this idea come from?

As you know, the answer is that the governor proposed this on his own, seemingly without input from anyone, certainly without discussions with the mayor or city council.

We've heard shifting rationales for the proposed cuts. The city appoints a third of the trustees, so it should bear a third of the cost, the governor said—though no SUNY school has a remotely comparable contribution. Or, the real aim is to reduce administrative costs, and the reduction won't cost the city a penny. It's hard to imagine anything remotely like a half billion dollar savings in administrative costs, but...we're still waiting for an explanation of how that would work.

Most recently, the state senate stunned many of us by suggesting that one of its reasons for withholding funding is anti-Semitism on CUNY campuses. Being Jewish myself, I found that really heat-wrenching. *What* are they talking about? CUNY, like campuses around the country, has had protesters and student groups arguing about Middle Eastern politics, with students on all sides of the question—as you would expect and want at a great university. The Zionist Organization of America accused of anti-Semitism, and the CUNY administration was praised by the Anti-Defamation League for its exemplary investigation and a response. The administration clearly said that CUNY condemns “all forms of bigotry and discrimination.” Putting this into the mix of reasons for withholding funding from CUNY is just unconscionable.

I guess it’s so obvious that it sounds strange to say it, but \$485 million is a *lot* of money. The proposed offloading of state responsibility for CUNY is one of the biggest stories in this year’s state budget negotiations. The proposed shift in funding from the state to the city is irresponsible, unilateral—and it just doesn’t make sense for the city to it.

*The Fiscal Policy Institute ([www.fiscalpolicy.org](http://www.fiscalpolicy.org)) is an independent, nonpartisan, nonprofit research and education organization committed to improving public policies and private practices to better the economic and social conditions of all New Yorkers. FPI’s Immigration Research Initiative looks at immigration issues in New York State, and around the country.*

**Testimony of Henry Garrido,  
Executive Director, District Council 37, AFSCME, AFL-CIO  
in Support of  
Proposed Resolution No. 732-A (State Funding for CUNY) 3/21/16**

Good afternoon. Thank you to Chair Barron, and the Council Members of the Higher Education Committee for inviting us here today. My name is David Paskin, Associate Director of Research & Negotiations at District Council 37. I'm here today on behalf of Henry Garrido, the Executive Director of District Council 37, AFSCME, AFL-CIO who could not be here today. District Council 37 represents over 10,000 full and part time employees of The City University of New York (CUNY).

**District Council 37 is here today in support Proposed Resolution No. 732-A**

*The Resolution calls upon the Governor and the State Legislature to increase State funding to the City University of New York and to reach a fair labor agreement with the University's faculty and staff in the 2016-17 New York State Executive Budget.*

District Council 37 members are dedicated public servants working in a variety of white collar and blue collar titles. Their hard work and dedication is vital to the operations and maintenance of CUNY facilities and to the administrative duties involved in educating hundreds of thousands of New Yorkers striving to improve their lives and opportunities through a CUNY education.

The resolution puts the New York City Council on record opposing the cuts in the proposed 2016-2017 State Budget. Let me be clear that intention of Gov. Andrew Cuomo's budget, to shift \$485 million in funding obligations from the State of New York to the City, will lead to present and future reduction in the CUNY budget. For decades, the State has been

CUNY's single biggest funder, providing 46 percent of the system's operating budget as of fiscal year 2014. Tuition and fees are the second largest source of funding (roughly 44 percent), with New York City contributing the remaining 10 percent primarily for the Community Colleges. New York State took on its funding obligation in the midst of the City's fiscal crisis in the 1970s, the Governor believes those costs should be shifted back to the City now that it has returned to full financial health. Such a change would fundamentally destabilize the long term funding for CUNY.

Mayor Bill de Blasio, City Council members, budget watch dogs and an array of community groups and civic leaders have challenged the Governor's proposal, and have called on the State to maintain its historic level of support for CUNY. Burdening the City with new and unexpected costs will also destabilize the long term funding of CUNY and blow a hole in City's FY 2017 proposed budget.

CUNY employees, including over 10,000 of our members, have gone without a pay raise since October 2008, more than seven years. The DC37 contracts for both White and Blue Collar contracts expired in October 31, 2009.

It is essential that the City Council add its voice to the call that the State budget should provide the necessary funding to allow CUNY to survive and for the Unions to negotiate a fair and reasonable collective bargaining agreement.

At the same time that the State budget proposes to shift \$485 million to the City, the State's proposed 2017 budget set aside \$240 million for collective bargaining. We support the allocation of specific funds for collective bargaining and want to see them remain in New York

State's budget. These funds will go a long way to allow CUNY and the Unions to reach a fair and equitable contract settlement.

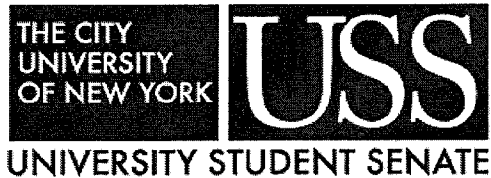
We are also deeply disappointed that the Governor chose to exclude CUNY employees from his plan to establish a \$15 per hour minimum wage for public employees in New York, which is more surprising since the \$15 per hour minimum is a goal that has been endorsed and promoted by both the Governor and the Mayor. Thousands of DC 37 members employed by CUNY make less than \$15 per hour and have not received a wage increase since 2008. The current starting hourly rate for thousands of our College Assistants is \$9.72 rising after two years to only \$10.99, well below the goal of the proposed State and City minimum.

Employees of New York State, New York City and the State University of New York will all see their minimum wage rise to \$15 per hour in the coming years. CUNY workers have been left out. Their exclusion is unjust and must be remedied as soon as possible.

While the Governor says he supports a \$15 State minimum wage, thousands of CUNY employees cannot get there because of the drastic cuts in State funding in his budget to CUNY. CUNY cannot raise the wages of these lowest paid workers without restoration of State aid by the Governor. Apart from the terrible hardship the Governor's proposed aid cuts will have on CUNY workers, these cuts will be crippling to CUNY's ability to continue to serve as a means of education and upward mobility for hundreds of thousands of New Yorkers.

**We urge the Council to strongly support Resolution No. 732-A**

Thank you for your time today. I will be glad to answer any questions you may have.



**Office of the University Student Senate**

555 West 57<sup>th</sup> Street, 1420

New York, NY 10019

Tel: (646) 664-8844

Fax: (646) 664-8863

[www.ussscunyc.org](http://www.ussscunyc.org)

**March 21, 2016**

**NYC Council Committee on Higher Education Hearing**  
**Testimony in Support of Resolution No. 732-A: Increase State Funding for**  
**CUNY, and Fair Contracts for Faculty & Staff**

***Testimony of Devin Ly, USS Senator & Student at John Jay College***

Good afternoon, Chairwoman Inez Barron and members of the New York City Council Higher Education Committee. My name is Devin Ly and I'm a student at John Jay College for Criminal Justice. I have the privilege to serve as a member of Student Council at John Jay and as a Senator for the CUNY University Student Senate.

As a student representative at John Jay College of Criminal Justice, I have personally heard the concerns, plights of hundreds of students. The questions range from why our campus provides extremely limited dorms for two to three times our tuition to what our campus would look like once we lose one of our buildings. A population of 15,000 students has been expected to ignore losing classrooms, computer labs, event spaces and departmental space and is told to be grateful that they have access to education. But even that access is being limited now.

As a student myself, I cannot pay for tuition even partially without loans or financial aid. I am the child of a mother who became disabled before I got into college. The academic ladder remains an important component in attaining personal and professional success and, for many of us, CUNY remains as the only viable option of higher education—not because we would not excel in other academic institutions, but due to affordability. But now the major that I have selected is in jeopardy, as it has only two professors teaching in it. John Jay is one of the few criminal justice-oriented schools in the nation, and its affordability and quality is being threatened by the governor's proposed budget cuts and tuition increases.

Students cannot afford tuition increases and our faculty and staff deserve to have raises and contracts after 6 years with no contract or raise. Students who come to CUNY and graduate know the struggle of wondering about loans, credit card bills, rent. We know about wondering when the next meal will come, when our next paycheck will come in, wondering how we can afford college right now and wondering why they aren't being heard. If CUNY and higher education are not prioritized in this budget, then those who are most equipped to handle difficult tasks will never have a chance to become the leaders that they deserve to be. There is no other

institution like CUNY because there is no other student and faculty population like that of our university.

I thank the Committee on Higher Education for being our champion and hope Governor Cuomo and the Senate can do what's right before it's too late. Thank you.

**WRITTEN TESTIMONY FOR THE RECORD**  
**Submitted by**  
**Matthew Sapienza, Vice Chancellor for Budget and Finance**  
**on behalf of**  
**THE CITY UNIVERSITY OF NEW YORK**

New York City Council  
Committee on Higher Education  
Proposed Reso 732-A  
March 21, 2016

The City University of New York fully supports the City Council's proposed resolution number 732A, which calls upon the Governor and the State Legislature to increase state funding to The City University of New York, and to help reach a fair labor agreement with the University's faculty and staff as part of the state's Fiscal Year 2016-2017 enacted budget, which is due on April 1, 2016.

The Governor issued the State's Executive Budget proposal in January 2016. The State Senate and Assembly have now formed budget conference committees to reconcile their respective one house budget bills, and are establishing table targets for additional funds that may be available. The State of New York and New York City must resolve the proposed funding shift of \$485 million without harm to CUNY students and faculty. In addition, we are asking for full funding of our collective bargaining costs totaling over \$330 million. It is imperative that the University receive funding for our collective bargaining costs since CUNY's faculty union has been working without a contract since 2010. The University is seeking a predictable tuition policy that will avoid large tuition increases in future years for our students. A \$250 increase in community college base aid is also needed to assist the community colleges where enrollments have soared in the last five years. The state enacted budget also needs to fully restore funding for the ASAP Initiative, Child Care Centers, and the Joseph S. Murphy Institute to current year levels. It is also vitally important that CUNY receive funding for new facilities in the context of a five year capital plan.



**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_  
 in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: David Pashin

Address: 125 Barclay St. NY NY 10007

I represent: DC 34 - Research & Negotiations

Address: \_\_\_\_\_

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THE CITY OF NEW YORK**

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Name: Barbara Bowen

Address: 61 Broadway, Ste 1500, NYC 10006

I represent: Professional Staff Congress

Address: \_\_\_\_\_

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THE CITY OF NEW YORK**

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 in favor  in opposition

Date: 3/21/16

(PLEASE PRINT)

Name: Devin Ly

Address: 25-0757th Road Elmhurst NY 11377

I represent: CUNY U55

Address: 555 West 57th Street New York NY 10019

Please complete this card and return to the Sergeant-at-Arms

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I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. 732-A

in favor  in opposition

Date: 3/21/16

(PLEASE PRINT)

Name: Chika Onyejiukwa

Address: 43

I represent: CUNY University Student Senate

Address: 555 W 57th Street Suite 1420 NY NY 10019

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Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

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Date: \_\_\_\_\_

(PLEASE PRINT)

Name: DAVID KALLICK

Address: 11 PARK PLACE

I represent: FISCAL POLICY INSTITUTE

Address: 11 PARK PLACE

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in favor  in opposition

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(PLEASE PRINT)

Name: Chika Onyejiukwa

Address: \_\_\_\_\_

I represent: University Student Senate

Address: \_\_\_\_\_

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