



CoP Remarks on Behalf of the State University System to the Board of Higher Education

April 8, 2025

Introduction

Good Morning, Chairman Gabrieli, Secretary Tutwiler, Commissioner Ortega and members of the Board of Higher Education. On behalf of the State Universities Council of Presidents, thank you for this opportunity to provide you with an update on the Massachusetts State University System.

Higher Education Bond Bill

I would like to begin my remarks with a thank you. The Council of Presidents is grateful to the Healey-Driscoll Administration for filing the BRIGHT Act which will help us to address the immense capital and deferred maintenance needs of our public higher education institutions. We also support the Governor's recommendation of \$125 million to finance the Act through special obligation bonds supported by the Fair Share Surtax. Since the last higher education bond bill was signed into law nearly 20 years ago, this investment offers a generational opportunity to modernize our infrastructure.

We also appreciate the work done by the Higher Education Capital Working Group which highlighted the challenges facing our public higher education system. As outlined in its report, an investment of almost \$12 billion is needed in our higher education buildings over the next decade. Special thanks to Salem State President John Keenan for representing the State Universities in that group.

FY 2026 Budget Requests

In our testimony that was presented at the Joint Ways and Means Committee hearing held at UMass Amherst last month, the Council of Presidents shared our support for the BRIGHT Act, along with our support for the Governor's funding levels for our campus line items and the State Universities SUCCESS program.

In our testimony, we ask the Legislature to restore the state university performance funding line item which was eliminated in House 1 as well as recapitalize this line item by 5% in order to support our efforts to keep state universities accessible and affordable for all students. In addition, we asked the Legislature to increase the MassGrant Plus Expansion Program line item by at least \$15 million which will allow us to offer the same financial aid awards to students this fall.

FY 2025 Supplemental Budget Requests

The Council of Presidents also submitted testimony at last week's Joint Ways and Means hearing held at the State House on the pending FY 25 supplemental budget. We requested several one-time investments of surplus surtax revenues in key areas as well as statutory language changes that would have profound impacts and help us keep the cost of attendance low for our students.

Again, in the interest of time, I have included our written testimony for the supplemental appropriations bill at the end of my remarks. However, I would like to share information on two items that we included in our request. The State Universities are asking the legislature to include \$125 million in the bill to recapitalize the DCAMM's deferred maintenance line item to address critical repairs that exist across all public higher education campuses. We are also asking the legislature to allocate \$45.7 million to eliminate the system "legacy debt" incurred decades ago. Paying off this bond debt will allow us to repurpose those bond payments for current and future campus technology upgrades and modernization projects that students today deserve while attending our public higher education institutions.

In the interest of time, I have included our written testimony at the bottom of these remarks.

Sub-120 Bachelor's Degree

I want to thank President Clark for representing the views of the State Universities Council of Presidents on the sub-120 credit bachelor's degree program panel discussion last month. The points raised by President Clark represent the views and concerns of our council.

We agree that advancing a marketing initiative, fundamentally changing the established educational and accreditation practice, hidden behind the cloak of affordability for students, is ill conceived and needs to be considered by this board through an educational lens rather than a marketing lens.

It is important to reiterate President Clark's comments that our state universities are already the most affordable pathway to a bachelor's and Master's degree; if passed, the board is embracing the devaluation of the liberal arts and humanities; there will not be time for incorporation of high impact practices, such as internships into these programs; the question of pathways to Master's degrees has not been answered; and, in the end, if this board advances this proposal, it must also

be accompanied by authorization for the state universities to award Associate degree programs in order to stay viable in the higher education marketplace.

We look forward to continuing these discussions and addressing the issues raised by President Clark, and a majority of your public higher education leaders.

Conclusion

I would like to conclude my remarks with some thoughts on the actions of our federal administration as it relates to higher education. With possible federal funding cuts looming—especially for institutions that may not align with the ideological priorities of the Trump Administration—it is vital that Massachusetts continue to lead with proactive investment in public higher education. I want to express our shared frustration and disappointment on the federal actions that have caused fear, uncertainty and frustration throughout our campuses. Despite these actions, we as servants of the Commonwealth, will do all in our power to support, encourage, and guide our students in the best possible way. We remain steadfast in our commitment to offer a diverse learning environment where everyone is respected and valued.

Thank you for providing me with the opportunity to share this update from our state universities. I am happy to answer any questions that you may have.

H.5, Supplemental Appropriations Bill Testimony:

April 3, 2025

Dear Chair Michlewitz and Chair Rodriques,

On behalf of the nine presidents of the Massachusetts state universities, thank you for the opportunity to provide testimony on our budget requests for inclusion in *An Act Making Appropriations for Fiscal Year 2025 to Provide for Supplementing Certain Existing Appropriations and for Certain Other Activities and Projects* (H.55) in order to allocate additional surplus surtax funds to improve the affordability and financial stability of our state universities.

The State Universities Council of Presidents is grateful for the historic investments in public higher education that have been made possible due to the dedicated revenue source from the Fair Share surtax revenue. We appreciate that the Legislature directed \$239 million of the Fair Share funding to public higher education initiatives in the FY25 state budget. With \$1.32 billion in surplus surtax revenues Fiscal Year 2023 and 2024 being held in the Education and Transportation Innovation and Capital Fund, we urge you to continue to prioritize public higher education in the pending supplemental spending bill. There are several areas where one-time

investments of surplus surtax revenues and statutory language changes would have profound impacts and help us keep the cost of attendance low for our students.

On behalf of the nearly 40,000 students attending our state universities, we ask that you consider making investments in the following key areas:

\$125 million for Capital Construction and Deferred Maintenance Funding

Continued investments in our students and campus infrastructures are critical not only for the personal growth of our students, but also for the regions served by our campuses and continued economic growth of the entire Commonwealth. Students that attend our public institutions of higher education deserve to learn in 21st century spaces that match the excellence of our programs and faculty. However, our institutions continue to struggle with building maintenance costs and the need to modernize outdated equipment across all our nine campuses.

As you know, the Higher Education Capital Working Group was established by the Legislature in Outside Section 196 of the FY25 State Budget to develop and identify the future needs of the public higher education system with the goal of providing an affordable, equitable and competitive higher education system in the Commonwealth. As highlighted in the Working Group's final report, an investment of almost \$12 billion is needed in our public higher education buildings over the next decade. Since the FY25 budget did not include funding for higher education campus deferred maintenance needs, we respectfully request that \$125 million be used to recapitalize the DCAMM deferred maintenance line item (1596-2417), enabling us to address critical repairs of campus property and provide resources to maximize the use of underutilized campus properties, including campus housing stock.

\$12.9 Million for Continuation of MassArt Tower Project Critical Repairs

As has been well-documented in countless studies conducted over several decades, the MassArt Tower Building has been impacted by chronic, preventable, and fixable structural and design deficiencies since construction was completed in 1978. These deficiencies are described in great detail in the 1983 Ward Commission Report, which laid bare the vast corruption and poor practices which were commonplace in the design and construction of state-owned buildings of the time. Nevertheless, MassArt—the nation's only independent public college of art and design—has been a responsible, adaptable, and creative steward of the building for more than forty years.

MassArt, in partnership with DCAMM, has already begun to address a number of key projects. Thanks in large part to support from the Legislature and Healey Administration, we are at a moment of significant momentum for the MassArt Tower project. We are seeking funding to complete the remaining priority projects as soon as possible to continue to provide a learning and working environment that supports the highest level of success for students, and to position the

college and the Commonwealth for the comprehensive rehabilitation of the Tower—in fulfillment of a longstanding commitment of the Commonwealth—in the years to come.

We are seeking \$12,904,567 to facilitate completion of a series of necessary projects in the Massachusetts College of Art and Design (MassArt) Tower Building to address changes in code, lifecycle issues, and other urgent concerns.

Defeasance of 1999 State Universities Pooled System Debt

The annual debt service for the Capital Appreciation Bonds that were issued in 1999 to consolidate system residence halls bond debt incurred during the restructuring of the Massachusetts Public Higher Education System. This system debt was refinanced in 2003 and has an annual debt service obligation of \$8.6 million per year through 2027, with a final maturity of \$12.33 million on May 1, 2028. The annual debt service for these bonds is assessed in accordance with the design occupancy of the residence halls funded with this debt by campus and is paid through state university campus fees. Retiring this bond debt with an investment of \$46.7 million would allow campuses to dedicate these funds for technology upgrades, deferred maintenance, and modernization projects, rather than paying off past debt incurred before our students were even born.

Statutory language changes that do not require any funding but are needed to meet the challenges facing our campus operations and student needs:

MSCBA Statutory Language Change

The State Universities Council of Presidents respectfully requests statutory changes to the MGLs that would expand the Massachusetts State College Building Authority (MSCBA) authority to manage and finance campus capital projects that are not currently allowed by the MGLs. These changes to the MGLs are recommendations in the Higher Education Capital Working Group report and reflect similar statutory authority of the University of Massachusetts Building Authority (UMBA).

We request that the committee include in this supplemental budget Sections 9 and 10 from the Higher Education Bond Bill (The BRIGHT Act) granting the MSCBA additional authority to address critical deferred maintenance projects on our state university campuses. Specifically, Section 9 expands and updates the definition of “project” to include academic buildings owned by the Commonwealth; decarbonization work, safety and security enhancements; and upgrades to buildings required by law as well as allows the Commissioner of DCAMM to delegate “control and supervision” of projects to the Massachusetts State College Building Authority (MSCBA). Section 10 expands the authority of the MSCBA to include additional facilities and infrastructure.

Additionally, we request statutory language be added to line item 1596-2417 (DCAMM deferred maintenance) permitting DCAMM and the MSCBA to repurpose underutilized campus assets. This was also a recommendation of the HECWG and included in the Governor's BRIGHT Act. The text we request be added to line item 1596-2417 is as follows: provided further, funds may be expended for costs associated with plans and specifications, planning and studies, dispositions, acquisition of land and buildings and interests therein by purchase or by eminent domain under chapter 79, redevelopment, demolition, remediation, relocation, and other capital projects to support the transition of campus facilities and real property for purposes of housing and mixed use development with the approval of the secretary of administration and finance; provided, that funds from this item may be granted to the Massachusetts state college building authority established in chapter 703 of the acts of 1963, as amended, for the purpose of supporting adaptive reuse of state university and community college campus facilities for housing and associated infrastructure with the approval of the secretary of administration and finance.

Reinstate State University Tuition Retention

Pursuant to Section 129 of Chapter 131 of the Acts of 2010, all public institutions of higher education were permitted to retain all tuition and fees received from out-of-state students in a revolving trust fund, rather than remitting tuition balances to the General Fund. In 2015, the University of Massachusetts system was granted the authority to do the same for tuition and fees received from in-state students. In order to increase accountability and transparency with regard to higher education costs, the Higher Education Finance Commission, which issued its report in October of 2024, strongly recommended that the state universities and community colleges also transition to full tuition retention, but this change has not occurred.

The amount of tuition remitted by our campuses has diminished significantly over time with last year the state universities remitting less than \$5 million – an amount that will have a negligible impact on the General Fund. Yet, the complexity of determining which students' tuition dollars qualify for remission, along with what the final dollar amount remitted should be, is a significant and costly administrative burden on our institutions. In fact, for some campuses, the administrative cost of determining the amount of funding to remit back to the state is more than the actual tuition remitted. This is a particular financial burden for our smaller campuses, who tend to remit more dollars than their larger counterparts.

Tuition retention language was included in Section 6 and Sections 144-164 of the Economic Development Bill (Chapter 268 of the Acts of 2022), but these sections were vetoed by Governor Baker (H.5390) at the end of his term. The State Universities Council of Presidents respectfully requests the Legislature advance this same language to Governor Healey.

Student Information Protection Act

The State Universities strongly support protecting personal student information by adding an exemption to the state's public records law by adding the following language to the bill:

Chapter 66 of the General Laws is hereby amended by inserting after section 21 the following section: -

Section 22. Public institutions of higher education, as set forth in section 5 of chapter 15A, and municipally owned institutions of higher education, shall not be required to produce education records, including information designated by the public institution of higher education as directory information, as defined under the Family Educational and Privacy Rights Act, 20 U.S.C. section 1232 (g). This section shall not apply to requests from federal, state, or municipal agencies.

APA/BHE Collective Bargaining Agreement

On January 23, 2025, the Department of Higher Education, pursuant to section 7 of chapter 150E of the General Laws, informed the Governor that a three-year labor agreement had been reached between the board of higher education and the Association of Professional Administrators, MTA-NEA. The state Universities Council of Presidents requests the Legislature include this contract in the bill.

Thank you for your consideration of these requests and your support of your state universities. We look forward to continuing our work together to keep our state universities accessible and affordable for all the students of the Commonwealth.

Respectfully,

Vincent A. Pedone, Executive Director
State Universities Council of Presidents

House 1, FY26 Ways and Means Hearing Testimony:

Testimony on Behalf of the State University System to the Joint Committee on Ways and Means

March 24, 2025

Introduction:

Good morning, Senator Comerford, Representative Duffy, and members of the Joint Committee on Ways and Means. On behalf of the State Universities Council of Presidents, thank you for the opportunity to offer testimony on the FY26 budget for the Massachusetts State University System.

With quality, accessibility, and affordability at the forefront of our mission, your Massachusetts State Universities continue to offer the best value proposition for Massachusetts residents seeking a bachelor's or master's degree. Our institutions are mission-driven to provide access to higher education for traditionally underserved populations and are laser-focused on meeting the workforce needs of our regions.

The State Universities educate approximately 42,000 students annually, with over 92% of our students coming from Massachusetts high schools and over 85% of our graduates choosing to live, work, and raise their families in the Commonwealth. Your State Universities are truly Massachusetts institutions, educating our Commonwealth's citizenry. At just over \$11,500 per year for an undergraduate degree, State Universities continue to offer the most affordable option for bachelor's and master's degrees in New England.

We are committed to preparing students for professional careers, lifelong learning, and civic engagement by providing a strong foundation in the liberal arts, a rigorous academic curriculum, and transformative experiences—including undergraduate research, international study, internships, and community-engaged learning.

FY 2026 State Universities Council of Presidents Budget Requests

On behalf of the nine State University presidents, I want to express our gratitude to the Legislature for prioritizing our public higher education system in the state budget. The investments included in the FY24 and FY25 budgets represent the largest in decades, and we greatly appreciate these historic commitments.

As you know, the FY26 Consensus Revenue Agreement estimates a 2.6% growth in general tax revenues and an additional \$1.95 billion in surtax-supported revenue over FY25. In the Governor's H.1 spending plan, the Administration recommends allocating \$337 million in Fair Share funding for public higher

education initiatives. We thank the Governor for this investment and for initiating the conversation around FY26 state investments in public higher education, but there is more work to be done.

In the interest of time, I will focus on four key areas of concern for the State Universities Council of Presidents: the State Universities Funding Formula, student financial aid, the State University SUCCESS Program, and funding for a Higher Education Bond Bill. We will include additional budget priorities and areas of interest in the written testimony submitted following this hearing.

Restore the State Universities Performance Based Funding Line Item

The most concerning section of the H.1 recommendations is the elimination of the state university performance funding line item. This line is critically important, as it supports the statutorily required performance-based funding formula developed by the Department of Higher Education in 2015. Formula funding allows institutions to offset inflationary costs, cover portions of unfunded liabilities in employee collective bargaining agreements, and maintain affordability for our students. We respectfully request that the Legislature recapitalize this line item by 5%, to \$18 million, to support continued accessibility and affordability.

State Universities SUCCESS Program

We ask the Legislature to level fund the SUCCESS Program at \$14 million. Launched last year, the program supports initiatives aimed at improving student success and degree attainment. National data show that peer mentoring, academic workshops, tutoring, and career advising significantly improve student persistence. Since FY21, community colleges have benefited from SUCCESS funding, with recent data indicating a 10-percentage-point increase in student retention from fall 2022 to fall 2023. State Universities serve the same populations as community colleges, and we are confident that continued investment will yield similar outcomes.

State Student Financial Aid Scholarship Line Item

A shared concern across all segments of public higher education is the proposed \$750,000 reduction in the Governor's FY26 budget to the Student Financial Aid Scholarship line item (7070-0065). The need for financial aid continues to rise and even level funding may fall short of meeting existing student needs in the upcoming academic year. We urge the Legislature to restore the \$750,000 reduction and increase overall funding to reflect growing financial demands.

MassGrant Plus Expansion Program

While the Governor's budget level funds the MassGrant Plus Expansion Program (1596-2414) at \$80 million, rising costs may create an estimated shortfall of at least \$15 million—even before considering projected enrollment increases. Without increased funding, students currently receiving MassGrant Plus awards may face reduced or eliminated aid. We request an increase of \$15 million in the line item funding to ensure students continue receiving the same level of support.

FY26 GAA Funding to Support a Public Higher Education Bond Bill

We thank the Healey-Driscoll Administration for filing *An Act to Build Resilient Infrastructure to Generate Higher Education Transformation*—the BRIGHT Act. We support the Governor's recommendation of \$125 million (line item 1596-2417) to finance the BRIGHT Act through special obligation bonds supported by the Fair Share Surtax. This investment is essential to address decades of underfunded capital needs on our campuses.

The last comprehensive higher education bond bill was signed nearly 20 years ago. The 2008 bill funded at least one major project per campus, many of which had not seen new construction since the 1970s. Today, outdated facilities and deferred maintenance hinder our ability to provide a modern education. The BRIGHT Act offers a generational opportunity to modernize our infrastructure.

We are also grateful for the Legislature's creation of the Higher Education Capital Working Group. Its report identified nearly \$12 billion in investment needs over the next decade. Special thanks to Salem State President John Keenan for representing the State Universities in that group.

Conclusion

With possible federal funding cuts looming—especially for institutions that may not align with the ideological priorities of the Trump Administration—it is vital that Massachusetts continue to lead with proactive investment in public higher education. I would like to share my frustration and disappointment on the federal actions that have caused fear, uncertainty and frustration throughout our campuses. Despite these actions, we as servants of the Commonwealth, will do all in our power to support, encourage, and guide our students in the best possible way. We remain steadfast in our commitment to offer a diverse learning environment where everyone is respected and valued.

Sincerely,

Linda Thompson

President, Westfield State University
Chair, State Universities Council of Presidents

Additional FY26 Budget Priorities from the State Universities Council of Presidents:

- **Internship Incentive Program – \$1 million:** Provides stipends to students for internship experiences, functioning as additional financial aid while enhancing career readiness. Nationally, over 60% of paid internships lead to full-time employment with the host company.
- **Student Mental Health Grants – \$4.2 million:** Request to level fund behavioral and mental health grants (7066-1123), with \$2 million earmarked for State Universities. We also support the Governor’s \$5 million recommendation (1596-2436) for the development of a statewide framework supporting student mental health from birth through higher education.
- **Tuition Retention:** The Council of Presidents requests reinstatement of tuition retention language, originally included in the Economic Development Bill (Chapter 268 of the Acts of 2022) but vetoed by Governor Baker. We will provide the previously vetoed text to the relevant committees.
- **Support for Early College:** We urge the Legislature to maintain level funding. Early College programs close access and achievement gaps, increasing postsecondary enrollment for high school graduates.
- **Public Higher Education Endowment Incentive Program – \$10 million:** Offers a dollar-for-dollar match for campus donations, incentivizing philanthropic giving and growing institutional endowments. These funds support student aid and institutional missions.