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Senate Budget Committee Hearing
April 26, 2018

Chairman Sarlo, Vice Chairman Stack, Budget Officer Bucco, and Members of the Senate Budget and Appropriations Committee,

Thank you for the opportunity to speak with you today.

Governor Murphy has made education a priority in his FY19 budget proposal, and in so doing has suggested an ambitious agenda to make college more affordable.

The budget proposes a \$50million down payment on his commitment to make community college tuition free and another \$7million in funding to strengthen the Tuition Aid Grants, which go to students attending both two and four year institutions in the state, as well as another \$1.5million in funding for the Educational Opportunity Fund program, in addition to retaining last year's \$5million legislative addition to the program.

This proposal comes after 8 years of stagnant funding requests for higher education within a generally bleak economic outlook and in a tough budget environment overall. Despite this challenging budget picture, in just a few months in office, Governor Murphy has staked out a bold first step in prioritizing funding for higher education, which I'm excited to discuss in more detail with you all here today.

I also want to make sure to note that these proposed investments outlined in the FY19 request build upon the work of the legislature in focusing on ways to improve affordability. Past investments in grant aid for students and also the examination of affordability in the College Affordability Study Commission paved the way for the proposal before you today. Thanks to the work of the legislature, we are further along in understanding these important issues.

The Office of the Secretary of Higher Education has responsibility for administering grant programs designed to improve access and success of disadvantaged students in pursuing a college education. In addition, OSHE (as we are known) is designed to serve as a coordinating force for higher education within the state, working closely with the Governor and with you, the legislature, to provide timely and useful data and analysis of higher education trends and outcomes across the state.

To that end, I want to share some key data points that shape our understanding of the current state of higher education in New Jersey.

Projections suggest that by the year 2025, 65% of the jobs in the nation will demand some form of postsecondary education—whether that be an apprenticeship with an industry-recognized certification, an associate's degree, a bachelor's degree, or

more. Currently, just over 50% of New Jerseyans hold a postsecondary credential, leaving us behind the curve in meeting the growing demand.

The picture is worse still when considered by race and income. While 51% of the state's residents have a credential, only 32% of African Americans, 40.5% of Native Americans, and 24% of Latino/a residents hold a certification or degree. These equity gaps are troubling on their face, but also should worry us given that these groups are likely to represent an even greater proportion of our state's residents, moving forward.

If we do not work to urgently reduce these gaps, and increase postsecondary attainment across individuals across the state, we will be even further behind the curve in promoting a successful economic future for the state.

Thankfully, Governor Murphy has placed higher education at the forefront of his economic agenda, requesting increases to critical programs that serve the neediest students in the state. His FY2019 budget represents a down payment on making college more affordable for the state's 420,000 existing students, not to mention the many others who could benefit from a higher education but are deterred due to cost.

Building upon investments championed by this body and the good work already moving forward across colleges and universities statewide, we can ensure more students attend college and are successful while there. There are a variety of exciting and innovative initiatives already moving forward across the state in terms of access, affordability, and student success. Our hope is that the proposed investments mentioned in the Governor's budget--creating a pathway to free community college, strengthening student aid and improving student supports for disadvantaged students--can supplement and build upon the work of the College Affordability Study Commission and other innovative approaches being piloted by colleges across the state to create the foundation for a comprehensive approach to higher education funding, moving forward.

Digging out of the mess we've inherited to build a bright future for the state won't be easy, and we won't be able to get there with one budget alone. New Jersey didn't get into this situation with just one budget, and one budget won't fix all of the challenges ahead. But in partnership with you all and in collaboration with the higher education community, we can forge a path forward. Since arriving at my post in late February, I've spoken to a majority of the college presidents in the state about the need to develop a comprehensive agenda to guide future planning for higher education in the state. I know this is a subject that has been discussed in the legislature before, and it is something we want to take time to get right.

This is just the beginning to building a stronger, fairer New Jersey through higher education. We look forward to working with you to develop that holistic agenda.

Thank you, and I look forward to your questions.