

**New Jersey Presidents' Council FY2019
Budget Statement**

The New Jersey President's Council (NJPC) consists of a community of state higher education institutions delivering world class research and instruction to students in state and from all over the world. Our state higher education institutions have played a vital role in positioning New Jersey to be a prominent leader for education, research, human, technological and economic development. Our institutions intend to keep innovating, teaching and developing the future workforce and leaders to address economic, social and technological issues that face the State of New Jersey. It is in this vein that we applaud and encourage the efforts of the State's past investments in higher education through the 2012 Building Our Future Bond Act and increases in EOF and TAG.

As we fulfill our higher education mission, we advocate on behalf of bold and new investments in higher education that can launch our state as a model for the nation. There is a well-documented and direct relationship between one's educational attainment and one's quality-of-life, including one's social well-being, earning power, health, and ability to contribute productively to the state and nation. There is also a well-documented and direct relationship between a state's investment in the higher education of its residents and that state's economic and social health. And yet, New Jersey has gone through a long period of disinvestment in higher education and has established itself as the largest net exporter of college students in the nation.

A number of studies have confirmed the above facts, including: The Report of the Governor's Task Force on Higher Education, prepared in 2010; "New Jersey's Cost Shift: How Higher Education Cuts Undermine The Future Middle Class, Demos Publications, 2014; and most recently, the National Center for Higher Education Management Systems (NCHEMS) report in 2016. The challenge faced by our state has been documented in report after report. As noted in the Demos report, "New Jersey's overall funding for higher education has declined precipitously since its pre-Great Recession peak in 2006. Funding per student has fallen even more dramatically, since enrollments have risen significantly even as total funding fell. Though state funding for higher education has historically risen and fallen in tune with the business cycle, the post-Great Recession decline appears to be a worrisome departure from the historical pattern."

As documented in the NCHEMS report:

- Tuition prices at both four- and two-year institutions have been higher than the national average, a gap that has widened significantly over the past decade.
- Production of graduates from four-year schools is higher than the national average; however it is still too low to meet the future demands of the state's labor market, which will increasingly require a postsecondary credential.

New Jersey's declining financial support for its colleges and universities has translated into higher tuition and fees, making college costs increasingly dependent on a larger share of family income, loans, grants and other sources.

State; contributed to the improvement of K-12 education, matched State bonds for capital construction, worked to keep student cost increases as low as possible through a variety of means that include administrative efficiencies, tuition averaging through the community college transfer system, and increasing institutionally-funded and endowed scholarships. We also have increased networking and technology infrastructure while reducing its cost through the creation of the NJEDge state-wide technology collaboration and have reduced the cost of library services through the creation of VALE, a state-wide library consortium.

- We align with key industrial sectors that support the development of entrepreneurial, innovative, technological, and citizenship literacies in students. The State needs higher education policies and programs that reduce the highly negative and long-term effects of the nation's highest student out-migration. New Jersey's annual brain-drain, a net out-migration of approximately 40,000 college students, constitutes nearly one-third of the entire nation's net out-migration. Not only will that have a significant and long-term negative impact on the State's workforce, in the short-term, those students are taking billions of dollars per year in education expenditures to our neighboring and other competitor states.

The NJPC recommends action steps as outlined above in the FY2019 Budget, as well as, in partnership with the Secretary of Higher Education, the preparation of a longer term plan for the future of higher education are established that recognizes the role and importance of higher education in meeting the need of students and advancing the state. It is time for New Jersey to become the Education State, and, thereby, become the home of Liberty and Prosperity in accordance with the State's motto adopted in 1777. There can be no real liberty or prosperity without education and, in a knowledge and technology economy, education cannot stop at the K-12 school house. In today's world, education for liberty and prosperity means robust, high-quality, affordable higher education.

Approved (As Amended) at the January 29, 2018, meeting of the New Jersey Presidents' Council