

New York State Tuition Assistance Program: A National Comparison

**Commission on
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Overview

New York's Tuition Assistance Program (TAP) is one of the largest state-run programs for grant-based, need-aware student aid in the country. TAP is a major vehicle for student success in higher education, with over six million New Yorkers benefiting from it in their pursuit of a college degree. The program is unmatched in its simplicity, efficacy, and reach.

New York's Tuition Assistance Program (TAP) was founded in 1974 with an initial maximum award of \$1,500. It was granted to 221,360 students that year based on need as determined by Net Taxable Income, with an income ceiling of \$20,000. While the maximum award and income calculations have changed, TAP's structure and goals are largely unchanged from its foundational years. The program's mission as described by the New York State Higher Education Corporation (NYS HESC), which administers TAP, is "to maximize access to higher education for all qualified students" and "to foster a competitive environment with the net effect being equilibrium between the public and independent sectors."

Unfortunately, the program has not kept pace with inflation leading to a serious decline in program utilization and expenditure.

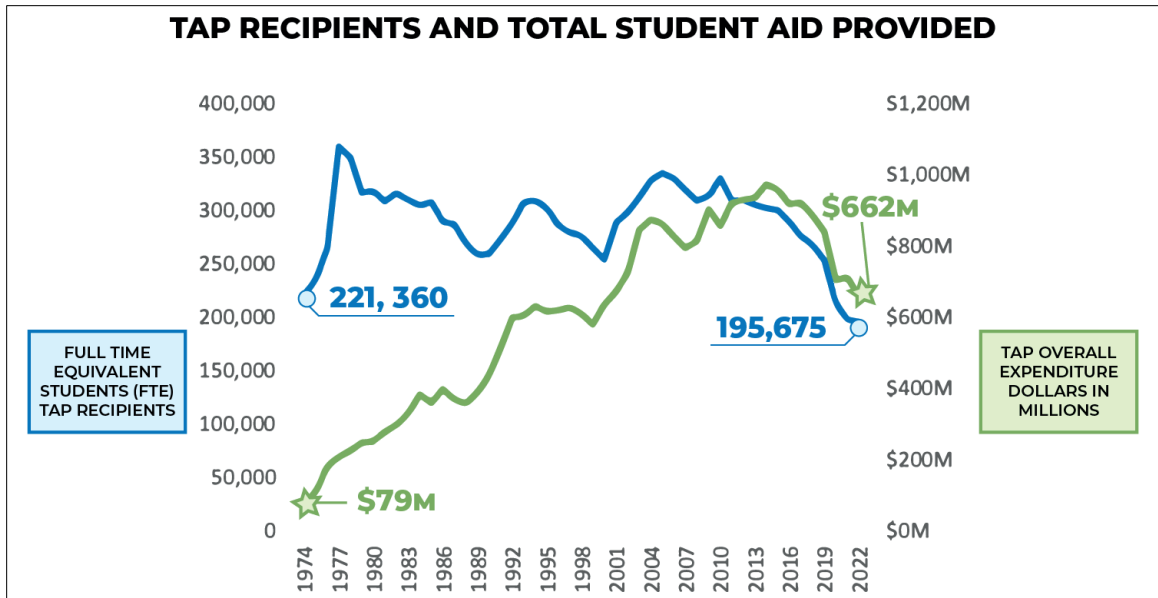
TAP currently serves fewer students today than in 1974, providing less overall support than any year since 2000. Twenty-four years after the last income limit change, and fifty years after its founding, TAP is in decline. This is unwelcome news for students and families who need state financial support to attend college. It also places significant pressure on higher education institutions, both public and private, that must make up for the loss of state-funded student aid with institutional spending.

TAP is by far the largest and most impactful student aid program in the state, with nearly 196,000 grant recipients in 2022.¹ The current maximum TAP award is \$5,665 with an income ceiling of \$80,000 for financially dependent undergraduate students. In comparison, New York's Excelsior Scholarship serves 30,000 students and the Enhanced Tuition Awards serve 2,000 students.²

TAP has declined precipitously in both students supported and the overall amount of student aid provided since the last time the income limit was raised (the 2000-01 academic year).

¹ This report uses full-time equivalent students (FTE) for all student counts.

² Annual Report 2022-23. Albany, NY: NYS Higher Education Services Corporation, 2023.



Source: Annual Report 2022-23. NYS Higher Education Services Corporation, 2023. "Appendix E: New York's Tuition Assistance Program - A History," NYS Higher Education Services Corporation.

States with similarly robust higher education sectors — California, Florida, Massachusetts, Michigan, New Jersey, and Texas — provide examples and lessons for overall spending on student aid as well as programmatic differences in eligibility and applications of aid. Applying some of these lessons in New York by reinvesting in and reinvigorating TAP could significantly expand the program's impact.

Trends in Overall Spending on Student Aid

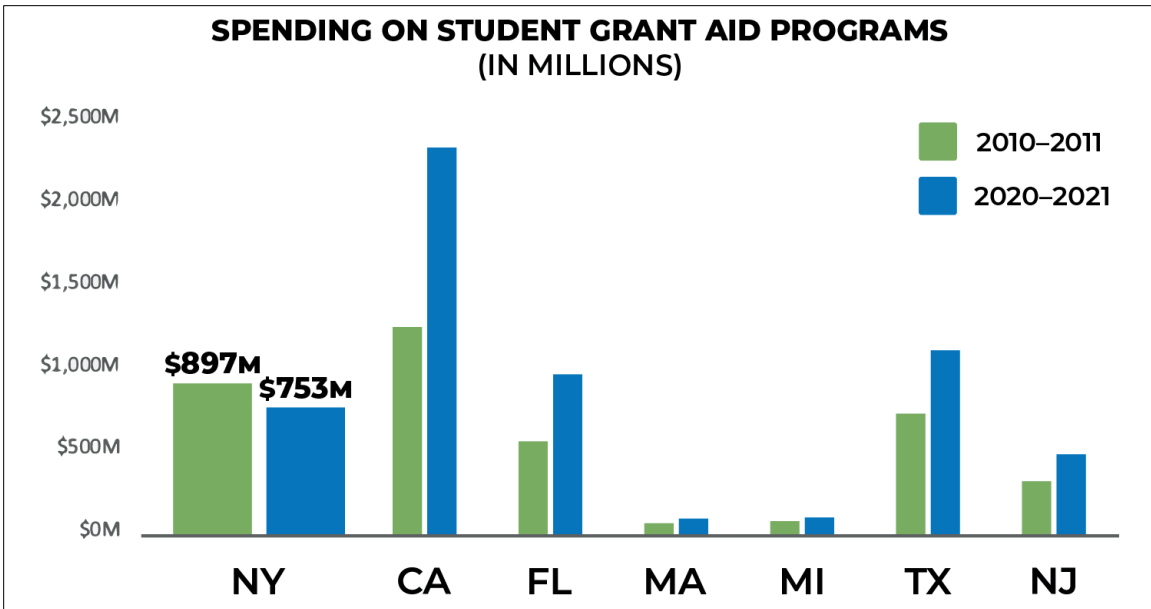
In 1974, TAP had an investiture of \$79 million³; almost 50 years later this figure has risen to \$662 million. Despite this significant increase in expenditure, the program is serving nearly 26,000 fewer students annually than it did at its founding – 221,360 in 1974 compared to less than 195,675 in 2022⁴.

Looking at trends in states with similar grant programs and higher education ecosystems, New York is the only state with a decrease in investment over the past decade as seen in the graph below. New York's investment in TAP has dropped by nearly \$150 million, while similar states have increased their investments in student aid.

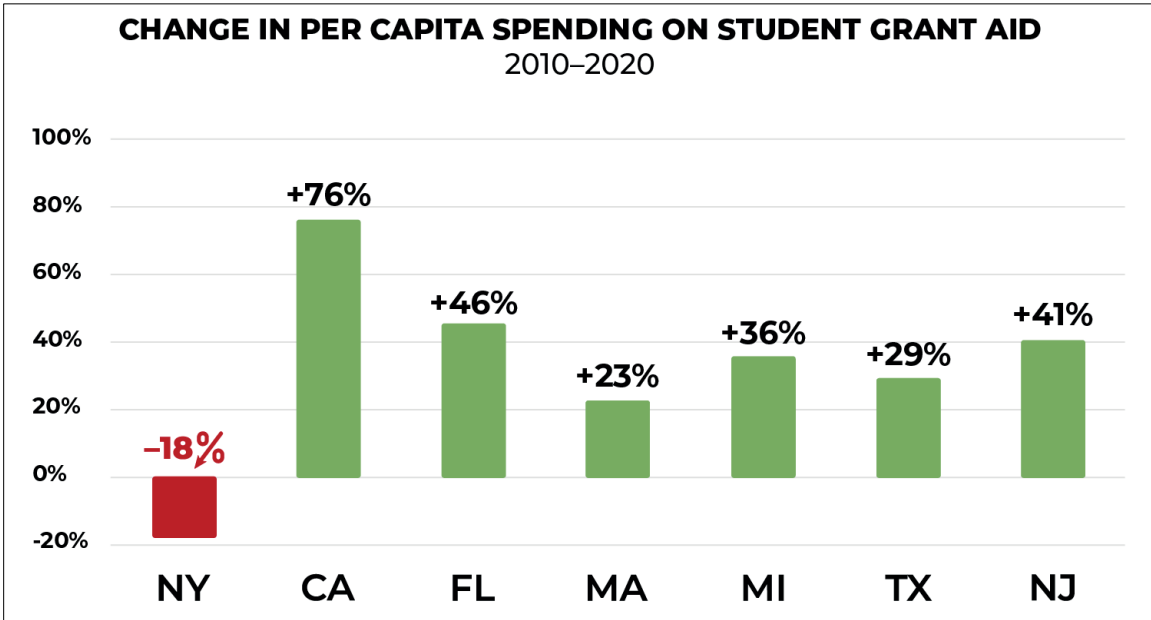
From 2010 to 2020 New York shrank per capita spending on student grant aid by 18 percent. TAP also shrank in size during that period. States with similarly robust higher education ecosystems increased their per capita student aid spending during that same period. TAP and the students it serves have fallen behind nationally.

³ "Appendix E: New York's Tuition Assistance Program - A History": NYS Higher Education Services Corporation.

⁴ Annual Report 2022-23. Albany, NY: NYS Higher Education Services Corporation, 2023.



Source: 52nd Annual Survey Report on State-Sponsored Student Financial Aid: 2020-2021 Academic Year. Washington, DC: National Association of State Student Grant and Aid Programs, 2020.



Source: 52nd Annual Survey Report on State-Sponsored Student Financial Aid: 2020-2021 Academic Year. Washington, DC: National Association of State Student Grant and Aid Programs, 2020.

This decrease in spending cannot be entirely attributed to decreased enrollment, as the three states with the largest increases in per capita spending (California, Florida, and New Jersey) experienced similar or greater declines in enrollment yet have continued to robustly fund student aid. New York’s reduced spending on student aid is the result of programmatic differences affecting student eligibility and effectiveness.

Programmatic Differences

Income Limits and Student Eligibility

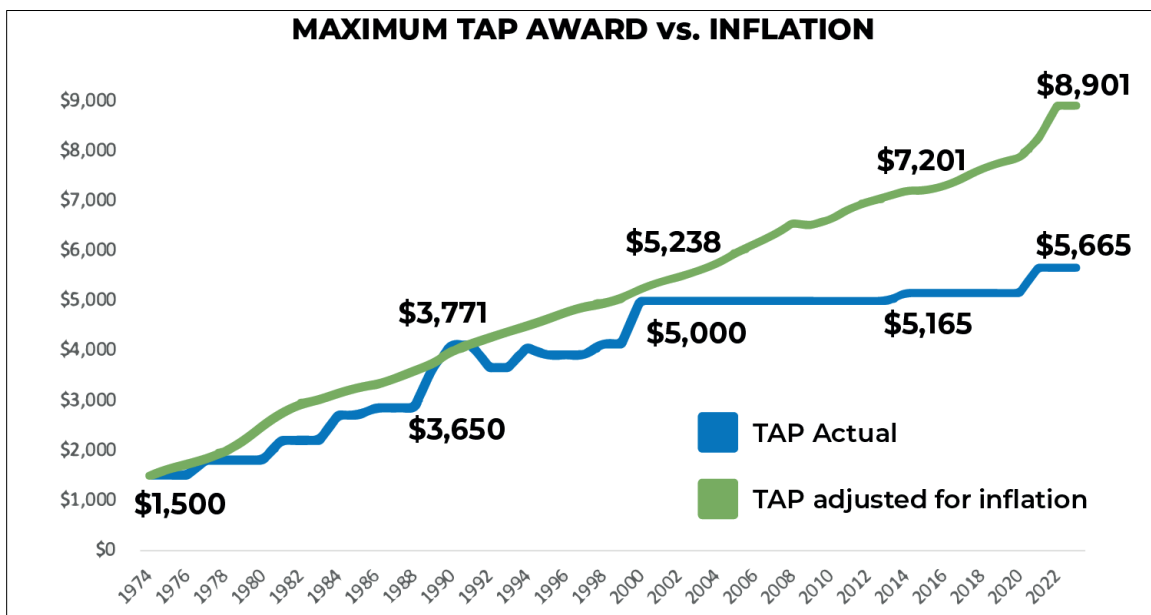
For need-based grant aid, income is the primary driver of eligibility in every state that was compared.

In Florida, Massachusetts, Michigan, and Texas, awards are tied to federal Pell Grant eligibility, which is determined by Estimated Family Contribution (EFC) of \$6,656 or less. In practice, this represents a household income of up to \$50,000. New Jersey has its own Eligibility Index, which factors in family size and income, but allows for significantly higher awards than New York at similar income levels.

California has a tiered system for aid, with Cal Grant A being the closest to the other programs discussed in this report. The income limits for Cal Grant A range from \$112,900 for a family of two to \$145,200 for a family of six or more.

New York has one of the most transparent and simplified determinants of eligibility, which is a flat household income of less than \$80,000. However, this is not without drawbacks. A household income of \$80,000 is different in practice for a family of six than it is for a family of two.

Additionally, the other states reviewed update their eligibility parameters annually, ensuring that students remain eligible as inflation and the job market shape household finances. In contrast, New York hasn't updated its income limit since 2000, excluding many students who could benefit from the program.



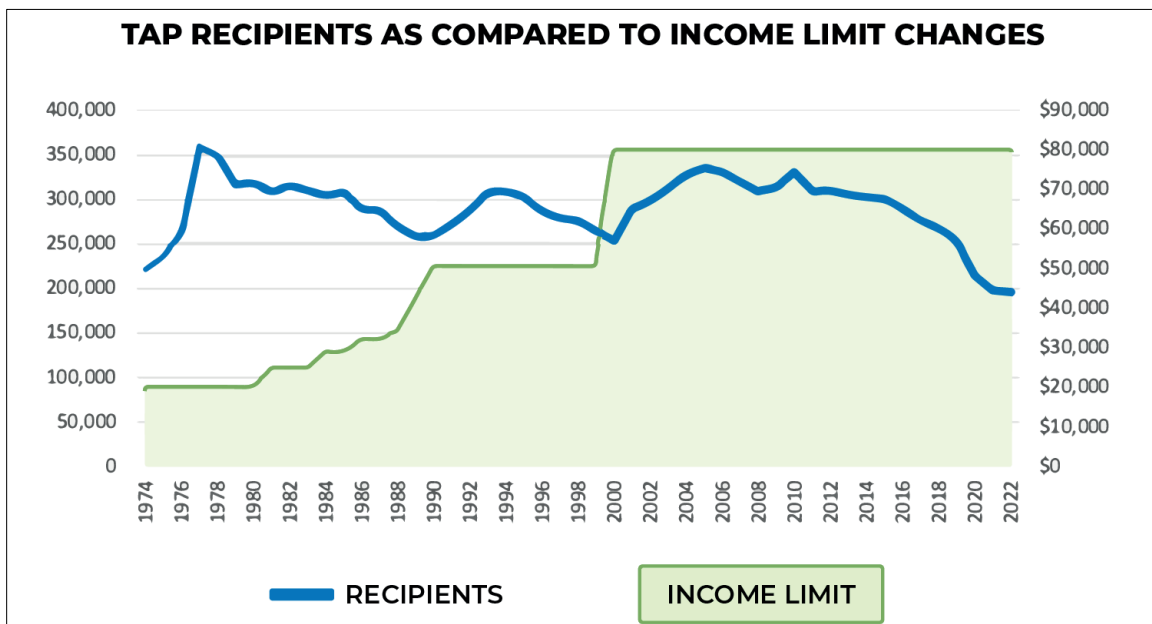
Source: Annual Report 2022-23. NYS Higher Education Services Corporation, 2023. "Appendix E: New York's Tuition Assistance Program - A History," NYS Higher Education Services Corporation.

As seen in the chart above, as TAP income limits stagnated the number of students benefiting from the program decreased. Conversely with each historic increase in TAP's

income limits, there was a matching increase in the number of students benefiting from the program.

The TAP income limit is currently only 66 percent of what it would be if it had risen with inflation since its founding. This disparity between the actual income limit and the projected inflation-adjusted limit means that thousands of deserving New York students have gone without state-funded grant aid.

There are nearly 196,000 current TAP recipients, a decrease of nearly 26,000 over the program’s inaugural year in 1974. This is also a sharp decline from TAP’s impact in academic year 2009-10 with 330,379 recipients. This could be linked to declining enrollment, but with total New York State postsecondary enrollment down 10 percent over the past decade and TAP enrollment down 35 percent it is likely that stagnant income limits are also a significant factor. After adjusting for inflation, the TAP income limit should be closer to \$122,000, which is 53 percent higher than the current \$80,000 limit.



Source: Annual Report 2022-23. NYS Higher Education Services Corporation, 2023. “Appendix E: New York’s Tuition Assistance Program - A History,” NYS Higher Education Services Corporation.

Award Amounts and Applications

As seen in the table below, New York is far behind the top two states, California and New Jersey, in delivering sizable grant award amounts to students in need. The largest award available through New Jersey’s Tuition Aid Grant program of \$14,404 is offered to students attending independent nonprofit colleges who have the greatest amount of need (NJ TAG Award Table 2023-24). Cal Grant A recipients with similar need attending independent nonprofit colleges receive \$9,358; California’s largest grants of \$15,400 are reserved for University of California students.

New York’s maximum TAP award is less than half of the maximum award available in these states with equally robust higher education sectors, meaning that it covers a significantly smaller percentage of tuition, diminishing the award’s impact on students.

Grant Award Amounts

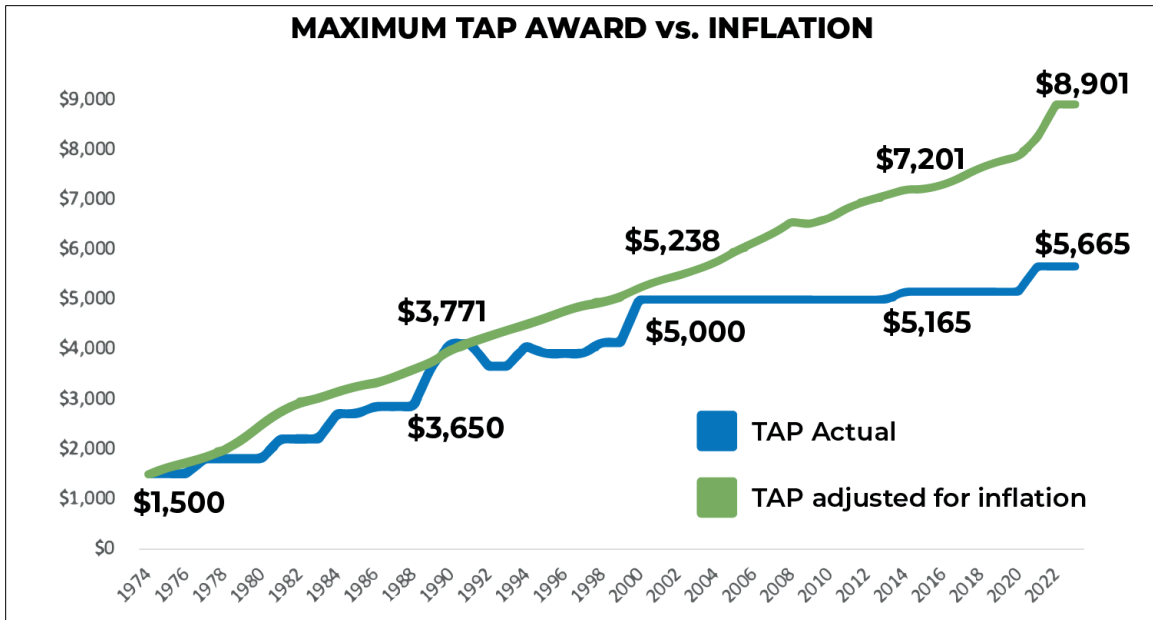
Program	Minimum Award	Maximum Award
NY Tuition Assistance Program	\$500	\$5,665
CalGrants A	\$1,094	\$15,400
MASSGrants	\$300	\$2,300
NJ Tuition Aid Grant	\$1,280	\$14,404
FL Student Assistance Grants	\$200	\$2,610
MI Competitive Scholarship	N/A	\$1,500
MI Michigan Tuition Grant	N/A	\$3,000
TEXAS Grant	Not published	\$10,758

Source: See program links in Appendix A

California’s maximum Cal Grant award is nearly three times the maximum TAP award, their income limits for the largest family size are 55 percent greater than New York’s, and they have experienced the second-lowest decrease in enrollment of the states surveyed in this report. California’s investment in student aid is the largest in the nation, supporting nearly 600,000 students (184,000 through Cal Grant A and 410,000 through Cal Grant B)⁵. California’s decision to increase student aid has served as a buffer from the current nationwide enrollment crisis while also developing a skilled workforce for their technology-driven economy. New York’s TAP lags behind California’s grant awards in award amounts, income limits, and overall program scope.

Unlike California, New York has allowed the maximum award to stagnate over the past 24 years. As seen in the graph below maximum TAP awards tracked closely to inflation rates until the year 2000, but since then award amounts have stagnated. If TAP increases had continued to mirror inflation, awards would have been approximately \$8,900 in 2023. The current maximum TAP award, \$5,665.

⁵ 2022-23 Cal Grant Offered Awardees: California Student Aid Commission, 2022.



Source: Appendix E, HESC; Congressional Budget Office Consumer Price Index

New York is also one of many states where grant aid is restricted to tuition and does not cover cost-of-living expenses like room and board, transportation, childcare, books, etc. California’s Cal Grant B is the exception, offering an additional \$1,648 living allowance for students whose families earn less than \$66,000 per year. This additional support and larger aid amounts could explain why California’s decline in enrollment is nearly half as steep as New York’s from 2010 to 2020. A programmatic update to either allow TAP to cover cost of living expenses or adding an additional cost of living stipend to the program could make attending college more accessible for New Yorkers in need.

Stagnant Investment in Student Aid

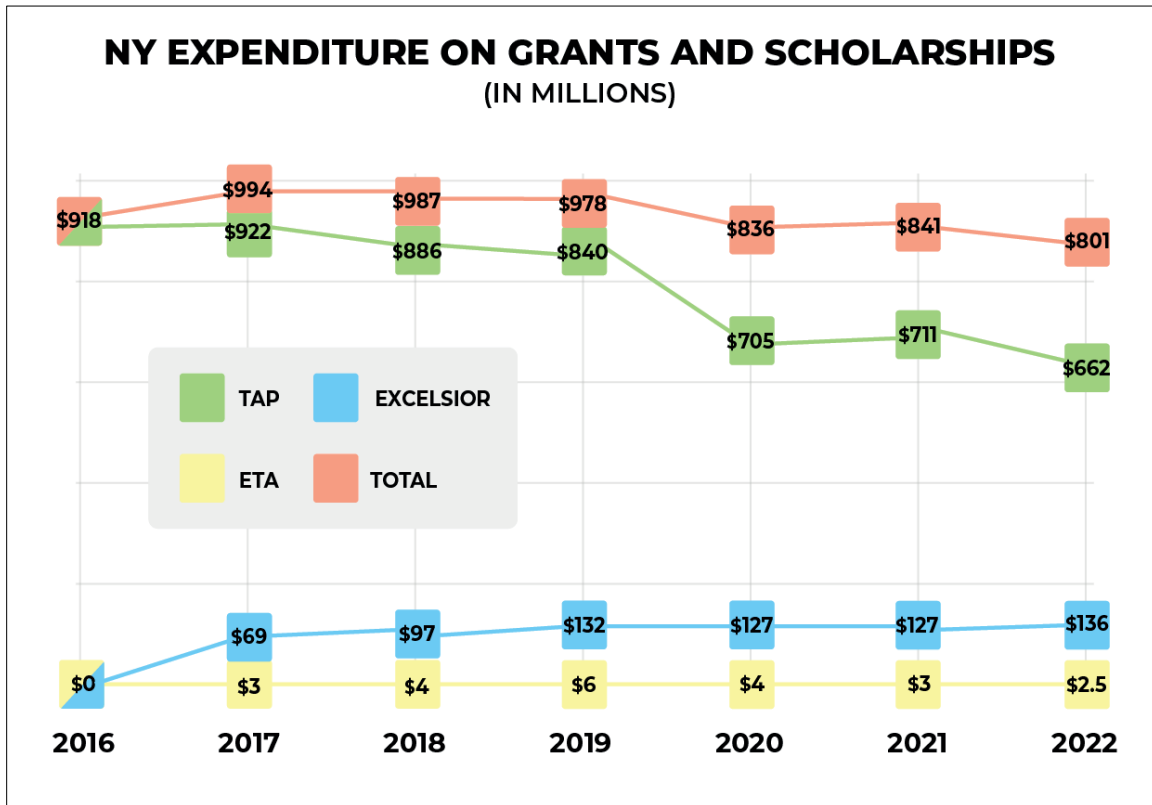
New York is the only state of those studied to decrease spending on its primary grant aid vehicle in the past decade. TAP provided an estimated \$662 million in student aid in 2022-23. This is nearly 30 percent less than the \$922 million provided in 2017.⁶

In that same year, Governor Andrew Cuomo created the Excelsior Scholarship, which grants free tuition — with significant caveats — to New York residents attending public colleges and universities in the state. Excelsior also has a significantly higher income limit than TAP — \$125,000 versus \$80,000 — which represents a choice to invest in a narrower aid vehicle benefitting students at public colleges who are relatively more well-off over one that is more broadly applicable and benefits the neediest students. The Enhanced Tuition Award was billed as a companion program to the Excelsior Scholarship for students at private colleges and universities, but it has largely failed to attract interest due to restrictive program rules.

Even when considering the total amount the state has spent on Excelsior Scholarships, Enhanced Tuition Awards, and TAP, student aid in New York has been in decline since 2017, while states with similar higher education ecosystems have continued to increase

⁶ Annual Report 2021-22. Albany, NY: NYS Higher Education Services Corporation, 2022.

their investment in student aid. The \$800 million total in 2023-23 for all three programs is still less than New York spent on TAP alone in 2019.



Source: Annual Report 2022-23. NYS Higher Education Services Corporation, 2023. "Appendix E: New York's Tuition Assistance Program - A History," NYS Higher Education Services Corporation.

Conclusion

New York's Tuition Assistance Program has failed to keep pace with student aid offered in other states. TAP serves a smaller population than it did 50 years ago when it was founded. The past decade has shown a dramatic decrease in both TAP enrollment and overall support, especially when compared to state funded tuition assistance programs in similar states nationwide.

The consequence of this diminished investment in student aid can be seen in declining college enrollment across the state, particularly among underserved communities.

Investing in and reinvigorating TAP would expand the program's impact and effectiveness. Increasing the TAP income limit from \$80,000 to \$110,000, for example, would expand the program to 25,000 additional New York students. Other steps, like tying income eligibility to inflation and considering family size when calculating award amounts would protect and expand program access for more students who could benefit from the grants.

Increasing award amounts would also maximize TAP's impact. Today's award amounts have fallen far below the level that would be at had they continued to be aligned with

inflation. The effect of these stagnant award amounts is a blunting of TAP's impact for students. A \$500 minimum award is significantly less impactful to a student in 2023 than it was to a student in 2000.

Allowing TAP to cover cost-of-living expenses for students would also increase the program's impact. A cost-of-living allowance — either by allowing some TAP funds to go toward these expenses or creating a supplemental stipend — would mitigate some of the challenges that force students out of higher education including access to transportation, childcare, room and board, and books.

For the past 50 years, TAP has successfully supported individuals who need assistance paying for college. Its requirements are easy to understand, information online is abundant for those who want to apply, and it can be used at a wide variety of institutions. However, by failing to update income limits and award amounts while simultaneously reducing the total amount of aid available, fewer people are benefiting from this program every year. By reinvesting in and reinvigorating TAP, New York can empower many more students to attain higher education.

Appendix A: Program Overview by State

New York – Tuition Assistance Program

- Award Parameters
 - Minimum award - \$500
 - Maximum award - \$5,665
 - Can only be used for tuition
- Eligibility
 - Flat \$80,000 income limit
 - No merit requirement for high school students
 - Continued eligibility relies on a C average
- Official Page: <https://www.hesc.ny.gov/pay-for-college/apply-for-financial-aid/nys-tap.html>

California – Cal Grant

- Award Parameters (Cal Grant A)
 - The amount ranges depending on type of institution, with the highest awards going to UC students and the lowest to private for-profit school that are not accredited.

Type of Institution	Max Award
University of California	\$13,752
Private nonprofit school	\$9,358
Private for-profit school (accredited)	\$8,056
California State University	\$5,742
Private for-profit school (non-accredited)	\$4,000

- Minimum award (C) - \$1,094
- Maximum award (A) - \$15,400
- Cal Grant A is tuition and school fees-only
- Cal Grant B provides a cost-of-living award for \$1,648 for a family of two earning up to \$55,000 or families of six or more earning up to \$83,300
- Eligibility for Cal Grant A, B, or C depends on the information provided in FAFSA or CA Dream Act Application, verified Cal Grant GPA, the California colleges indicated on the application, and recent high school graduation status.
- Eligibility (Cal GrantA)
 - Requires a B average
 - Eligibility based on income limit, scaled to family size:
 - \$112,900 for a family of two dependents, other than a spouse
 - \$145,200 for a family of six or more dependents
 - \$46,000 for an individual with no dependents
 - \$52,700 for a married student with no dependents
- Official Page: <https://www.csac.ca.gov/cal-grants>

Florida – Student Assistance Grants

- Award Parameters
 - Award amount varies annually based on legislative appropriations
 - Minimum award - \$200
 - Maximum award - \$2,610
 - One year only and is not guaranteed in subsequent years
 - Can only be used for tuition
- Eligibility
 - Based on federal Pell eligibility and Expected Family Contribution (EFC)
 - Requires C average
 - Additional Features
 - Offers both Public and Private Student Assistance Grants
 - Operated through participating institutions, which individually determine application procedures, deadlines, student eligibility, and award amount
- Official Page: <https://www.floridastudentfinancialaidsg.org>

Massachusetts – MASSGrant

- Award Parameters
 - Minimum award - \$300
 - Maximum award - \$2,300
 - Can only be used for tuition
- Eligibility
 - Based on federal Pell eligibility and EFC, and the type of institution that they attend
 - No merit requirements
- Additional Features
 - Has reciprocity agreements with institutions in other states – PA, VT, DC
 - Private institutions receive the bulk of this funding
 - This is the largest single source of grant funding in the state, but MA operates grant funding through 28 separate programs
 - MASSGrant gives out the most money but is not the largest award given
- Official Page: <https://www.mass.edu/osfa/programs/massgrant.asp>

Michigan – Competitive Scholarship

- Award Parameters
 - Award amount - \$1,500
 - Can only be used for tuition
 - Participating Institutions for Competitive Scholarship include Michigan community college, public university, or degree-granting, non-profit independent college (Cannot be an institution primarily preparing students for clergy ordination)
- Eligibility
 - Based on federal Pell eligibility and EFC
 - Must have 1200 SAT score and GPA of 2.0
- Official Page: <https://www.michigan.gov/mistudentaid/programs/michigan-competitive-scholarship>

Michigan – Michigan Tuition Grant

- Award Parameters
 - Award Amount - \$3,000
 - Can only be used for tuition and mandatory fees
 - Participating Institutions include, Michigan degree-granting, nonprofit independent institutions
- Eligibility
 - Student must demonstrate financial need
 - Must meet institution’s Satisfactory Academic Progress (SAP) policy.
 - Cannot be enrolled in a course of study leading to a degree in theology, divinity, or religious education
 - Not be in default on a federal student loan
- Official Page: <https://www.michigan.gov/mistudentaid/programs/michigan-tuition-grant>

New Jersey – Tuition Aid Grant

- Award Parameters
 - Minimum award - \$1,280
 - Maximum amount awarded varies based on institution type:

Type of Institution	Max Award Amount
County (Community) Colleges	\$3,098
State Colleges & Universities	\$9,496
Public Research Universities	\$10,964
Independent Colleges & Universities	\$14,404

- Can only be used for tuition
- Eligibility
 - Uses NJ Eligibility Index, which is not publicly available
 - Merit not defined but students must maintain “satisfactory academic progress”
- Official Page: <https://www.hesaa.org/pages/njgrantshome.aspx>

Texas – TEXAS Grant

- Award Parameters
 - Only usable for tuition at public universities or health-focused institutions, all eligible students may not receive funding as funding is limited.
 - Minimum award not public
 - Maximum award - \$10,758
- Eligibility
 - Based on federal Pell eligibility and EFC
 - Merit is a primary category
 - Considerations include Advanced Academic Program, TSI Readiness, Class Standing, Advanced Mathematics
- Additional Features
 - Very little programmatic information is publicly available
- Official Page: www.collegeforalltexas.com/apps/financialaid/tofa2.cfm?ID=458

Note: Beginning with the 2024-2025 school year FAFSA, the [Student Aid Index \(SAI\)](#) will replace the expected family contribution (EFC). The SAI will be listed on FAFSA Submission Summary, replacing the Student Aid Report (SAR). EFC will no longer be used after the 2023-24 [FAFSA deadline](#) passes on June 30, 2024. The one major distinction is that, while the EFC can only go to zero, the SAI can be as low as -\$1500, allowing needy students to receive more financial aid.