



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, NY 12234

To: Higher Education Committee  
From: Joseph P. Frey  
Subject: Tuition Assistance Program  
Date: December 27, 2010  
Authorizations:

## **SUMMARY**

### **Issue for Discussion**

An overview of the Tuition Assistance Program (TAP) from its inception beginning in 1961 to 1973 as the Scholar Incentive Program through the 2009-2010 academic year. This item identifies significant changes in TAP and the impact on student financial assistance.

### **Reason(s) for Consideration**

For Information/Discussion

### **Background Information**

At the September meeting of the Regents Higher Education Committee, members asked the Department to provide an overview of New York's Tuition Assistance Program. The New York State Tuition Assistance Program (TAP) helps eligible New York residents pay tuition at approved schools in New York State. Depending on the academic year in which study begins, an annual TAP award can be up to \$5,000. Because TAP is a grant, it does not have to be paid back. However, the enacted 2010-2011 State Budget provides for a change in the maximum (TAP) award for certain students during the 2010-2011 fiscal year only. This change limits the maximum TAP award at two-year institutions to \$4,000 or the actual tuition charged but remains at \$5,000 at four year institutions. Additionally, if the calculation of the resulting award exceeds \$4,000, it must be reduced to \$4,000, and then further reduced by the 2010-2011 mandated \$75 annual reduction.

## **TAP HISTORY**

### **1961 - 73: The Scholar Incentive Program - The Predecessor of TAP**

(1973) Maximum Award \$600  
(1973) Unduplicated Recipients 221,360  
(1973) Expenditures \$51.6 million  
(1973) Average Award \$233

The Scholar Incentive (SI) program, established in 1961, was made available to all full-time students, graduate and undergraduate, regardless of income. The SI program had many features that still endure in today. It was an entitlement program, having no limitation on either the amount of annual expenditures or the number of annual awards. That feature remains unusual among State or federal need-based programs offered nationwide. Just as with TAP, the amount of an SI award was scaled to State Net Taxable Income, and SI awards could be used in combination with Regents scholarships, provided that the total did not exceed tuition.

### **1974 - 75: The Initial Year of TAP**

Maximum Award \$1,500  
Unduplicated Recipients 235,620 +6.4% over 1973  
Expenditures \$78.8 million +52.7% over 1973  
Average Award \$335 +43.8% over 1973

Research found that the SI awards were no longer sufficient to significantly aid students in meeting independent college costs. The \$265 average SI award for students at independent colleges in 1973-74 represented only 10 percent of average tuition at that sector, while the \$600 maximum SI award represented only 22 percent of tuition. Additionally, public hearings held by the Legislature revealed that the Regents College Scholarship program was designed to meet a need that no longer existed (encouraging bright students to attend college) and that a larger need existed for the expansion of need-based grants. The 1974 Legislature, therefore, decided to reduce Regents scholarship awards from \$1,000 to \$250 while establishing the new TAP program. This same Legislature also created the New York State Higher Education Services Corporation (NYSHESC) as the centralized financial aid agency for the State. NYSHESC was created by combining the nonprofit Higher Education Assistance Corporation, which administered student loans, with NYSED's Regents Examination and Scholarship Center, which administered the grant and scholarship programs of aid.

In changing its financial aid programs, New York was seeking to achieve the following objectives:

- To maximize access to higher education for all qualified students.
- To foster a competitive environment with the net effect being equilibrium between the public and independent sectors.

The major characteristics of TAP as established in 1974 were:

- a \$1,500 maximum award, limited by tuition;

- a continuous sliding scale of awards for undergraduates based on State Net Taxable Income;
- replacing the old step-function SI award reduction formula;
- a \$200 reduction in annual TAP awards after the student receives two years of payments (commonly known as the "uppercut"); and
- the redefinition of financial independence for students according to federal standards.

These new benefits were available only to students who entered college after July 1, 1974, and who graduated high school after January 1, 1974.

The establishment of the new TAP program in 1974, with its 150 percent increase in maximum award over the old SI maximum, as well as the Commissioner's spring 1975 decision to grant TAP eligibility to full-time students attending registered business schools, greatly increased expenditures over the previous year.

## **TAP TODAY**

During the 2009-2010 year, TAP provided more than 397,000 New York State students with \$901.4 million in tuition awards.

## **ELIGIBILITY REQUIREMENTS**

To be eligible for TAP, you must:

- Be a United States citizen or eligible non-citizen
- Be a legal resident of New York State (for at least one year)
- Study at an approved postsecondary institution in New York State
- Have graduated from high school in the United States, earned a GED, or passed a federally approved Ability-to-Benefit test as defined by the Commissioner
- Be enrolled as a full-time student taking 12 or more credits per semester
- Be matriculated in an approved program of study and be in good academic standing\*
- Have declared a major no later than within 30 days from end of the add/drop period:
  - in the first term of your sophomore year in an approved two-year program;
  - or
  - in the first term of your junior year in an approved four-year program
- Have at least a cumulative "C" average after receipt of two annual payments
- Be charged at least \$200 tuition per year
- Not be in default on a student loan guaranteed by HESC or on any repayment of state awards
- Meet income eligibility limitations

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\* "Good Academic Standing" consists of two elements, both of which must be met: satisfactory academic progress and program pursuit. The first, satisfactory academic progress, is an achievement requirement and means that the student must accrue/earn a minimum number of credits toward a degree with a minimum cumulative grade point average in each term they receive an award. The second, program pursuit, is defined in regulations as completing - getting a grade in - a percentage of the minimum full-time course load in each term you receive an award.

Initially “good academic standing” was determined by each institution developing its own standard of academic progress (SAP) chart. The SAP for each institution would be registered and approved by the Department’s Office of College and University Evaluation (OCUE). In 2006 the Legislature addressed the SAP issue in statute for all institutions and again in 2010. At the September 2010 Board of Regents meeting, the Regents adopted, as an emergency measure, a proposed amendment to Section 145-2.2 of the Regulations of the Commissioner of Education relating to the new standards of academic progress for TAP for the 2010-2011 academic year for students who were defined as being in a program which included substantial remedial study.

Effective beginning in the 2007-08 academic year and thereafter, TAP is available for students attending SUNY, CUNY and not-for-profit independent degree-granting colleges on a part-time basis. To be eligible for part-time TAP you must have been a first-time freshman in the 2006-07 academic year or thereafter, have earned 12 credits or more in each of two consecutive semesters, and maintain a “C” average. Also, students who are disabled as defined by the Americans with Disabilities Act (ADA) and are attending part-time (at least three credits per semester or the equivalent) can be certified for a part-time TAP award for any approved term.

## **TAP STATUTE**

The TAP legislation provides for the Commissioner of Education to promulgate regulations that define full-time and part-time study for financial aid purposes.

To be a full-time student, you must enroll for at least 12 semester hours in a semester of not less than 15 weeks, including examination periods. The minimum course load for part-time study varies from 3 semester hours to 6 semester hours, depending on the financial aid requirements of the particular aid program.

The student may take courses that are not required for his/her program and cannot be included as elective courses, such courses must be taken in addition to the minimum full-time 12 semester-hour course load to be eligible for full-time student financial aid. This is also important when determining whether you have maintained good academic standing, as only courses that apply to your program of study - as a general requirement, a major requirement, or an elective - may be considered.

## **Part time TAP**

Part-time students matriculated in undergraduate degree and credit-bearing diploma and certificate approved programs who enroll for at least 3 but fewer than 12 semester hours a semester or at least 4 but fewer than 10 semester hours in a quarter or trimester. The student’s part-time course load can consist of both credit-bearing and noncredit remedial courses, providing the student carries at least 3 semester hours of credit-bearing work (i.e., a student who enrolls for the minimum number of hours must enroll in a credit-bearing course).

## **TAP for Incarcerated Individuals**

In 1994-95, 1,133 persons in 13 correctional facilities were enrolled in programs. Correctional facility enrollment increased by 71 students from 1993-94.

In 1995, New York ended the eligibility of incarcerated individuals from participating in the State's Tuition Assistance Program, ending nearly all New York's 70 in-prison college programs.

## **Accelerated TAP**

Education Law provides for an extra TAP payment in an award year, over and above the regular annual award, in certain circumstances. Statutory changes for academic year 2006-07 imposed new requirements for accelerated study that changed how a student qualifies for an accelerated award payment. Accordingly, students who attend institutions during the summer session or who attend institutions which operate on a three or four semester basis, who will likely complete their program of study at an accelerated rate, will now be required to have completed 24 credits in their prior two semesters at such institution. Essentially this allowed students to receive an "accelerated" TAP award because they are actually taking additional courses in their program of study. The statute and Commissioner's Regulations also provided limits on remedial courses students could take and still receive an accelerated TAP payment.

## **Supplemental Tuition Assistance Program (STAP)**

The Supplemental Tuition Assistance Program (STAP) was initially established in Education Law in 1981. STAP enabled a student to receive a year of tuition assistance, equal to a TAP award, for full-time or part-time enrollment only in remedial study. However, a subsequent amendment to the Education Law changed the STAP program so that tuition assistance is now available only in the summer immediately preceding the first academic year of study and/or in the subsequent summer following the first year of study. Statute provides that STAP "shall be governed by all the law, rules and regulations pertaining to the tuition assistance program." Thus, STAP recipients must meet the requirement of enrollment in an approved program. A STAP student who is educationally disadvantaged and carrying a remedial workload as defined by the Commissioner may be considered to be enrolled in an approved program on that basis alone. These would be students in approved programs such as: College Discovery (CD), Education Opportunity Program (EOP), Higher Education Opportunity Program (HEOP) and Search for Education, Elevation and Knowledge (SEEK) program where the program is designed to be a five year program of study. Once the student completes the STAP-supported study and the institution determines that the student meets the normal requirements for admission to one or more of its approved (registered) programs, all the provisions concerning matriculation and enrollment in an approved program must be met.

## OTHER GRANTS

The Aid for Part Time Study (APTS) program provides grant assistance for eligible part-time students enrolled in approved undergraduate studies. Unlike TAP, it is administered by participating institutions which may not exceed the total available funds.

### Scholarships

- Flight 3407 Memorial Scholarships provide financial aid to children, spouses and financial dependents of individuals killed as a direct result of the crash of Continental Airlines Flight 3407 on February 12, 2009.
- Flight 587 Memorial Scholarships guarantee access to a college education for the families and financial dependents of victims of the crash of American Airlines Flight 587 on November 12, 2001.
- Military Service Recognition Scholarship provides financial aid to children, spouses and financial dependents of members of the armed forces of the United States or of a state organized militia who, at any time on or after August 2, 1990, while a New York State resident, died or became severely and permanently disabled while engaged in hostilities or training for hostilities. For study in New York State.
- New York Lottery – Leaders of Tomorrow Scholarships are awarded to one student from every public and non-public school with experience in extracurricular activities and community service and who has demonstrated leadership skills. For study in New York State.
- NYS Math and Science Teaching Incentive Scholarship provides grants to eligible full-time undergraduate or graduate students in approved programs that lead to math or science teaching careers in secondary education.
- NYS Memorial Scholarship provides financial aid to children, spouses and financial dependents of deceased firefighters, volunteer firefighters, police officers, peace officers, and emergency medical service workers who have died as the result of injuries sustained in the line of duty in service to the State of New York. For study in New York State.
- Volunteer Recruitment Service Scholarships are offered for volunteer fire and volunteer ambulance companies to use as a recruitment and retention incentive for new members.
- NYS World Trade Center Memorial Scholarship program guarantees access to a college education to the families and financial dependents of the victims who died or were severely and permanently disabled in the September 11, 2001 terrorist attacks and the resulting rescue and recovery efforts.

- Senator Patricia K. McGee Nursing Faculty Scholarship is a competitive award made to licensed nurses who have been accepted in a master's nursing program at an accredited nursing school in New York State. Applicants agree to become nursing faculty and agree to serve as a teacher in a facility in New York State.
- Regents Awards for Children of Deceased and Disabled Veterans is provided to students whose parent(s) have served in the U.S. Armed Forces during specified periods of war or national emergency.
- Veterans Tuition Award under this program Vietnam, Persian Gulf, Afghanistan, or other eligible combat veterans matriculated at an undergraduate or graduate degree-granting institution or in an approved vocational training program in New York State are eligible for awards for full or part-time study.

### **Federal Grants/Scholarships**

- Federal Pell Grants are given to undergraduate students who have not yet earned a bachelor's or a professional degree. Pell Grants are awarded based on financial need as demonstrated on the Free Application for Federal Student Aid (FAFSA).
- The Robert C. Byrd Honors Scholarship is a competitive federal honors program that provides scholarships to academically talented high school seniors who are New York State residents and plan to attend any approved institution of higher education in the United States.
- The FSEOG is for undergraduates with exceptional financial need; students who receive Federal Pell Grants have priority. FSEOGs are awarded by a college's financial aid office based on information in the FAFSA.
- The Academic Competitiveness Grant (ACG) and National SMART Grant Programs provide funding for qualified undergraduate students majoring in mathematics, science, technology, engineering or a critical foreign language.

The ACG applies in the first and second years of college and the SMART applies in the third and fourth years.

### **Loans**

- New York Higher Education Loan Program (NY HELPs) provides students and families with financial aid in funding for fixed-rate education loans for the upcoming academic year.
- District Attorney and Indigent Legal Services Attorney Loan Forgiveness Program awards are being offered to retain experienced attorneys employed as District Attorneys, Assistant District Attorneys or Indigent Legal Services Attorneys throughout New York State.

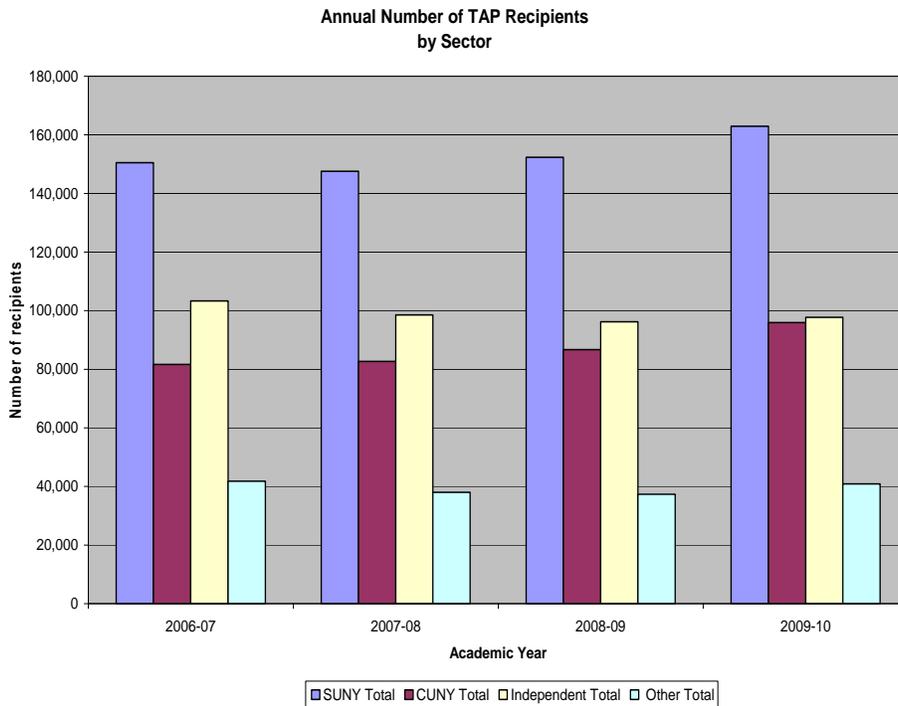
- Loan Forgiveness for Licensed Social Workers awards are made annually to social workers licensed to practice in New York State who have at least one year of prior employment working in a critical human service area.
- Loan Forgiveness for Nursing Faculty – provides that Licensed Registered Nurses teaching as nursing faculty or adjunct clinical faculty may have portions of their student loan balances paid.
- Loan Forgiveness for Teachers - provides that certain teachers can have a portion of their Federal Stafford loans forgiven. The Teacher Loan Forgiveness Program is intended to encourage individuals to enter and continue in the teaching profession. Under this program, individuals who teach full time for five consecutive, complete academic years in certain elementary and secondary schools that serve low-income families and meet other qualifications may be eligible for forgiveness of up to a combined total of \$17,500 in principal and interest on their FFEL and/or Direct Loan program loans.

## **TAP RECIPIENTS**

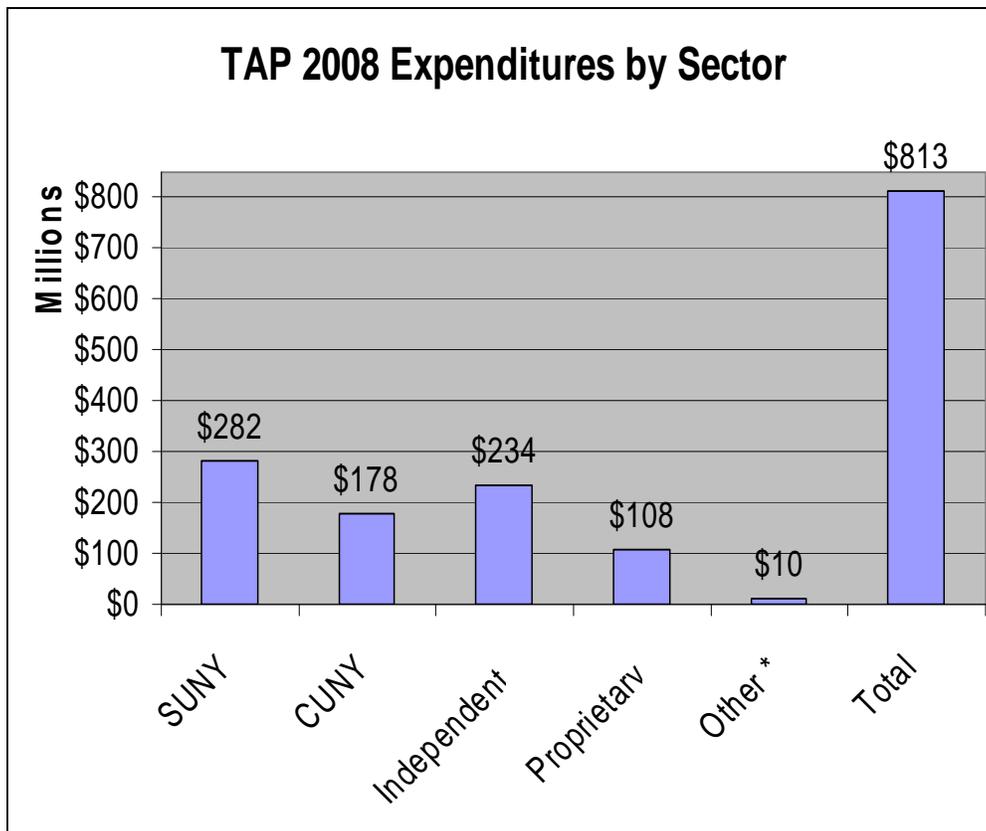
Type of Institution	Academic Year Annual Average Recipients (FTE)			
	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	Estimated <u>2009-10</u>
SUNY Total	150,476	147,570	152,345	162,934
CUNY Total	81,667	82,710	86,730	95,912
Independent Total	103,704	98,499	96,193	97,781
Other Total*	41,751	37,993	37,353	40,897
Total State	377,598	366,772	372,621	397,524

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\* Other Total is for Proprietary Colleges and includes non degree and adult vocational education students.



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