

Higher Education Services Corporation, New York State

Mission

The Higher Education Services Corporation (HESC) provides centralized processing of student financial aid programs. HESC administers the State's Excelsior Scholarship, the Tuition Assistance Program (TAP), the Federal Family Education Loan Program and other State and Federal aid programs.

Organization and Staffing

HESC is governed by a Board of Trustees composed of fifteen members. Ten members are appointed by the Governor and confirmed by the Senate, the remaining five members serve in an ex-officio capacity and consist of the State Education Department (SED) Commissioner, State University of New York (SUNY) Chancellor, City University of New York (CUNY) Chancellor, SUNY Student Assembly President, and Chair of the CUNY Student Senate. Daily operations are managed by HESC's President and senior administrative staff.

Budget Highlights

The FY 2023 Executive Budget recommends \$1.2 billion in All Funds support for HESC and projects a workforce of 128 consistent with current workforce levels. The FY 2023 appropriation level represents a \$6 million net decrease from the previous year, largely reflecting updated enrollment estimates for student financial aid programs and the expansion of TAP for part-time students.

The Budget includes \$150 million to expand TAP, which currently is largely unavailable to students studying part-time, to eliminate the requirement that part-time students complete at least one year of full-time study before they are eligible for the program. Additionally, the expansion of TAP will cover students enrolled part-time in a community college workforce credential program approved by the New York State Empire State Development Corporation and the New York State Regional Economic Development Councils based on an analysis of regional industry trends, workforce needs, and existing program offerings.

The FY 2023 Executive Budget also includes legislation to: repeal the 1995 law that prohibits incarcerated individuals from being eligible to receive State financial aid; make apprenticeship training programs allowable expenditures under New York law for the use of 529 college savings funds; and reset the tuition rates used in the calculation of Excelsior Scholarship award amounts to the current academic year, beginning in 2022-23.

For more information on this agency's budget recommendations located in the Executive Budget Briefing Book, click on the following link:

Program Highlights

Excelsior Scholarship

In 2017, building on the State's already generous tuition assistance, New York launched the groundbreaking Excelsior Scholarship to provide tuition-free college for middle-class families. The first-of-its-kind program covers tuition at New York's public colleges and universities for families making up to \$125,000 a year.

New York State Tuition Assistance Program (TAP)

TAP is one of the largest need-based grant programs in the nation, and the cornerstone of New York's student financial aid programs. In 2020-21, more than 250,000 New Yorkers attending college were awarded more than \$700 million in TAP funds to help pay their college tuition costs.

Senator Jose R. Peralta DREAM ACT

In 2019, the Senator Jose R. Peralta DREAM Act was enacted, opening the doors of higher education to thousands of undocumented students by providing them with access to the Excelsior Scholarship, TAP, and other State-administered scholarships.

Targeted Scholarship, Loan Forgiveness, and Award Programs

During 2020-21, HESC-administered State scholarship and loan forgiveness programs provided tens of thousands of students with targeted awards towards their pursuit of a college education, with approximately \$196 million going to support the college costs of more than 30,000 students. The Get on Your Feet Loan Forgiveness Program provides Federal student loan relief to New York residents who graduate from college and continue to live in the State for the first two years out of school if their income is not high enough to cover their student debt burden without significant financial hardship.

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College Access and Outreach Programs

New York State continues its commitment to ensuring that its students have both access to a college education and an understanding of their financial aid options, and HESC continues its commitment to supporting the pursuit and attainment of a postsecondary degree for all New York State students. In 2020-21, to combat the negative impacts of the pandemic on student achievement and bolster college access and preparedness, HESC launched a series of virtual forums to engage high school students and their families, especially among students at risk of not pursuing a college education. This platform expanded HESC’s reach to thousands more New Yorkers, including those who would otherwise have been blocked from participation due to transportation, childcare, linguistic, safety, or other concerns.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available FY 2022	Appropriations Recommended FY 2023	Change From FY 2022	Reappropriations Recommended FY 2023
State Operations	52,034,000	52,034,000	0	1,473,000
Aid To Localities	1,151,134,000	1,145,228,000	(5,906,000)	20,285,000
Total	1,203,168,000	1,197,262,000	(5,906,000)	21,758,000

**ALL FUND TYPES
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM
FILLED ANNUAL SALARIED POSITIONS**

Program	FY 2022 Estimated FTEs 03/31/22	FY 2023 Estimated FTEs 03/31/23	FTE Change
Administration			
General Fund	3	3	0
Special Revenue Funds - Other	125	125	0
Total	128	128	0

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available FY 2022	Recommended FY 2023	Change
General Fund	500,000	500,000	0
Special Revenue Funds - Federal	225,000	225,000	0
Special Revenue Funds - Other	51,309,000	51,309,000	0
Total	52,034,000	52,034,000	0

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available FY 2022	Recommended FY 2023	Change
Administration			
General Fund	500,000	500,000	0
Special Revenue Funds - Other	51,309,000	51,309,000	0

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Student Grant and Award Programs			
Special Revenue Funds - Federal	225,000	225,000	0
Total	52,034,000	52,034,000	0

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
FY 2023 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	500,000	0	500,000	0
Total	500,000	0	500,000	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
FY 2023 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	51,309,000	0	11,100,000	0
Student Grant and Award Programs	225,000	0	0	0
Total	51,534,000	0	11,100,000	0

Program	Nonpersonal Service	
	Amount	Change
Administration	40,209,000	0
Student Grant and Award Programs	225,000	0
Total	40,434,000	0

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available FY 2022	Recommended FY 2023	Change
General Fund	1,149,634,000	1,143,728,000	(5,906,000)
Special Revenue Funds - Other	1,500,000	1,500,000	0
Total	1,151,134,000	1,145,228,000	(5,906,000)

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AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
 (dollars)

Program	Available FY 2022	Recommended FY 2023	Change
Student Grant and Award Programs			
General Fund	1,149,634,000	1,143,728,000	(5,906,000)
Special Revenue Funds - Other	1,500,000	1,500,000	0
Total	1,151,134,000	1,145,228,000	(5,906,000)

Note: Most recent estimates as of 05/11/2020