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March 17, 2021

Dear Senators and Representatives:

Public higher education across the nation is at a critical juncture. Even before the pandemic, colleges and universities began experiencing significant downward pressure on enrollment due to a declining student population and growing financial need – a disruptive combination that affects both 2-year and 4-year schools and will worsen significantly in the next five years. New Hampshire is not immune to this trend, which is already evident in our K-12 system. In fact, the northeast will be the hardest hit region in the country, leaving us at a competitive disadvantage to states across the nation.

The damage and costs caused by COVID-19 have added to the problem, creating enormous financial challenges for both institutions of higher education and significant hardships for families of college-bound students. Many students will require yet more financial aid to afford an education, further drawing on scarce resources, and many others will forego college altogether. The longer decisive action is delayed simply narrows the available options to respond.

As a result of these trends, net revenue has been steadily declining in both our systems since 2018. USNH has responded by implementing a \$70 million restructuring program that will reduce system-wide costs by 10%. CCSNH has been aided by a more than 20% increase in state support and state funding now accounts for half of total CCSNH operating budgets. These intermediate steps help, but do not address the longer term and systemic demographic realities that will accelerate dramatically by mid-decade. New Hampshire “exports” more college bound high school students than any other state in the country and with 11 institutions of higher education serving our relatively small population, the important question is whether we have more capacity than we need to serve our current and declining student population into the future. We cannot and should not wait to address the structural inefficiencies embedded in New Hampshire’s bifurcated system of higher education. We must act now.

In addition to our executive roles leading the Departments of Education, Employment Security, Business and Economic Affairs, and Agriculture, we have the privilege and responsibility of serving as trustees for both CCSNH and USNH. As trustees, we have personally participated in the governance and witnessed the successes and struggles of our 2-year and 4-year institutions. We know first-hand the good intentions of both systems and the work that has been done to deliver a quality education for students – all of them, and in every manner in which they pursue their credentials and degrees. There is much to praise at CCSNH and USNH. Changes in education are difficult to realize. But, years of discussions within and between the systems and attempts to collaborate have led to limited incremental results. These efforts, in spite of all of the hard work, have not given us a more nimble and financially durable education system for the state. Given the economic realities bearing down on higher education, there is a great deal more work to be done. Two separate competing systems of higher education will continue to hinder New Hampshire’s ability to serve student needs, proactively address structural

challenges, strengthen the workforce pipeline, and ensure that an affordable education is available to all students.

Therefore, we fully support the proposal introduced in House Bill 2 to create a single, unified board of trustees to oversee CCSNH and USNH and to advance efforts to achieve academic synergies, operational efficiencies, cost reductions to enhance affordability, and strategic initiatives to improve public higher education in a highly competitive environment.

In particular, the proposal and its timing offer the following advantages:

- The unified board would ensure that both 2-year and 4-year schools are well-represented, and their distinct missions preserved as the schools themselves would select two-thirds of the appointed trustees. Indeed, the new board would enhance the influence of the campuses. Today, the Governor selects over 30 trustees for both systems. Under the proposal, the Governor would personally select only 5 trustees total.
- The legislative representation that exists today on the USNH board alone would be extended to the new board overseeing both systems and those legislators would participate directly in the foundational work that would lead to one, unified system.
- At present, neither CCSNH nor USNH employ a permanent or long-term chancellor, thus creating an ideal and timely opportunity for the new board to hire a single chancellor to lead the restructuring and reform efforts with trustees and campus leadership.
- A unified board under the leadership of a single chancellor would permit the proactive, strategic alignment of academic and financial resources required to address an impending decade of market decline, while improving opportunities and outcomes for students and preserving the unique missions and contributions of New Hampshire's eleven institutions.

The time is now to move forward with this proposal. If we are to maintain a vital and robust system of public higher education in New Hampshire in the ensuing decades – and ensure our state's competitive position to attract and educate students and supply tomorrow's workforce – we must take steps today to address the challenges that are already impacting the state. By delaying, we will allow a challenging situation to become an insoluble crisis.

Please support a unified governing board for New Hampshire public higher education.

Respectfully,

Frank Edelblut, Commissioner
Department of Education

Taylor Caswell, Commissioner
Department of Business & Economic Affairs

George Copadis, Commissioner
Department of Employment Security

Shawn Jasper, Commissioner
Department of Agriculture