



# THE NEW YORK STATE PUBLIC EMPLOYEES FEDERATION TESTIMONY

The NYS Assembly Committee on Higher Education

SUNY Capital Funding – To Examine the Utilization of Capital  
Funding at Colleges and Universities

December 3, 2024

Testimony by Wayne Spence

Good afternoon Chairperson Fahy and other honorable members of the New York State Assembly Higher Education Committee. My name is Wayne Spence and I am the president of the 53,000-member strong New York State Public Employees Federation (PEF). I want to thank you for the opportunity to present written testimony on PEF's position on the sustainability of the SUNY Capital Plan. Our union is composed of professional, scientific and technical experts who provide critical services to the residents and taxpayers of New York State, including 10,000 nurses and other health care professionals who work at the SUNY hospitals, as well as various other agencies. Serving as the state's frontline essential workers during the COVID-19 pandemic, my members have risked their lives and those of their families to maintain the continuity and quality of services to New York's most vulnerable citizens. PEF represents the nurses at SUNY Downstate as well as the other SUNY hospitals in Stony Brook and Syracuse.

As the committee rightly evaluates the efficacy of the current SUNY Capital Plan and its environmental sustainability, we believe it is important to also highlight the on-going capital needs of SUNY Downstate Medical Center.

We were disheartened to learn that the SUNY Chancellor had developed a "transition" plan for SUNY Downstate that would outsource the inpatient bed capacity, as well as various other health care services from SUNY Downstate Medical Center to Kings County Medical Center and various other private and not-for-profit hospitals in the greater Brooklyn region. As you know, SUNY Downstate is the fourth largest employer in Brooklyn; the medical school trains a significant number of nation's minority physicians and other health care professionals; and the hospital provides important emergency care services and delivers several unique health care specialties for Brooklyn residents, including nephrology services and neonatal intensive care.

We thank you, your colleagues in the NYS Senate and Governor Hochul for your collective work to provide \$100 million in operating aid, \$300 million in capital aid and the establishment of an advisory board on the future of Downstate to evaluate the short- and long-term needs of SUNY Downstate and the greater Brooklyn community that will be impacted by these potential changes. And, given the implications to the Brooklyn community, the future of the Downstate SUNY Medical School, the impact on other city- and privately-owned hospitals in the community, it is unfortunate that this important advisory board has only recently been established and is just now starting its important work.

In developing and advocating for their plan to close the inpatient bed capacity at SUNY Downstate and to effectuate the transfer of other critical services to other city-owned or private hospitals, SUNY Chancellor King and other proponents of the “transformation” plan cite the cost for the significant capital improvements need to update and upgrade SUNY Downstate’s facilities, especially the improvements needed in the emergency room. These same proponents also cite the need for the state to walk away from the financial challenges of the hospital caused by the large number of patients that rely on Medicaid to cover their health care expenses.

In the end, this facility is owned and operated by the State of New York. Under Governor Cuomo, the state willfully allowed this hospital to fall into disrepair even as the state invested billions of taxpayer dollars to provide operating and capital support to private and not-for-profit hospitals.

Developing a capital plan to make SUNY Downstate a premier comprehensive, full-service hospital is clearly not a resource issue. The state has provided billions in taxpayer funded capital investments for various projects, including \$600 million to build a football stadium in Buffalo and \$275 million to establish an artificial intelligence development center in Buffalo. This is an issue of priorities. Closing SUNY Downstate’s inpatient hospital bed capacity and pushing the delivery of vital services to other providers will negatively impact the accessibility and affordability of health care for the residents of Brooklyn while also causing irreparable harm the medical school as few aspiring doctors or health care professionals will opt for a medical school without an inpatient hospital.

SUNY Downstate and all of SUNY’s teaching hospitals provide critical care services to their communities, as well as high quality and affordable training for doctors, nurses and other health care professionals. The state should be investing in these institutions, not downsizing or closing them down. As we work to attract and train the next generation of health care workers, it seems very short sighted to undercut one of the premier health care workforce training systems in the nation.

While we acknowledge that SUNY Downstate continues to face significant financial headwinds due, in part, to the nature of the clientele it serves – i.e., indigent, uninsured, underinsured and migrant populations -- it is important to note that unlike every other state agency -- the SUNY hospitals are required to fund their own employee fringe benefit costs. Moreover, because a large portion of the hospital’s clientele is reliant on Medicaid, the

responsibility and costs associated with caring for this population will remain with the state regardless of who renders care. What the state will lose by eliminating these services is its ability to manage the quality of care provided and patient outcomes. We believe that, if this “transition” plan is ratified, the quality and availability of care will diminish for at-risk New Yorkers and all of the residents of Brooklyn.

In the end, PEF believes the state should be focused on investing significant operating and capital resources into the SUNY hospitals to deliver needed care, to expand their educational capacity for underrepresented populations, and to provide clinical experiences linked to serving high-need populations. We believe approximately \$900 million in capital financing is required to update and upgrade the various facilities at SUNY Downstate. This coupled with requiring the state to cover employee fringe benefit costs – as it does with every single other state agency – would stabilize SUNY Downstate and ensure the residents of Brooklyn can access quality and affordable healthcare.

Thank you for the opportunity to outline our concerns. If you have any additional questions or concerns regarding this testimony, please contact PEF’s Legislative Director Patrick Lyons at [Patrick.Lyons@pef.org](mailto:Patrick.Lyons@pef.org).

Respectfully submitted.

Wayne Spence

President, New York State Public Employees Federation