



**Testimony of
Dr. Nariman Farvardin
President, Stevens Institute of Technology
In Support of S-1229
Senate Higher Education Committee
June 4, 2012**

Chairman Vitale, Members of the Committee: Thank you for allowing me to express my strong support of S-1229, which establishes the Workforce Shortage Loan Redemption Program. My name is Nariman Farvardin and I am the president of Stevens Institute of Technology in Hoboken, NJ.

I support this legislation because it helps to relieve an issue that I care very deeply about – stopping the ‘brain drain’ here in New Jersey. New Jersey does a commendable job of K-12 education, despite significant challenges. According to the 2011 National Assessment of Education Progress, New Jersey ranks second in the nation in fourth- and eighth-grade reading scores, fourth in fourth-grade math scores and third in eighth-grade math scores. In addition, New Jersey’s high school graduation rate consistently ranks among the highest in the nation.

As I am sure you are aware, this progress comes at a significant cost to the taxpayers. Per-student spending on K-12 education for 2009-10 was the highest among the 50 states and second-highest in 2010-11, according to National Education Association research.

For all of this success, the fact is that many of our talented students leave the state for college. New Jersey ranks first in the nation in annual net loss of graduating high school seniors to colleges and universities in other states. The state loses 28,000 more highly educated high school seniors than it attracts annually, according to the organization Postsecondary Education Opportunity. This number comprises more than one-third of all annual college-bound high school graduates from New Jersey.

It is known that when students leave their home states for higher education, they often do not return. This human capital flight, known as ‘brain drain,’ is costly and must be reversed. Losing these 28,000 students results in further losses for the state after they join the workforce – losses which include tax revenue, real estate purchases, new companies developed and job creation. Most importantly, New Jersey loses the overall positive impact these students may have had on the state’s economy and culture.

New Jersey’s economy is larger than all but 19 nations in the world. The state’s total annual economic output, approximately \$500 billion, exceeds that of Belgium, Sweden, Norway, New Zealand, Argentina and Ireland. Each of these countries dedicates significant effort and

resources to educating, training and retaining its most talented students. New Jersey cannot afford not to do the same.

Stevens Institute of Technology has a total enrollment of 2,235 undergraduates and 3,700 graduate students. We offer baccalaureate, master's, graduate certificates and doctoral degrees in engineering, the sciences and management, in addition to baccalaureate degrees in business and liberal arts. Further, about 40 percent of our incoming freshman class is comprised of out of state residents from across the country and around the globe.

This legislation is an important step in stopping the 'brain drain' here in New Jersey. If approved, New Jersey will join other states such as Maine, Wisconsin, Pennsylvania, Oklahoma, Iowa and Nebraska in developing incentives, tax breaks and other innovative methods to stop their brain drains, or even achieve a brain gain!

By retaining more of our best and brightest students, New Jersey will position itself to recruit and retain more of the enterprises that have historically made our state's economy innovative and formidable, including Johnson & Johnson, Merck, Honeywell, ADP, Bell Labs, and – perhaps – the next Facebook or Google.

I ask that you please support S-1229 and help keep our state's best and brightest in New Jersey. Thank you for your time and consideration.

Yours very truly,



Nariman Farvardin
President



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