



Testimony

**to the
Senate Finance Committee
and
Assembly Ways and Means Committee
on the
Proposed 2018-19 Executive Budget
for
Elementary and Secondary Education
January 31, 2018**

*Prepared by:
New York State United Teachers
800 Troy-Schenectady Road
Latham, NY 12110-2455
518-213-6000
www.nysut.org*

*Representing more than 600,000 professionals in education and health care
Affiliated with the AFT – NEA – AFL-CIO*

*Testimony of
Andrew Pallotta
Executive Vice President
New York State United Teachers
to the
Senate Finance Committee
Catharine Young, Chair
and
Assembly Ways and Means Committee
Helene E. Weinstein., Chair
on the
Proposed 2018-19 Executive Budget
for
Elementary and Secondary Education
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Chairperson Young, Chairperson Weinstein, honorable members of the Legislature and distinguished staff, I am Andrew Pallotta, President of New York State United Teachers (NYSUT). NYSUT represents more than 600,000 teachers, school-related professionals, academic and professional faculty in higher education, professionals in education, in health care and retirees statewide.

Thank you for the opportunity to testify today on the proposed 2018-19 Executive Budget for Elementary and Secondary Education. I am joined by Michael Mulgrew, President of United Federation of Teachers.

The state of public education in New York is improving, however, we have much more to do.

We must continue to work together to ensure each and every student receives a high quality education that prepares them for college and career.

We must continue to work towards reducing unnecessary testing in our schools.

We must restore the joy of learning and teaching in our classrooms.

The 2018-19 Executive Budget provides a year-to-year increase of \$769 million, or three percent in overall support for K-12 education, of which \$338 million is provided for Foundation Aid (of which \$50 million is a community schools set-aside). Significantly more funding is needed to maintain current levels of academic services and programs and to provide many needed enhancements in school districts across New York State.

This year in particular, state support for schools is critical. The tax cap is set at two percent. The tax cap will continue to impede local school districts' ability to raise revenue, while school districts grapple with greater, more intense student need, coupled with increased mandatory costs. Under this year's tax cap, \$400 million can be generated by school districts state-wide. This places an even greater importance on school aid for 2018-19, as it will be an integral and important source of additional revenue for many school districts.

SCHOOL AID

The Executive Budget allocates an additional \$769 million in school aid, or approximately three percent more than the amount approved in the 2017-18 Enacted Budget. This includes \$338 million in Foundation Aid (\$50 million of which is a set aside for Community Schools). While this proposed increase is appreciated, it is not enough to maintain current academic programs and services that school districts provide to students.

More school aid will be needed in the Enacted Budget, however, to support existing services. Both the Board of Regents and the Educational Conference Board have called for additional funding for public education.

The increased amount needed to maintain current school services is \$1.5 billion (Foundation Aid plus full funding of Expensed Based Aid). NYSUT urges the Legislature to provide this level of funding and, as the Educational Conference Board has recommended, provide an additional \$500 million in targeted funding to be used for: continued support for struggling schools, increased funding to meet the needs of English language learner students, high-quality professional development, expanded access for college and career pathways and to assist districts with growing enrollment.

Increasing Foundation Aid is particularly important. This aid is distributed pursuant to a formula that incorporates the cost of educating a student, the needs of students within each district, variations in regional costs and the district's local ability to support the cost of educating its students.

While we are cognizant of the state's current fiscal situation, additional Foundation Aid is necessary.

The chart below illustrates this point. The cost of the increase in the TRS rate, \$200 million, is greater than the increase in Foundation Aid for all districts outside of NYC, a total of \$131 million.

TRS Rate and the Executive Budget

Foundation Aid Increase	\$338 million
Community Schools Setaside	-\$50 million
Net Statewide Increase	\$288 million
NYC Net Increase	\$157 million
Rest Of State Net Increase	\$131 million
TRS Rate Increase	\$200 million

NYSUT Research & Educational Services

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Remember, due to the tax cap, \$400 million total can be raised locally by districts state-wide, placing greater importance and pressure on state support of our schools to maintain current services and programs for students. State aid, on average, only makes up 38 percent of school district revenues. Every school district in our state needs an increase in aid to ensure they can cover the ongoing costs of existing programs.

In challenging times, public schools remain the best investment our state can make. We urge the Legislature to continue to make the necessary investments in Foundation Aid to build on the progress that has been made in recent years.

FOUNDATION AID

NYSUT calls for a real commitment to fully-fund the Foundation Aid formula within three years. We support conducting a new cost study to determine the amount needed to provide students with an education that prepares them for the future, based on current factors. NYSUT would also support revisiting the formula weightings for poverty, disability, enrollment growth, English language learners and geographic sparsity. How the wealth factor is adversely affected by temporary, drastic changes, such as when a resident of a school district receives a large inheritance or receives lottery winnings and other factors, should also be examined.

Schools are implementing new learning standards, planning budgets with new restrictions on local revenue in the form of the tax cap, providing increased services for English language learners, and striving to establish more pathways to college and careers. The regional cost index should also be reviewed, as economic factors in different areas of the state have likely changed since the formula was enacted.

Again, NYSUT believes that adequately funding the Foundation Aid is the best vehicle to addressing the needs of all our students.

APPR

I would like to now speak with you about testing in teacher evaluations. With changes in state standards and testing coming on board in the next few years, now is the time to make significant changes to New York State's teacher evaluation system. Teacher evaluations should be returned to local control with no state mandates. With nearly 700 unique local school districts in New York State, a one size fits all evaluation system does not work. The overemphasis on testing has placed an unfair burden on students. Furthermore, changes in the federal law contained in the Every Student Succeeds Act (ESSA) eliminated the mandate for testing in teacher evaluations. The purpose of teacher evaluation should be teacher support and development so the children they serve have the best teachers possible. These changes are necessary to restore parents' trust in the state education system. We urge you to work with us to make these statutory changes.

EXPENSE-BASED AIDS

NYSUT opposes the Executive Budget proposal to limit growth in major expense-based aid categories (*e.g.*, Building, Transportation and BOCES Aids) to two percent, beginning in the 2019-20 school year. This proposed cap on expense-based aids would damage BOCES programs and services as well as building and transportation aid reimbursement to districts in these areas, forcing them to choose between, for example, busing children or shuttering programs and enrichment for students. Furthermore, since school districts must comply with the tax cap, these unexpected local costs (due to unexpected aid cuts) will negatively impact district finances as well.

COMMUNITY SCHOOLS AND RECEIVERSHIP

NYSUT would like to again thank the Legislature and governor for their commitment to and support of Community Schools, which are schools that provide wraparound services for students with extraordinary needs. We know that poverty impedes a student's ability to learn and community schools have been successful counteracting this untenable situation for so many students. These schools have succeeded in: increasing graduation rates; reducing dropout rates; closing the achievement gap; reducing chronic absenteeism, especially due to inadequate health care; increasing student participation in afterschool and summer programs; and reducing grade retention.

Our schools must not only provide education and instruction but must also address the social and emotional needs of our students. Social and emotional development and learning play an important role in making schools safe, maintaining a caring school climate and enhancing student motivation. We need to ensure that trained professionals, such as certified school psychologists, school social workers and school counselors are readily available in our schools to provide the appropriate clinical services to each student whenever necessary.

The Executive Budget contains a provision that continues to require school districts to set aside \$200 million (an increase of \$50 million) from Foundation Aid for community school conversions with significant ELL and homeless student populations. NYSUT urges the Legislature to maintain the \$150 million in existing community schools funding while

supporting \$50 million in new funding through a Community School Categorical Aid. We firmly believe funding for community schools is critically important and should supplement, not supplant, Foundation Aid.

NYSUT firmly believes that the community school model, which provides necessary supports and services to students and their families, is the best way to turn around struggling and persistently struggling schools. The Executive Budget no longer provides funding solely for these schools. NYSUT strongly opposes the discontinuation of the \$75 million in funding for these schools. There are currently 71 school buildings under Receivership located in 11 school districts in the Big 5 School Districts, Albany, Hempstead, Mt. Vernon, Poughkeepsie, Troy and Wyandanch. Since Foundation Aid has not been fully phased-in, these districts are underfunded by \$2 billion.

Due to years of inadequate state funding, school districts with struggling schools who serve high poverty populations have been forced to make drastic cuts regarding staffing, programs and services. These decisions negatively impact both the school and students' academic performance. These schools have two common characteristics: chronic poverty and underfunding by the state.

NYSUT urges the state to repeal the receivership law. This law mislabels schools, students and educators based on the failed implementation of the "Common Core" and flawed state standardized test scores, without acknowledging the specific strengths and progress of students and educators in those school communities. This law blames educators, rather than addressing the real fundamental problems that are symptomatic of these schools – high concentrations of students living in poverty and chronic underfunding. The provisions of this law attempt to privatize public education and strip away local control from parents and their local, democratically elected school boards. There is no evidence to support the argument that firing educators raises student achievement. This harmful provision in the law strongly discourages educators from working in struggling schools, as these schools serve significant high-needs populations. We should do everything we can to support our educators in these schools, not penalize them.

CHARTER MANAGEMENT OPERATORS

I would now like to turn to the issue of charter management operators. Currently, school districts are being penalized and damaged by the state's process for charter school tuition reimbursement. Our traditional public schools should not be held responsible for state-mandated increases in charter school tuition payments. Low-wealth, high-needs districts are hit especially hard by the current lagged system. These schools are already struggling financially to provide a sound basic education. NYSUT calls for the elimination of public school districts' obligation to fund charter schools. Specifically, we ask that the funding for charter schools be provided directly to them by the State, without using school districts as piggy banks.

The estimated total of tuition payments made to the charter industry by public schools in 2017-18 is expected to be approximately \$2 billion, an increase of almost \$200 million from the previous year. However, no corresponding accountability and transparency provisions have been enacted to ensure that these public funds are being spent appropriately.

Furthermore, the NYSUT's analysis of charter balance sheets in 2017, regarding their cash reserves of \$396.4 million demonstrates why the charter industry must be held to stricter standards of accountability and transparency.

In addition, the property tax cap law treats public schools and charter schools differently. Unlike public schools, charter school budgets can increase without any public approval. The property tax cap law holds charter schools harmless but requires public school districts to provide increased funding if the charter school enrollment increases. NYSUT continues to believe it is unfair to taxpayers that the current charter school law does not require public transparency for charter management operators who support these schools.

This law should be strengthened to increase accountability and transparency with regard to how students are served and how public dollars spent. The state should impose more rigorous oversight provisions to prohibit ethical and financial conflicts for charter operators. We strongly urge the governor and Legislature to: allow audits of Education Management Organizations (EMOs) and require charter regulators and their management companies to publicly provide any and all financial records related to their schools; ensure charter schools enroll and appropriately educate English language learners, students with disabilities, students living in poverty and students in temporary housing; ensure students are treated fairly; provide more transparency and accountability in the use of state and local funds; require charters to hold the same percentage of reserves as other public schools; prohibit interest-bearing loans from management companies to the charter school; prohibit the use of public funds for advertising; provide both the New York State and New York City Comptroller the authority to escrow the funds in real estate transactions; recoup charter school money from the New York State Education Department (NYSED) for students living outside the district; escrow funds in question when students are proven to live outside the district and make NYSED pay instead of the district in the interim; ban unrelated business income; require charter boards to be publicly elected, or have designated publically elected board seats; subject charters to the open meetings law; require a public referendum before there is a charter approval; prohibit personnel from working for both the charter management company and a related charter school itself; prohibit any charter authorizer, or approving school board member from having any personal or professional relationship with the charter, or any charter building development; prohibit charters from using monies for private ventures; prohibit charter operators from operating for-profit companies that contract with charters; require charter schools boards to establish conflict of interest and ethics policies; and require centralized charter admissions/lottery wait lists by the local public school board/district.

OTHER CHARTER INDUSTRY CONCERNS

NYSUT opposes the amended regulations adopted by the SUNY Charter Schools Committee, which we believe violates the law and allows unqualified teachers to work in their charter schools. NYSUT, along with UFT and two charter school teachers, have filed suit to stop the Committee from implementing these regulations that would "certify" teachers in SUNY-authorized charter schools with just a month of instruction and a week of practice teaching.

NYSUT firmly believes the committee exceeded its legal authority and usurped the role of the Legislature by adopting a new and less rigorous set of certification standards for some of the state's charter schools. These new rules would significantly undercut the quality of teaching in SUNY-approved charter schools and would create an essentially fake certification process – one not valid for employment in New York's public school districts, other charter schools or the public schools in other states.

TAX CAP

As I have already mentioned, the two percent tax levy limit for 2018-19 will have serious negative effects on our students and their schools. This year, school districts will generate \$400 million statewide to fund their programming. Eliminating or amending the tax cap continues to be a priority for NYSUT.

Living under a tax cap has hindered most districts' ability to restore recessionary cuts to classroom services. Without significant additional aid, and a reasonable adjustment to the tax cap for costs beyond their control, many school districts will lack sufficient resources to fund current programs. The tax cap hurts our poorest districts the most by placing severe limits on their ability to raise funds.

Short of a full repeal, NYSUT urges the Legislature to enact the following changes to the current tax cap: change the allowable tax levy limit to two percent or CPI, whichever is greater; eliminate the supermajority requirement; eliminate the possibility of negative levy limits; and allow for exemptions to include items such as increased enrollment, spending on school security measures, BOCES capital expenses and including PILOTs (payments in lieu of taxes) in tax base growth factor determinations.

TEACHER CENTERS AND OTHER PROFESSIONAL PROGRAMS

I would now like to turn your attention to programs that improve teacher quality and support vital professional development initiatives that ensures all educators have the resources, mentoring and support needed to help students learn in the classroom.

The Executive Budget eliminates \$20 million in funding for Teacher Centers. Teacher Centers are the only state funded vehicle guaranteed to provide comprehensive, ongoing professional development and support services to educators and school-related professionals in all school districts, including more than 200 high-needs districts, BOCES, non-public and charter schools. We respectfully request funding be restored to its 2008-09 level of \$40 million.

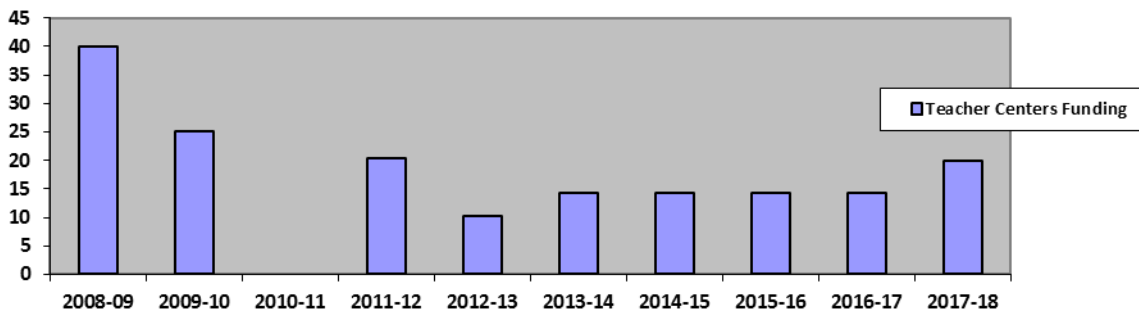
Evidence based research has demonstrated that Teacher Centers are the most cost-effective and creative way to deliver classroom relevant professional development to teachers and quality programs delivered in support of school related personnel. Teacher Centers have also successfully promoted the use of technology in the classroom and provide much-needed support for various STEM programs.

The following are just a few of programs that highlight the important work that Teacher Centers do across the state: the Buffalo Teacher Center offered a professional development

opportunity for pre- and in-service teachers to work collaboratively to find best practices for students with disabilities; the Eastern Upstate Regional Network in Utica participated in a Poverty Simulation Professional Development program that equipped area educators with an instructional strategies guide which was based on engaging impoverished students to collect data that provided indicators of success and impact on student achievement; the New York City UFT Teacher Center’s instructional coaching program responds to state and school system priorities, school-based initiatives and the needs of individual practitioners; and in Long Island, the Nassau regional Center, in collaboration with Hofstra University, has held full day Technology Conferences.

The statewide teacher center network has already developed, and is offering, professional learning sessions for educators who work with English Language Learners (ELLs). Teacher Centers provide customized professional learning sessions to meet the unique needs of ELLs. The centers have developed, and are currently sharing, “ELL anchor lessons” targeting ELA, Math, Science and Social Studies for pre-K–12 educators and school related professionals.

Additionally, Teacher Centers have created professional development sessions that may be accessed in-person or online so educators from across the state can easily benefit from their services. This is especially beneficial for rural districts in need of high-quality professional development.



The Executive Budget funds the Mentor Teacher/Intern Program (MTIP) at \$2 million. MTIP provides support for new educators by easing the transition from teacher preparation to practice, ultimately increasing the skills of new educators. This program reflects best practices in mentoring, improves teacher quality and helps bolster the educational performance of students instructed by new teachers. We respectfully request that funding for this program be increased to its 2008-09 level of \$10 million to provide more opportunities and support services for new educators.

The Executive Budget funds National Board Certification, the highest credential in the teaching profession, at \$368,000. The impact of National Board Certification on student learning, school climate and teacher effectiveness continues to be confirmed by numerous research studies. National Board Certification is a highly respected, professional, voluntary credential that provides numerous benefits to teachers, students and schools. It was designed to develop, retain and recognize accomplished teachers and to generate ongoing improvement in schools by enhancing teacher effectiveness and supporting improvements in teaching and learning.

In 2017, for the first time since the inception of this program, educators were denied participation to National Board because funding was exhausted. We urge the state to expand the number of teachers who can participate in this program. We ask that funding be increased to \$1 million to enable more educators to take advantage of this highly-effective certification program.

4201, 4410, 853 AND SPECIAL ACT SCHOOLS

NYSUT continues to strongly support the missions of 4201, 4410, 853 and Special Act schools. We call on the state to work towards achieving educational funding parity with our school districts. Specifically, we urge the Legislature to provide regular, predictable increases in their tuition rates. While the increased funding of the last several years for 4201 schools is maintained in the Executive Budget, more funding should be provided to these special schools to ensure students receive the services they need and to ensure appropriate staffing levels to provide those services.

Specialized schools have no taxing authority, nor do they receive typical school aid increases that benefit public school districts and their students. Students attending these schools have specialized educational needs that cannot be served in another setting. We urge the Legislature to ensure that these schools receive adequate support so they may better plan and prepare for the future without the worry of financial insolvency. As you move into budget negotiations, we urge you to provide all of these schools with a funding percentage increase on par with that of our traditional public schools.

We also strongly support the provision contained within the Executive Budget that provides \$17.2 million for increased salaries for staff in 4201, 4410, Special Act and 853 schools, who are covered by the increased minimum wage enacted in 2016.

EXPANSION OF PRE-KINDERGARTEN AND FULL-DAY KINDERGARTEN

In the area of pre-K education, the Executive Budget proposes an increase of \$15 million in funding for three- and four-year olds.

The Executive Budget would provide additional funding to encourage school districts to offer full-day kindergarten programs. School districts implementing full-day kindergarten in 2018-19 would be eligible for additional aid in 2019-20 in an amount equal to 50 percent of the district's 2018-19 Full-day Kindergarten Conversion Aid.

We wholly support continued investment in full-day universal pre-kindergarten and support investing in full-day kindergarten for every child.

As a former classroom teacher in a high-needs elementary school, I know from personal experience that one can readily determine which students come from a high-quality pre-K program. Quality full-day pre-K opportunities lead to better outcomes in the academic and social development of children. Studies show that these programs increase graduation rates, reduce grade retention, increase reading and math proficiency and increase college

participation and completion. The social and economic benefits are striking and result in healthier lifestyles.

It is far more cost-effective and educationally sound to invest in school readiness at the front end rather than playing catch-up on the back end.

CAREER AND TECHNICAL EDUCATION AND SMART START

Another important issue for NYSUT is Career and Technical Education (CTE). In 2015, the New York State Board of Regents approved multiple pathways to high school graduation and made changes to the diploma requirements. This pathway provides work-based learning opportunities and allows students to take approved, rigorous examinations which tests their knowledge of technical skills to fulfill part of the Regents examination graduation requirement. The New York State Board of Regents has emphasized that funding support is essential for building multiple pathways to high school graduation for students.

NYSUT urges you to include the provisions contained within A.2363 (Nolan)/S.3919 (Ritchie) in this year's Enacted Budget. This legislation provides resources to support and expand access to CTE programs in BOCES, component districts and the Big 5 School Districts.

Additionally, the current aid formula for BOCES CTE programs has not increased since 1990. The state only provides aid for the first \$30,000 of a BOCES instructor's salary. The state should update the BOCES aid formula by increasing the aidable salary to the state average salary for teachers.

Similarly, Special Services Aid provides state support for CTE programs in the Big 5 School Districts. This funding formula pre-dates the Foundation Aid formula and should be updated to use the Foundation Aid per-student formula to calculate the aidable amount per student.

Additionally, Special Services Aid is currently limited to grades 10-12 in the Big 5 School Districts. We support 9th grade being included, to align these types of programs with the Regents' adoption for multiple pathways to graduation.

Both of these funding gaps reduce state support for CTE programs and shift the costs of these vital programs to local school districts. New York should invest sufficient funding in order to respond to the economy's increasing demand for diverse and technically prepared workers.

NYSUT supports the Executive Budget proposal to provide \$6 million for the creation of a Smart Start computer science and engineering program. NYSUT looks forward to working with the Executive and Legislature to ensure our students have access to programs to help equip them for the economy of tomorrow. We believe in order for the Smart Start program to be successful, teachers should have a seat at the table to share their expertise in helping to shape and implement this program.

SUMMER SCHOOL SPECIAL EDUCATION

NYSUT opposes the Executive Budget proposal that would shift costs from the state to school districts in 2018-19, by replacing the current across the board 80% state share with a wealth adjusted formula. This proposed change in the Executive Budget would cause a large number of school districts that are already constrained by the tax cap, facing state-mandated charter school tuition increases and the prospect of a lower-than-needed Foundation Aid amount, to be reimbursed at lower levels, creating an estimated loss to school districts of \$70 million per school year.

AFTER-SCHOOL PROGRAMS

NYSUT strongly supports the 2018-19 Executive Budget proposal that maintains \$35 million and adds \$10 million to the Empire State After-School Program. This will expand the number of students served by 6,250 students.

We also urge the Legislature to restore the Advantage After-School Program to the 2016-17 funding level of \$22.3 million. Last year, this program was cut by \$2.5 million, affecting 1,800 students.

After-school programs provide an opportunity to enrich and improve a child's academic, social and emotional well-being. NYSUT supports both of these programs which help close the achievement gap while supporting our students, educators and parents.

POWER PLANTS AND FINAL COST REPORTS

Another very important issue for NYSUT is the growing number of school districts that have been or will be affected by power plant closures. We urge the Legislature to continue to provide funding in this year's budget to ensure school districts are fully reimbursed by the state when districts are affected by the closure of power plants, like Indian Point, or where the full valuation of a tax base has been reduced, such as in North Rockland. The Legislature has appropriated funds for school districts already facing these issues, such as KenTon in Western New York, and we thank you and ask for your continued commitment to affected districts.

I want to now speak to the perennial issues and problems surrounding penalties related to a school districts' final cost report for capital projects.

Currently, if a school district makes a ministerial error on, or does not submit its final cost report in a timely fashion, the district is in jeopardy of losing all of its building aid from the state. This system of oversight is antiquated and unduly punitive and has caused problems in both high- and low-wealth districts.

In the end, the current system hurts students. If a district runs into problems with its final cost report, it could be forced to slash programming and resources from our children because of the harsh penalty in law. I believe this was not the intent of the Legislature.

Furthermore, the current penalty of clawing-back state aid, stemming from either a mistake in or a late submission of a district's final cost report has a much greater impact on low-wealth, under-resourced school districts. These districts are not equipped to absorb the impact these penalties have on programming and resources for students. For low-wealth districts, facing the loss of state building aid is potentially catastrophic, as they would not be able to levy the taxes required to absorb the fiscal hit to their budget.

Currently, there are seven school districts, throughout the state that have been identified as having their state aid subjected to recovery for problems associated with their final cost reports. The school districts are: North Syracuse; Panama (Chautauqua County); Mt. Morris (Livingston County); Spackenkill (Dutchess County); Chester (Orange County); Sayville (Suffolk County); and Roscoe (Sullivan County).

The North Syracuse school district is in jeopardy of losing nearly \$30 million in state aid, or 21 percent of its annual school budget. The Chester and Panama school districts are facing relatively larger recoveries in terms of the percentage of their overall budget. In the case of Chester, the state building aid penalty is equal to 97 percent of its entire annual school budget.

Typically, low-wealth districts take on school building capital projects only because of the promise of state building aid. Without the state's assistance, these districts would never be able to afford these projects on their own.

Each legislative session, the Legislature finds that it must deal with a number of bills that normalize and validate final cost reports in order to save districts from losing their state aid, thereby protecting student academic programs and services.

Surely there is a better, more efficient way to oversee building aid projects by school districts without sacrificing the health and safety of those who work and learn in our schools while still maintaining strict fiscal controls.

NYSUT urges the elimination of any fiscal penalty to a school district stemming from ministerial errors associated with final cost reports.

IMPOUNDMENT OF FUNDS

Another area of concern is the reauthorization of the director of the Division of the Budget (DOB) to prepare a spending plan that reduces state spending when federal Medicaid funding is reduced by more than \$850 million, or federal aid outside of the Medicaid program is reduced by more than \$850 million. This plan shall be submitted to the Legislature for action within 90-days. If the Legislature does not act, the spending plan submitted by DOB would take effect automatically. NYSUT strongly believes that there should be meaningful consultation and input between the Legislature, education stakeholders, the health care field and local governments to ensure critical programs and services are not negatively impacted.

PROHIBITION OF BREAKFAST AND LUNCH SHAMING/SCHOOL BREAKFAST PROGRAM

The Executive Budget requires all public schools, including charter schools and non-public schools that participate in the national school lunch program or school breakfast program, to develop a plan to address “Breakfast After the Bell” and “lunch shaming” of students. Lunch shaming occurs when a student, who is enrolled in a school lunch program, is denied a school lunch because of his or her parent or legal guardian has not paid, or is unable to pay, the lunch fee. This proposal will help to ensure that a pupil whose parent or guardian who has unpaid school meal fees is not shamed or treated differently than a student who does not have unpaid meal fees.

NYSUT is appalled that the practice of lunch shaming actually occurs and is committed to helping eradicate this practice in New York State and supports this proposal. No child or parent chooses to be poor or to go hungry and should not be shamed by the school. Lunch shaming must not be tolerated under any circumstances. Schools should be a positive, supportive place for students, regardless of their economic status.

NYSUT supports the Executive Budget “Breakfast After the Bell” proposal that public elementary schools, secondary schools and charter schools with at least 70 percent of students eligible for free or reduced-priced meals be required to offer all students a school breakfast after the instructional day has begun.

NYSUT supports programs that encourage, expand and establish new school breakfast programs. In addition, we support legislation that provides healthy foods in our schools to help reverse the trend of childhood obesity in New York.

We respectfully request that this proposal be amended to require educators and school related professionals to be consulted at the first stage of discussions through collective bargaining to provide meaningful engagement and feedback regarding implementation of these two initiatives.

OPPOSE THE REDUCTION OF SPECIAL EDUCATION SERVICES

NYSUT strongly opposes the Executive Budget proposal to allow school districts, BOCES and private schools the ability to petition the State Education Department for “flexibility” in complying with certain special education requirements.

This proposal would erode the quality of education for these students and diminish the protections these critical resources provide in educating our students with disabilities.

We should not ignore the individual needs of students with disabilities and we should support and expand general education services and programs for students who have learning difficulties. Students with different abilities require a team approach and one that needs to be carefully monitored throughout their education. We should protect our most vulnerable students and ensure they receive the best possible education without watering down standards.

SCHOOL SPENDING REPORTING

The Executive Budget proposal on school spending reporting requires large school districts, which rely heavily on state aid, to submit school-level funding plans to the State Education Department (SED) and the Division of the Budget (DOB) for approval. NYSUT's own analysis of this proposal estimates the total number of districts at fifteen. The districts we have identified, all high-needs, are: Buffalo, Jamestown, Niagara Falls, Rochester, Syracuse, Elmira, Binghamton, Utica, Rome, Schenectady, Newburgh, Yonkers, New York City, Hempstead and Brentwood. Currently, due to the requirements contained in ESSA, SED and stakeholders are already working on a system of reporting that mirrors the proposal in the Executive Budget. The Executive Budget proposal includes state approval of a district's plan by both the director of the DOB and the commissioner of SED which, NYSUT is concerned that this could diminish local control of duly elected boards of education and local citizens' autonomy in voting on local school budgets.

DIVERSITY PROGRAM

The Executive Budget proposal requires the commissioner of education, in cooperation with the commissioner of the Division of Human Rights, to establish and develop curriculum, lesson plans and best practice instructional resources to establish the "Respect for Diversity Program" for eighth and ninth grade students.

NYSUT supports this initiative and respectfully requests that educators and school related professionals have a meaningful role in helping to develop this curriculum. We believe that having educators involved in this process makes sense as they will ultimately be the ones who will teach the curriculum in the classroom.

GANG PREVENTION

The Executive Budget proposes additional funding for school districts to support gang prevention and resistance initiatives for middle- and high-school students in at-risk communities. NYSUT supports this proposal and also supports organizations like the Council for Unity, which develops, in conjunction with school districts, unique curriculum and methodologies that empower young people in schools and their respective communities that have proven results in reducing violence, bias and bullying. NYSUT firmly believes that all children, and the educators that work with them, deserve a safe, healthy school environment and support programs that provide enrichment and an alternative to gangs.

STATE REVENUE

NYSUT urges the Legislature to pass a progressive tax plan for the state's highest earners which would raise several billion dollars in new revenue annually to support public education, health care and infrastructure improvements. This tax on state residents making more than \$5 million is both fiscally and socially responsible.

This common sense proposal needs to be enacted to ensure that our schools, colleges and healthcare institutions have the resources they need to properly educate students and treat those seeking care.

The Fiscal Policy Institute reports that contrary to the insistence by some, that progressive taxation will drive away the wealthiest taxpayers, however, this is not the case. Recent research on “millionaire taxes” by Cristobal Young of Stanford University, illustrates that the rich are generally so tied to local economic and social networks that they have largely not moved out of the states that have imposed higher income taxes.

Since the enactment of changes to the state’s income tax structure in 2009, the number of high-earners in New York has climbed and their incomes have grown much faster than that of the state’s working- and middle-class. The total income on high-earner returns grew by 45 percent, more than three times faster than all other New York tax returns.

Additionally, NYSUT fully supports closing the “carried interest” loophole, which allows partners at private equity firms and hedge funds to pay a greatly reduced federal tax rate on much of their income, by declaring it to be capital gains. This income, however, is regular income, and should be taxed as such. Private equity firms and hedge fund partners should be taxed at the same rate as teachers, nurses and every other worker, by raising state income taxes on private equity and hedge-fund partners who live in New York, making it equal to the tax savings they receive from using the loophole at the federal level. We urge you to enact these proposals.

CONCLUSION

In conclusion, investing in our students, their futures and New York’s public schools, is a commitment to the future of this great state. NYSUT looks forward to partnering with the Legislature to ensure our students receive the necessary resources and programs for a high-quality, 21st century education that prepares them for college and career.

Again, thank you for the opportunity to testify before you today. I will now turn it over to Michael Mulgrew, President of the United Federation of Teachers.