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Alliance for Quality Education Testimony to the Joint Senate Finance  
and Assembly Ways and Means Committees  
February 3, 2015  
Billy Easton, Executive Director

Good day. My name is Billy Easton. I am the executive director of the Alliance for Quality Education. I would like to thank chairpersons Farrell, DeFransisco, Nolan and Flanagan for giving me the opportunity to testify before you today. My organization is coalition that represents hundreds of thousands of parents, students, teachers, and community members across the state. Every year, the members of AQE fights for an adequate and equitable education budget. Every year, we testify before you to say that our young people can't wait any longer. We are now more than twenty years since the Campaign for Fiscal Equity lawsuit was filed, and, yet, we are here asking the legislature to make a significant down payment to education funding in the enacted budget. We are asking for \$2.2 billion in new school aid, an amount supported by 83 legislators in both houses, and bolstered by the NYS Board of Regents \$2 billion recommendation. This amount, would bring us a step closer to getting back on track with CFE and will allow schools to not only maintain the current level of services, but also begin to make much needed restorations to the programs and staff they have been cutting since 2009. Our students and our communities can't wait. The time to act is now. **Let's stop with the attack on public schools and finally fulfill the Court of Appeals ruling from 2006.**

**School Funding: Perpetuating Inequality**

The school aid increase of \$1.06 billion proposed in the governor's executive budget falls far short of the \$2 billion or more that the State Board of Regents, 83 Assembly and Senate members<sup>1</sup>, and the Educational Conference Board identified as necessary to make restorations to the cuts of the last few years and begin making improvements across the state. Our schools need a \$2.2 billion increase and it needs to be focused on high needs schools and students. It should include a mix of foundation aid and GEA restoration. Foundation aid clearly helps high need districts much more than GEA—76% of Foundation Aid goes to high need districts while only 36% of GEA does.

Under the tenure of the Cuomo administration, inequality of opportunity has reached record setting levels this budget proposal would only make matters worse. The graph below (for more information see

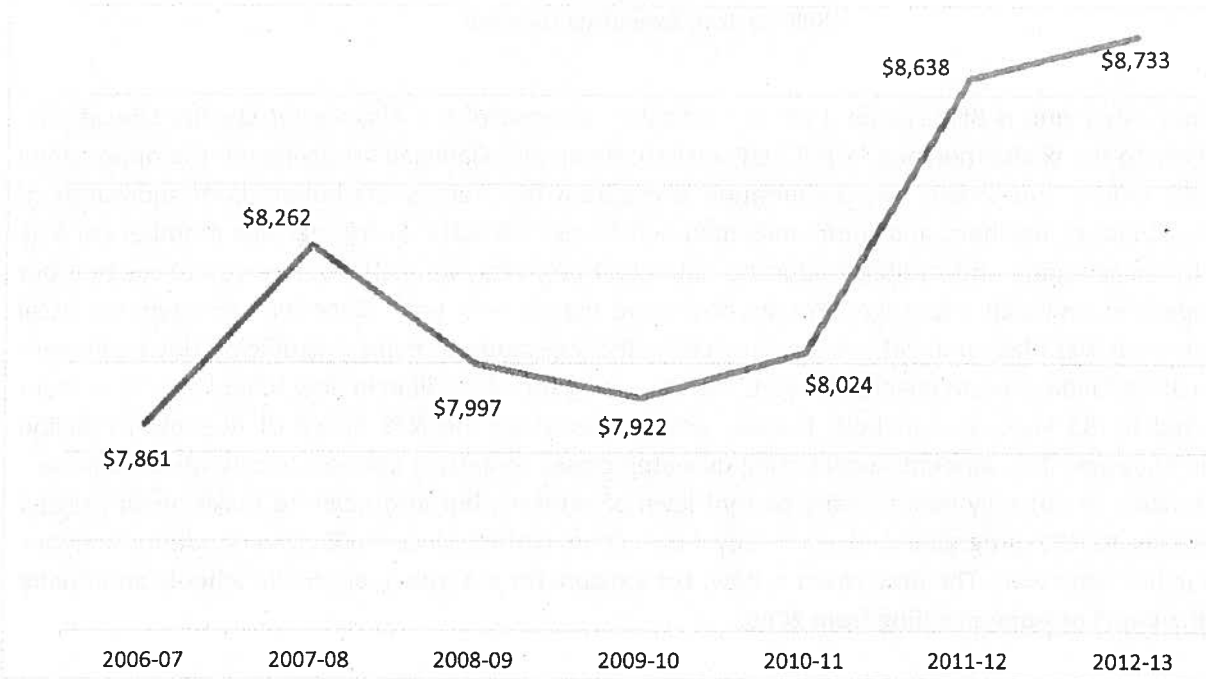
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<sup>1</sup> <http://www.aqeny.org/2015/01/release-assembly-member-nolan-senator-parker-call-for-more-education-funding/>



our recent report *Record Setting Inequality*<sup>2</sup>) shows that inequality between wealthy and poor school districts grew by \$700 per pupil in the first two years Governor Cuomo was in office. For the poorest school districts, whether they are rural, small cities, suburban or large cities this inequity of funding means deciding whether they need to cut art and music or Advanced Placement courses, librarians or guidance counselors.

### Record Setting Inequality Gap



Contrary to the governor’s statements, money matters in education. Adequate funding buys a sufficient number of teachers to keep class sizes down. It buys music instruments and art supplies. It buys field trips and maintains recess. It ensures that high school seniors do not finish their school day at 11 am because they do not have any more courses to take, as was reported by one of the school districts we toured this past year. Adequate funding ensures programming in schools that allow for increased graduation rates. It is a major factor in the 27 percentage point difference in grad rates that exists between the 100 wealthiest and 100 poorest school districts?

Year	Graduation Rates		Difference
	Poorest School Districts	Wealthiest School Districts	
2005-06	63%	88%	26%

<sup>2</sup><http://www.aqeny.org/wp-content/uploads/2015/01/final-final-record-setting-inequality.pdf>



<b>2006-07</b>	62%	89%	27%
<b>2007-08</b>	64%	88%	25%
<b>2008-09</b>	64%	89%	25%
<b>2009-10</b>	63%	90%	27%
<b>2010-11</b>	66%	91%	25%
<b>2011-12</b>	66%	93%	27%
<b>2012-13</b>	65%	92%	27%
<b>2013-14</b>	66%	92%	26%

As a result of the Governor's budget, the State Education Department is required to reduce the amount of state aid to schools by 10 percent. This means that schools in low income communities will receive 10 percent less state aid than they would have received otherwise.

A recent national longitudinal study revealed that a 10 percent increase in spending in low income communities, not only improves the likelihood of students graduating by 11%, but also increase their adult income earnings by 9.5%.<sup>3</sup> We would be in denial to continue to say that “money does not improve performance,” as the governor stated in his State of the State speech.

To add insult to injury, the governor’s budget is holding school aid hostage to push for his destructive “reforms” which would be better described as “deforms.” The primary element of these reforms is that they contain more state control over local school districts and over teaching in every classroom in your communities than ever before in the history of New York State.

The governor is holding you, your school districts and the students and families you represent hostage. The governor keeps repeating that school aid runs are not necessary until there is a budget agreement. I ask you, do you agree that you do not need school aid runs?

Schools are required to submit their estimates for tax levy increases to the State Education Department by March 1. Not even having an estimate of how much school aid they will be receiving hinders schools from preparing their budgets, educating their communities and kicks voters out of the budget creating process. Simply, the governor is playing politics with our schools.

NYS owes our schoolchildren \$5.9 billion, \$4.9 billion in the Campaign for Fiscal Equity settlement funding, and \$1 billion in GEA.<sup>4</sup> We urge you to reject the governor’s inadequate proposal and include \$2.2 billion in new school aid to satisfy the constitutional standard. We urge you to enact one house

<sup>3</sup> <http://www.washingtonpost.com/blogs/wonkblog/wp/2015/01/20/when-public-schools-get-more-money-students-do-better/?Post+generic=%3Ftid%3Dsm+twitter+washingtonpost&utm+source=Sailthru&utm+medium=email&utm+term=Capital%20Education&utm+campaign=Capital%20Education%2001%2F21%2F15>  
 Jackson, K., Johnson, R., & Persico, C. (2015). The Effects of School Spending in Educational and Economic Outcomes: Evidence from School Finance Reforms, *The National Economic Research*  
<http://www.nber.org/papers/w20847>

<sup>4</sup> <http://www.aqeny.org/wp-content/uploads/2014/08/REPORT-NY-Billions-Behind.pdf>



budgets that decouples school aid from the Governor's radical state control agenda and to require the State Education Department to issue school aid runs along with your one house budgets.

In addition to being inadequate, the executive budget is also misleading and destructive. Governor Cuomo called the current New York State teacher evaluation system "baloney." If it is baloney then he is Oscar Mayer. You will no doubt recall that the Governor forced all of you to accept his teacher evaluation system with a political gun held to your head. Simply put he said your school districts would receive no funding increase unless they adopted his teacher evaluation system. At the time, his PR team succeeded in getting *TIME Magazine* to name him one of the *World's 100 Most Influential People* in 2012 in part due to his teacher evaluation system.<sup>5</sup>

Governor Cuomo's solution is to increase the role of standardized testing despite huge public opposition. He is proposing that 50% of teacher evaluations be based on state tests, disregarding the overwhelming evidence this approach doesn't work. Do you really want tens of thousands of angry parents blaming you for yet more higher stakes tied to testing, more teaching to the test, more stressed out and frustrated children? Once again the Governor is holding a political gun to your heads. Are you going to let him dictate education policy for your local schools?

Governor Cuomo says, "Everyone will tell you nationwide the key to education reform is a teacher evaluation system." In fact, the American Statistical Association warns "that teachers account for about 1% to 14% of the variability in test scores", and that ranking teachers based on test scores "can have unintended consequences that reduce quality."<sup>6</sup> The RAND Corporation concluded that test scores should not be used in "high-stakes decisions about individual teachers or schools."<sup>7</sup> The National Research Council's Board on Testing and Assessment states that using test scores in this way is far too unstable to be considered fair or reliable."<sup>8</sup> In New York, parents, teachers and administrators alike have panned the Governor's approach as overly simplistic, and too focused on standardized tests.<sup>9</sup>

The Governor is employing the rhetoric of those who want to reduce education to standardized testing, treat our children as widgets and our teachers as cogs in a machine. But there is no evidence to back it up. The outcome will be more teaching to the test, which is bad for the education of our children. It will also punish teachers who dedicate themselves to teaching low-income students.

#### **Expanding Pre-K Statewide: Hollow Promises for Upstate and Suburbs**

Last year's enacted budget included \$300 million for full day pre-K for NYC and \$40 million for the rest of the state despite Governor Cuomo pledging a "blank check," to fund districts as they came forward with a plan. The 2014 funding added approximately 32,000 seats in New York City, but **only 5,300 in the rest**

<sup>5</sup> [http://content.time.com/time/specials/packages/article/0,28804,2111975\\_2111976\\_2111987,00.html](http://content.time.com/time/specials/packages/article/0,28804,2111975_2111976_2111987,00.html)

<sup>6</sup> [https://www.amstat.org/policy/pdfs/ASA\\_VAM\\_Statement.pdf](https://www.amstat.org/policy/pdfs/ASA_VAM_Statement.pdf)

<sup>7</sup> Daniel F. McCaffrey, Daniel Koretz, J. R. Lockwood, Laura S. Hamilton (2005). *Evaluating Value-Added Models for Teacher Accountability*. Santa Monica: RAND Corporation.

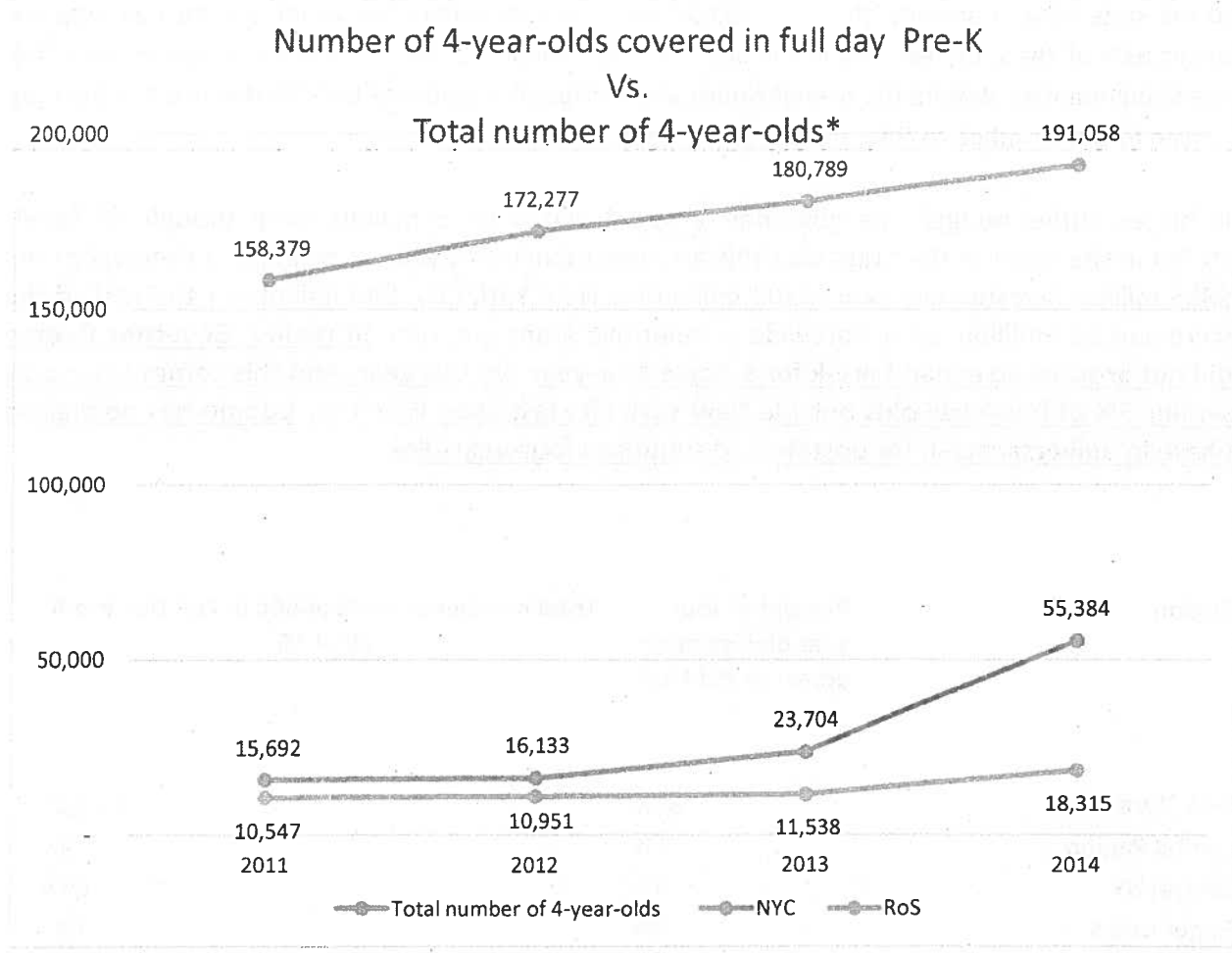
<sup>8</sup> National Research Council, Board on Testing and Assessment (2009). *Letter Report to the U.S. Department of Education*.

<sup>9</sup> <http://www.lohud.com/story/opinion/editorials/2015/01/21/gov-cuomo-wrongly-focused-teacher-evaluations/22129435/>

**of the state (5%).** Currently, there are 96,000 four-year-olds waiting for a spot in a full day program, about 61% of the four-year-olds in the state. Approximately 51,000 of them are in low income/high need communities, despite the overwhelming and indisputable evidence that full day pre-K is the most proven to work method to close the opportunity gap.

In his executive budget, the governor re-appropriated \$365 million, even though he falsely stated in the State of the State that this are new money this year. It is simply a renewal of the \$365 million invested last year--\$300 million for New York City, \$40 million for the rest of the state and \$25 million for a statewide competitive grant program. **In reality, Governor Cuomo did not propose to expand pre-k for a single four-year-old this year. And this comes after only serving 5% of four-year-olds outside New York City last year. Governor Cuomo has no plan to phase in universal pre-K for upstate and suburban four-year-olds.**

Region	Percent of four-year olds gaining access in 2014-15	Total number of seats added in Full Day Pre-K 2014-15
New York City	39%	31,680
Capital Region	1%	92
Central NY	9%	697
Finger Lakes	3%	296
Hudson Valley	7%	1,805
Long Island	4%	1,059
Mohawk Valley	9%	424
North Country	1%	45
Southern Tier	3%	193
Western NY	6%	689



\*The total number of four-year-olds is based on Kindergarten enrollment. The NYSED assumes that 85% of the children attending Kindergarten would also enroll in pre-K if there were as many seats available. We make the same assumptions in this report. The numbers are taken from the NYS school report card database.

**Charter Accountability: Another Bait and Switch**

The Governor is right that there is a major problem with privately-run charter schools cherry picking students. He promised “anti-creaming” legislation to make sure they serve their share of students in the highest poverty, students with disabilities and English language learners. The problem is that his “anti-creaming” legislation for charter schools is toothless. The only new requirement involves charters self-reporting student demographics. It does not change current law at all in terms of enforcing any requirement to actually serve the same spectrum of high needs students as are served by public schools. It’s anti-creaming legislation without the anti-creaming provisions. Further, the Governor failed to propose anything to require greater fiscal accountability for charters. The First Deputy Comptroller recently warned of charter schools engaging in “practices that are questionable at best, illegal at



worst.”<sup>10</sup> Yet **the Governor proposed nothing to crack down on fraud, waste, or abuse in the charter school industry.**

**The Governor and his hedge fund backed charter allies are relying on this toothless enforcement legislation to provide cover for a massive expansion of charter schools.** Currently there are 159 available charter school slots, including 24 for New York City. The Governor would add 100 new slots, but he would open up all of the 159 for any location in the state—meaning that New York City could rapidly see another 259 privately run charter schools. But the Governor also proposes to increase state subsidies for privately run charter schools to \$575 per student, on top of tuition paid by local school districts.

New York's charter schools are flush with cash, holding \$282.3 million in taxpayers' money in the bank. While your local school districts cannot hold more than 4 percent of their annual budget in reserve funds, 82 percent of the state's charters are holding more than 4 percent of their annual budgets in reserve. And nearly 200 charters studied have, on average, 25.3 percent of their annual budgets in cash reserves - more than six times what regular public school districts are permitted to keep. Five charter schools had enough cash in the bank at the close of fiscal 2013 to fund more than a year of operations without any new revenue.<sup>11</sup> Yet you are being asked to add more funding for them and none of this money is being held hostage. A great deal of this additional state funding will go to New York City charter schools if you raise the cap or alter the provisions that separate the state and city caps. This will divert hundreds of millions of additional state and local dollars away from public schools. **This enormous growth in charters and charter funding would come with no additional accountability for the charter school industry.**

## **Improving Low Performing Schools: Good Sound Bite, Failed Policy**

The Governor is right that the state needs to improve education in many schools. That has been our argument all along. Over the years, the Governor has made a big splash off of programs like community schools, extended learning time and statewide pre-K. But he's invested a very small amount of money—enough to get a headline while serving only a small fraction of students. For instance, in the 2013 State of the State he promised extended day to every school district that wants to “opt in”, saying if they do it, the state would pay 100% of the additional cost.<sup>12</sup> But, as with universal pre-K, he never delivered on this promise. **If Governor Cuomo put his money where his mouth is and invested what is necessary to turn every one of these schools into community schools, with extended day, a high quality curriculum and full-day pre-K throughout the state, we would see dramatic improvements. The research cited by his own education commission proves that.** But that would require asking millionaires and bankers to pay their fair share in taxes in order to finance those programs. Fair taxation in order to fund these programs could hurt Governor Cuomo's campaign war chest and his future political ambitions.

<sup>10</sup> <http://www.washingtonpost.com/blogs/answer-sheet/wp/2015/01/23/five-key-questions-to-ask-now-about-charter-schools/>

<sup>11</sup> <http://www.nysut.org/news/2015/february/nysut-analysis-shows-ny-charter-schools-flush-with-cash>

<sup>12</sup> <http://www.governor.ny.gov/news/transcript-governor-andrew-m-cuomos-2013-state-state-address>

The Governor is proposing a state run takeover of local school districts and schools by **turning control of a local school district over to a “receiver”, who essentially becomes the czar of the school district.** The Cuomo plan would eliminate the powers of the elected school board and the superintendent, and would make the voices of parents, students and voters moot as the new school czar, who would most likely be a private consultant, would call all the shots. The same plan would be applied to individual schools as well as districts. The school czar could fire all the teachers and administrators, turn the school into a charter school, or insist on other top down dramatic actions. The one power the school czar would not have is additional funding to create the needed programs. For the most part these interventions are borrowed from federal No Child Left Behind programs. **Educationally, the plan is destined to fail in most cases. In fact, a comprehensive review of these type of interventions nationwide found that “Overall, there is little or no evidence to suggest that any of these options delivers the promised improvements in academic achievement.”**<sup>13</sup> The research on what does work shows clearly that one of the essential elements is strong parent and community ties,<sup>14</sup> but Governor Cuomo’s top down interventions ignores parents and communities. **It may be a good sound bite, but it’s bad policy.**

### **Private School Voucher Tax Credit: Pure Privatization**

**This is nothing more than a give-away to the wealthy.** Corporations and individual taxpayers would receive a tax credit equal to 75 percent of their contributions, up to \$1 million a year. That is a total of \$100 million in taxpayer money going primarily to private schools. In a cynical political ploy, the Governor is holding passage of the DREAM Act hostage in order to win support for the private school tax credit.

### **Market Reforms Do Not Work in Education**

The Governor’s education agenda places him in the national spotlight alongside presidential contender and former Florida Governor Jeb Bush and other leading proponents of a “market reform” agenda for education. This agenda applies market forces to school reform. Test scores are used as a bottom line to measure schools and teachers, just as Wall Street uses a balance sheet to measure profits. Privatization and “market disruption” through expanding charter schools and tax credit voucher programs are hallmarks of this approach. Using high stakes test scores to label schools as “failing”, and to trigger top down takeovers by a single person with the virtually unlimited powers of a corporate CEO, jumps straight out of the corporate “turnaround” playbook. And proclaiming that money does not matter in public education, while insisting on more funding for privately run charter schools, is one of the leading sound bites of the market reformers and their hedge fund sponsors. The problem is that market approaches to education reform have failed. Dr. Margaret Raymond, the director of CREDO, a nationally renowned conservative education think tank at Stanford University, summed it up recently:

*“I actually am kind of a pro-market kinda girl. But it doesn’t seem to work in a choice environment for education. I’ve studied competitive markets for much of my career. That’s my*

<sup>13</sup> <http://nepc.colorado.edu/files/Mathis-SANCTIONS.pdf>

<sup>14</sup> [http://ccsr.uchicago.edu/downloads/9954essentialsupports\\_onepager\\_final-2.pdf](http://ccsr.uchicago.edu/downloads/9954essentialsupports_onepager_final-2.pdf)



*academic focus for my work. And (education) is the only industry/sector where the market mechanism just doesn't work.<sup>15</sup>"*

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<sup>15</sup> <http://www.educationdive.com/news/credo-director-the-free-market-doesnt-work-in-ed/343780/>

