



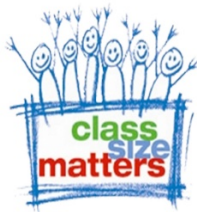
Finance Chair Krueger & Weinstein, Education Chairs Mayer & Benedetto and other members of the committees, thank you for the opportunity to be before you today. It is my distinct pleasure to testify at this joint budget hearing this year. First and foremost, thank you for your multi year commitment to fully fund Foundation Aid and invest in the education of the children of New York State.

Fully Funding Foundation Aid:

For the first time, fully funding public schools through the Foundation Aid formula is a part of the executive budget proposal. The \$1.6 billion increase in Foundation Aid, and \$2.1 billion increase for public schools, will greatly support most school districts in New York. It is truly a happy event during these pandemic years to be able to say that finally, after decades of fighting and pushing for equitable school funding, we do not have to argue over our children’s right to “a sound basic education” which our constitution requires. So, for that, on behalf of all the parents and community members that work with AQE, I thank you. We look forward to working with you all to ensure that the funding provided to school districts across the state is spent to ensure that our students’ needs are met, so they can thrive. We also look forward to working with you to enhance the formula with needed updates in the future.

The continuation of the student mental health support grants and the alternatives to school discipline are a positive note in the executive budget. We also welcome the following:

- **\$2M** for grants to school districts to support programs designed to improve school climate.
- **\$50M per year for the next two years in state matching grants** for school districts that use federal COVID-19 relief funding for (i) the employment of mental health professionals, the expansion of school-based mental health services, or other evidence-based mental health supports for students and school staff or (ii) the creation or expansion of summer learning, after school, or extended day and year programs for students.
- **\$2M for additional** master teacher and school counselor awards to support individual high-performing teachers and school counselors (with \$15,000 stipends), prioritizing support of teachers of color, CTE teachers, and guidance counselors.



January 13, 2022

To the NYC Department of Education and NY State Education Department officials in charge of NYC's proposed Contracts for Excellence plan for the 2021-2022 school year:

We have great concerns about DOE's failure to allocate a single penny out of its targeted funds towards class size reduction in their proposed plan, even though in 2003, the State's highest court in the Campaign for Fiscal Equity case said that class sizes in NYC schools were a systemic problem that robbed NYC students of their constitutional right to a sound, basic education. [Class size reduction](#) is one of only a handful of reforms proven to provide real equity by narrowing the achievement/opportunity gap between racial and economic groups. Smaller classes have been shown to result in higher test scores, better grades, more engaged students, and fewer disciplinary referrals – especially for those students who need help the most. *And yet class sizes in the NYC public schools have increased since the Court of Appeals issued this decision.*

We also question why the DOE claims that they received no more C4E funds this year, given that NYC schools are receiving \$530 million in additional state foundation aid during SY 2021-22, increasing to \$1.3 billion annually over next three years, to fulfill the goals of the CFE lawsuit.

We oppose the fact that DOE has informed principals that if they choose to use these funds in the category of class size reduction, they can be used to maintain current class sizes or limit class size increases. Maintaining and/or minimizing increases in class size would not provide any progress towards the smaller classes that NYC students need and deserve, according to the state's highest court.

Another persistent problem with the DOE's plan is their insistence that they can use these funds to supplant or fill in holes created by the city's own tax levy cuts, as stated in their [proposed plan](#) and their [budget allocation memo](#), even though supplanting is specifically prohibited in the C4E law. Again, it would make no sense to allow state funds to be used where the city itself has made budget cuts, which would also mean no progress or improvement in terms of providing equitable learning conditions for NYC students. If the State is allowing the city to use these funds to supplant its own support for staffing or for other critical programs, the State should specify the language in the C4E law or the regulations which would allow this.

Finally, the timing of public hearings and comments occurs too late in the year to make any difference, and the state's approval process of the proposed plan is meaningless since these funds have long been spent. The DOE must be required to hold hearings and schedule the public comment period in the spring, with the submission of the plan by July 1, to ensure that there is meaningful public input into the spending of these funds, and that the plan complies with the language and the intent of the C4E law.

As it stands, year after year, the DOE has ignored the input of parents and teachers on this issue. Every year that the DOE's surveys have been administered, smaller classes have been the top priority of K12 parents when asked what changes they would like to see in their children's schools. According to a UFT teacher survey, 99% NYC teachers responded that class size reduction would be an effective reform to improve NYC schools, far outstripping any other proposal. And yet DOE refuses to follow through on a critical reform that we know for sure would lead to improved student outcomes, especially for children of color, English Language Learners, students with disabilities and those from low-income families.

Yours sincerely,

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I wish I could say that our work here is done. The executive budget as proposed by Governor Hochul includes bright and not so bright spots

Continue & Strengthen the Contract for Excellence:

We are pleased with year two of the three year phase in of Foundation Aid, and the continuation of the Contract for Excellence. The Contract for Excellence was enacted in 2007 as the accountability tool for the Foundation Aid increases that schools were slated to receive. The C4E, as it became known, was not used effectively for all the years during which the increases were not substantive. Now, as we are in the second year of the three year phase in of Foundation Aid, when school districts will receive \$1.6 billion, we have a chance to ensure that the districts currently under the C4E meet those accountability criteria, engage the community and ensure that they are spending their increases in a way that is meeting students' needs. For this to happen, the state must provide a meaningful timeline and demand that school districts follow the C4E process. This is particularly important for school districts such as New York city which had specific targets for class size when Foundation Aid was first implemented but has not met them.¹

Maintain & Expand Community Schools:

The executive budget proposal does not increase funding for community schools, a strategy that has a proven track record in addressing the needs of the whole child.² We encourage the legislature to continue the state investment in community schools, as the pandemic illustrated how important schools are for students and their families, as well as the community. During remote learning and school closures due to COVID community schools were best able to support students and their families through the disruptions caused by the pandemic. They were also able to connect families to other community resources and ensured their students had access to the technology they needed to participate in remote learning. Schools serve as hubs for learning, but also have to address health needs, mental health and nutrition needs. Ensuring that our communities have well resourced community schools ensures the success of our students.

Curb Ballooning Charter School Cost:

The executive budget includes a proposal to increase the per pupil rate for New York City charter schools by 4.7%, from \$16,123 to \$16,844, bringing the total amount that charter schools are estimated to receive from \$2.6 billion to \$2.9 billion. At the same time, the per pupil increase in Foundation Aid that New York City is expected to receive is \$340. Charter schools in New York City will receive twice as much per pupil, \$721 compared to public schools. The state has made a commitment to charter schools, yet it passes that commitment to school districts, obligating them to provide the payments that often are two or three times larger than what they spent on the students attending public schools.³ At the same time, there is little public

¹ file:///Users/marinamarcou-omalley/Downloads/final%20C4E%20comments%201.13.22.pdf

²<https://learningpolicyinstitute.org/product/community-schools-effective-school-improvement-brief>
<https://learningpolicyinstitute.org/product/social-and-emotional-learning-case-study-humanitas-report>
<https://learningpolicyinstitute.org/blog/four-ways-schools-can-support-whole-child>

³ file:///Users/marinamarcou-omalley/Downloads/charter%202022%20digital.pdf

accountability regarding the funding that privately run charters receive. New York City seems to be disproportionately affected by this as it is mandated to provide space or pay the rent for charters, without receiving any transitional aid.

Executive Budget Lacks Investment in Young Learners:

The executive budget only maintains the existing pre-K funding. It does not make additional investments to expand Pre-K to districts that still don't have universal Pre-k, nor does it make changes to the rates that school districts receive for universal pre-K. New York State must fully fund 'the Statewide Universal Full-Day Pre-K' (SUFDPK) program for districts outside of New York City so *all* school districts, including those districts that already receive UPK funding for either full or half day programs, in the State to offer full-day pre-K to all their students.

The evidence is overwhelming. It shows that pre-K and early care and learning programs are not only some of the most effective educational strategies for addressing inequality, they also are some of the best ways to ensure that parents and guardians can be part of the workforce. For every dollar invested in early care and learning, the return on investment is \$3 to \$7. Every year, the state spends an enormous amount of funding in special education, in remediation, and in incarceration, all of which are decreased when children have access to a quality full day pre-K program. **By providing at least \$10,000 per child to all districts that currently have or need to implement pre-K, the state can begin to ensure that children are put on a path of success early on. Further, with more than half of all pre-K services offered in community programs, the state, in collaboration with local districts, needs to do more to promote equity in funding between public school and community-based programs.**

In addition, the state must provide funding to establish Regional Technical Assistance Centers to support Pre-K and early childhood education/child care. These centers will support the improvement of existing programs and the roll-out of quality, culturally responsive and sustainable early childhood programs. They will strengthen coordination of efforts between school districts, child care providers and other early education programs, and services in the regions that focus on improving outcomes for children and families. These centers are especially critical in suburban and rural areas with numerous small school districts. The technical assistance on Long Island has been able to work with school districts and community based organizations to ensure coordination of the field and ensure that pre-K is implemented correctly and sustainably.

Additionally, the state must increase the percentage of pre-K slots that need to be in community-based organizations, including family based programs. This will ensure that school districts continue to work with the early childhood/child care programs, ensuring continuity of development and learning for children, alleviating the transportation issue that many families face (because pre-K transportation is not offered by school districts as it is not paid for by the state), but more importantly, allowing families the choice to keep their children in the environment they are used to attending and going through the fewest transitions possible.

The state must make policy changes to facilitate early childhood/child care programs become eligible to contract with school districts to provide pre-K.

- Extend the study plan option.
Pre-K lead teachers without certification must have a Bachelor's degree in Early Childhood or a related field and a written study plan approved by an accredited college or university for obtaining a teaching license or certificate valid for service in the early childhood grades. This includes: Early Childhood (Birth – Grade 2); (n-6); or (Pre-K-6) certification.
Depending on their date of hire, lead teachers who meet these qualifications must obtain the necessary early childhood certification as follows:
Whichever is later:
By June 30, 2023; or
By three to five years from their date of hire as a lead teacher in a district-contracted pre-K class.
- The state must study the possibility of allowing for program curriculum appropriateness as sufficient requirement for the program to be eligible for state funding and use teacher experience instead of degree or certification

Increase funding for preschool special education programs

As the State continues to invest in Pre-K, it must ensure that preschool students with disabilities are not left behind. Preschool special education programs provide high-quality education services to preschool students with significant developmental delays and disabilities who would not be appropriately served in general education Pre-K classrooms. Unfortunately, inadequate State funding over the years has forced dozens of programs to close and led to a shortage of seats in these programs, leaving preschool children with disabilities without the services they need and have a right to receive. The pandemic has only added financial challenges that have made it even harder for these programs to continue operating. In New York City alone, there is a projected shortage of more than 900 seats for the spring 2022.

We are pleased that the executive budget included \$240 million for special education and preschool special education programs. We support this rate increase, which will help ensure that preschool special education programs stay open and can provide high-quality services.

While the FY 23 rate increase is much needed, the State must also take steps to support the long-term stability of preschool special education programs. We support the Board of Regents recommendation that the budget include \$1.72M to design a new rate-setting methodology, with stakeholder input, to update the way payment is calculated, and to suspend the annual "reconciliation" process to provide interim relief to programs while the rate-setting methodology is redesigned.

Child Care funding is critical and it's blatantly missing from the executive budget.

The executive budget does not invest in child care in a meaningful way. The expansion of eligibility of families for child care subsidy to 300% of the federal poverty level or to \$79,600 for a family of four would take three years. The state is flush with cash from the federal government and is facing a substantial surplus. The best economic development strategy is investing in children and families. Investing in young children provides the greatest return on investment.

Child care in NY is in crisis. Over 1500 providers in NY have permanently closed their doors since the pandemic leading to even more child care deserts.

Child care providers serve not only infants and toddlers but they also provide before and after school care to children up to age 12. Child care educators are essential workers. The programs that remained opened during the height of the pandemic looked after many school aged children when schools were closed. They provided safe and quality care to the children of all the essential workforce and in return they received poverty wages.

Child care is the foundation of a child's life. The brain development that happens during the first 1000 days of a child's life will determine how successful and healthy children will be as they grow up.⁴ To ensure continuity of care and learning and make sure that our children start Kindergarten ready, the state must make bold investments to transform the child care system, expand access to programs, and ensure that both the system and the teachers and programs that provide the service are compensated on par with public school teachers.

The enacted budget must include an investment of \$5 billion to increase access, capacity of the child care system and compensate providers and teachers appropriately. Of that \$5 billion, \$2.8 billion must be invested to ensure that low and middle income families have access to early education programs. A scaled phase in of truly universal child care, means no requirements for access to the program of a family's choice for low and middle income families, and then a sliding scale for those with higher incomes.

The remaining \$2.2 billion (of the \$5 billion) must be invested in the workforce. New York should establish a \$500 million workforce compensation program to raise child care worker wages without raising child care costs for working families through the state. It should also create a workforce stabilization fund to ensure that the programs and providers who are struggling or who have closed their doors because of the pandemic have the resources to reopen and operate sustainably, while the state is working on a true cost of care/service reimbursement model that allows teachers and providers to be paid on par with public school teachers.

Mayoral Control In New York City:

Lastly, the executive budget included a renewal of mayoral control for New York City until 2026. The system of mayoral control often operates with little regard to parents priorities and concerns, especially from Black and Latinx parents. As we have seen during the COVID-19 pandemic, many parents concerned about the safety of their children and families demanded a remote learning option. But their cries fell on deaf ears. Even as COVID spiked throughout the city and within the schools, the mayor refused to listen to the concerns of parents. Instead of renewing a system of control that leaves out major stakeholders like parents, it's time to revisit community control or a co-governance structure. We urge the state to provide NYSED with the resources to develop a commission to make recommendations on how NYC schools can re-empower parents to have more control over their schools.

⁴ <https://thousanddays.org/why-1000-days/building-brains/>
<https://midb.umn.edu/news/first-1000-days-critical-time-childrens-brain-development>

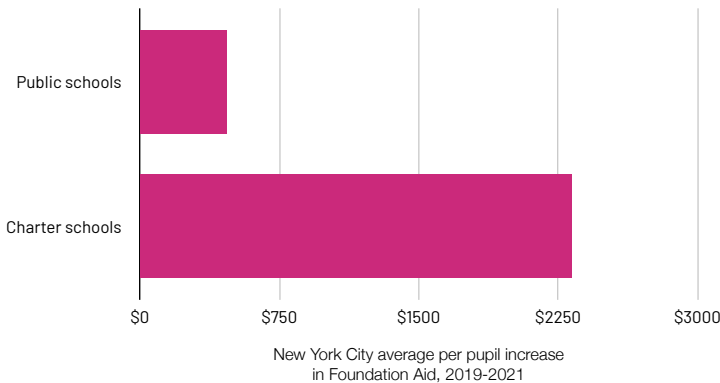
In closing, this year's executive budget is positive for K-12 public schools. We applaud the Governor for keeping her promise to fully fund Foundation Aid. We hope the Governor and the legislature will build on that investment by making child care a top priority and expand that investment to our youngest learners. The New York State budget has the resources to make these bold investments, the time is now to put our state on a path to universal child care.

A MAJORITY OF NEW YORK CITY'S SCHOOL AID INCREASE GOES TO

CHARTER SCHOOLS.

In New York City, public schools enroll 1,033,669 students, while charter schools enroll 145,000 students – **just 14% of students in New York City.**¹

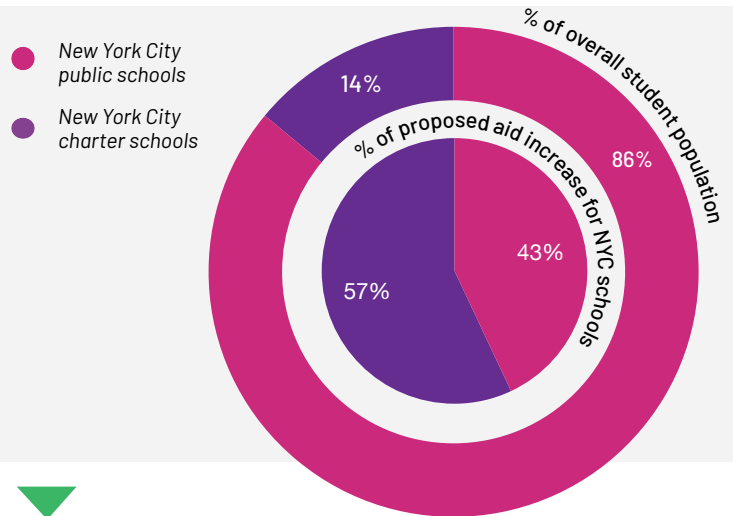
In 2022, New York City's public schools are slated to receive a \$349 million increase in Foundation Aid. But New York City is obligated to increase aid to charter schools by over \$200 million – **57% of the total increase in state operating aid for public schools going to just 14% of students.**



HOW?

State law mandates that local school districts pay tuition to charter schools in that district – payments that in recent years have been two or three times larger than what the district spends on the students attending public schools.

The result is that privately run charter schools get **larger increases per student than public schools, even though they educate only a fraction of students.**



THIS IMBALANCE IS NOT NEW.

From 2019–2021, students at New York City's *public schools* have received an average increase in state aid of \$471 per student. But at New York City's *charter schools*, students have received an average increase of \$2,325 per student – **nearly five times as much per pupil as public schools.**

Governor Hochul & the State Legislature must take action in the 2022-23 budget to ensure that the majority of school aid increases go to the system serving the majority of students, our traditional public schools. In order to stop the ballooning cost from school districts to charter schools the state budget must include:

- 1 Increase in the charter school supplemental aid to be proportional to the charter school payments. This will help school districts use their funding to meet their students' needs instead of losing funds to charters.
- 2 Increase the reimbursement rate to 100% instead of the current rate of 60% that school districts can claim from the state.
- 3 Adjust the New York City mandatory charter school rent payments back to 20% of the tuition payments, instead of 30%.
- 4 The charter school tuition formula must be revised to minimize the financial impact on public schools. If the state wishes to continue to invest in charter schools, it must do so without pushing the financial burden onto school districts or divert resources from them toward the privately run charter schools.