



Our Kids Can't Wait: Pass the Schools for New York's Future Act

Our state government is now one-and-a-half years overdue in complying with the state Court of Appeals order to fix the school funding system. Each passing day that the order of our highest court is met with defiance and delays undermines the very institutions of our democracy. What is worse is that another day goes by where many school children's right to a "sound basic education" is being denied. **The Schools for New York's Future Act** (A.100) is designed to ensure that every child across New York State will receive an education consistent with the State Constitution and the order of the Court of Appeals in the Campaign For Fiscal Equity (CFE) case. The funding levels provided are based on the most comprehensive study ever done of a state's education funding system, and the 2005 order handed down in the case by Justice Leland DeGrasse.

In CFE, the court found that the State had violated the state constitution by denying schoolchildren the opportunity for a "sound, basic education." While the ruling was specific to New York City, the school funding system requires a statewide solution. The Court of Appeals set a July 30, 2004 deadline for the Governor and the Legislature to fix the problem. Our bill is co-sponsored in the Assembly by over 60 Assemblymembers. There are no Senate sponsors to date and the Senate has offered no alternative legislation to fulfill the court order.

Why We Need Statewide Legislation:

The *Schools for New York's Future Act* was written with extensive input of AQE, a coalition of over 230 organizations, the Campaign for Fiscal Equity and numerous other statewide organizations. **This bill would bring rationality and fairness to the system, so that every child in the state can succeed.**

Many of the conditions in New York City exist elsewhere in the state, including larger classes, unqualified teachers, out-of-date buildings and educational resources, and insufficient services for at-risk children. The problem is the current irrational school aid system. A logical system would divide state school aid dollars based on the relative needs of kids in different school districts and the relative ability of taxpayers to pay for their children's education. Under such a system, children in districts with higher poverty rates and less local tax dollars would not be short changed on educational resources. The current system has strayed from this ideal. Instead, school aid is awarded today based on a political deal in which different regions of the state get pre-determined shares. For example, New York City has traditionally received exactly 38.86% of state aid increases, irrespective of changes in such factors as enrollment and the number of poor children. Even in school districts with adequate resources, superintendents cannot plan effectively because the existing formula does not provide a predictable amount of school aid each year. Our bill would permit effective planning, and simplify the formula to facilitate public participation in the process.

Enactment of the Schools for New York's Future Act would benefit all regions of the state and all types of school districts. By expanding the total school aid pie, the bill is able to provide substantial increases for poor rural, urban, and suburban districts and even "average-need" districts in addition to New York City. The bill would provide, after four years, an average 68.2% increase for the "Big 4 Cities" (Buffalo, Rochester, Syracuse, and Yonkers), 73.4% for high-need rural districts, 87.5% for high-need urban and suburban districts and 54.6% for average-need districts. No district would have its state aid cut. Every district would benefit due to the predictability provided by the new formula and the bill's accountability provisions.

The State must meet the requirements of the constitution and the court order, regardless of budget constraints. School aid reform can be funded in a manner that is both fair and fiscally responsible. The bill phases in the new operations funding over a four-year period, taking much of the pressure off this year's state budget. AQE supports funding the court decision through progressive taxation, including income taxes on high-income individuals and closing corporate tax loopholes, rather than through regressive local property tax increases.

It is time to stop stalling and comply with the court order. It is time to get the job done for our children.

The Schools for New York's Future Act: How It Works:

The Schools for New York's Future Act would provide \$8.6 billion in additional state operations funding for schools statewide after four years, when fully implemented: a 77.3% increase. Roughly one-fourth of the funding mandated for each district would be provided in the first year, or \$2.2 billion. New York City would receive a \$4.6 billion increase (\$101.6%): \$1.1 billion in the first year. The funding levels are based on the most comprehensive costing-out study of schools ever done in the United States. Here is how the bill works:

The bill establishes a simplified funding formula that ensures that every school district spends at least the "actual cost" of a sound, basic education, so that all students can succeed.

- ✓ ***Start With a Standard Amount for Each Child to Determine Each School District's Spending:*** The calculation of what each school district ultimately needs to provide a sound, basic education starts by determining a standard foundation amount for each child in the state of roughly \$8000. Each district's allocation is then determined by multiplying the foundation amount by the number of enrolled pupils. The foundation amount would replace over 30 present aid categories, ensuring greater predictability, and enabling all school districts to more effectively plan. Children enrolled in universal pre-kindergarten will be counted in each district's enrollment count, ensuring a steady funding stream for this critical program for four-year olds. (Transportation, BOCES, building and a few other aids would be funded separately.)
- ✓ ***Adjust the Standard Amount to Reflect the Costs of Educating Children:*** The basic foundation amount would be adjusted for each district by factors that we know critically affect each school district's educational costs: the numbers of low-income and disabled children, and English Language Learners in the district. Each school district's allocations would also be adjusted to take into account the different costs of educating children in every region of the state, and by a sparsity factor (ensuring that rural districts are not shortchanged).
- ✓ ***Fairly Allocate the Split Between the State and Local School Districts:*** The bill would then determine a state and local share of each school district's costs of providing for a sound, basic education, based on each district's ability to pay for educating its children, and the number of poor children in the district. The formula substantially increases the current state share of education funding, so that the State pays 49.3% of the cost of the operations funding statewide. For many districts, the proportion of total expenditures paid by local property taxpayers would decline. No district would receive less aid than it received in the 2004-05 year. For New York City and other districts that have not met state standards, this fair local share would be mandatory.

The bill ensures adequate school buildings to enable children to learn.

- ✓ The State Dormitory Authority would be authorized to issue \$10 billion in bonds over a 5-year period to relieve overcrowding, reduce class sizes, and to respond to other capital facilities issues identified by the Court of Appeals. Of this amount, \$9.2 billion is allocated for New York City, due to the City's urgent capital needs. The state budget would include an average annual appropriation of roughly \$640 million to cover the amortization cost of the bonds. (This amount would vary from year to year.)

The bill establishes a system that is accountable to parents and to taxpayers, and that ensures the new monies spent on education are used wisely.

- ✓ Districts whose students are not meeting state standards would be required to develop four-year sound, basic education plans (SBE Plans) that would replace most current planning requirements. SBE Plans would be required to measure outcomes in the areas the courts have determined are critical to raising student achievement, including class size reduction, adequate schools facilities, quality teaching, pre-kindergarten services, and services for at-risk students, including after school programs. The bill also requires extensive public participation of parents, teachers, administrators, and school-based shared decision-making teams throughout the process. (Districts meeting standards would be required to develop master plans that consolidate many of the burdensome reporting requirements in present law.)