

New York State 2024-25 Enacted Proposal for Public Education & Child Care

Foundation Aid

	Enacted Budget	Executive Proposal	AQE Priorities
Total Proposed School Aid Increase	\$1.3 billion increase.	\$825 million increase.	\$1.3 billion increase.
	Restoration of most of the proposed cuts.	This is a decrease in expected school aid of \$500 million.	
Foundation Aid	<p>\$934 million increase</p> <p>This increase restores Foundation Aid almost to the levels expected in the February projections of school aid.</p>	<p>\$507 million increase. This is a reduction from the projected increase published in the November 2023 financial plan.</p> <p>The executive budget does not provide funding for the Foundation Aid study.</p>	<p>\$928 million increase in Foundation Aid to meet current legal requirements.</p> <p>\$1 million to SED to engage experts and public in studying and updating the formula</p>
Foundation Aid Formula and Aid Changes	<p>The enacted budget rejects the use of the 10 year average of the Consumer Price Index (inflation factor).</p> <p>Instead, it sets the (CPI) inflation factor for Foundation Aid at 2.8, an increase from the executive budget, but a decrease from what was expected before the executive proposal.</p> <p>It also restores the “save harmless.”</p>	<p>The executive budget includes a change in the calculation of the inflation factor, proposing use of a ten-year average of the Consumer Price Index instead of the one-year prior, which is currently used. This amounts to a decrease in this factor from 3.8% to 2.4%</p> <p>The executive budget eliminates the save harmless provision.</p>	<p>The executive proposal to change the CPI and the save harmless provision must be rejected.</p>

Foundation Aid formula study

The budget includes \$2 million for a Foundation Aid study by the State University of New York (SUNY) Rockefeller Institute of Government in consultation with the State Education Department, contracted third parties, education advocacy groups, practitioners and parents.

The process specifies that:

- There will be at least 3 public hearings to gather input from all stakeholders
- there can be contracts with third parties as necessary
- Results, findings, recommendations of the study are non binding
- The study will not establish constitutional minimum cost to provide “a sound basic education”

The study’s outcomes will:

- Be fiscally sustainable for state, taxpayers, school districts
- use only the most recent year or years of available data on pupil counts, student needs, district income and property wealth, and other components including new ones
- consider district wealth and regional cost
- cost of teaching students with various needs
- variations in salaries, cost of living and district spending
- Other considerations include school districts actual contribution to their spending compared to their property tax levy and reserves.

The study is due by December 1st, 2024.

The Foundation Aid formula needs to be updated to reflect up-to-date poverty and student need data from school districts statewide. This process must include an opportunity for meaningful input by school finance experts as well as parents, educators, and all stakeholders. In addition, the process must use a new methodology to determine the base per student amount on which the formula is built, such that it takes into consideration new learning standards and students’ need as they continue to emerge from the pandemic.

Other public education

	Enacted Budget	Executive Proposal	AQE Priorities
Funding immediate student needs in the FY25 budget to bridge any gap in the services provided by our public education system with the expiring federal dollars	No extra funding for programs supported by expiring federal relief dollars.	The executive includes NO extra funding to bridge any gap districts may face from the expiring federal funds	The state must provide at least \$2 billion so that students do not face any gap in services, programming and staff from the expiring federal funds.
Community Schools	No separate funding for community schools.	No separate funding for community schools. This maintains the \$250 million set aside within the Foundation Aid formula.	Community schools funding must be separate from the Foundation Aid funding, not a set-aside.
Pre-K	<p>\$100 million for continuing pre-K.</p> <p>Authorizes the State Education Department to conduct a study on consolidating pre-K funding streams. The study is due December 1st, 2024.</p>	<p>\$100 million for the Universal Pre-Kindergarten program. This is a continuation of the funding provided in the enacted budget for FY 2024 using funding that was unused.</p> <p>Eliminates the “supplement not supplant” provision, allowing districts to combine funding through access to their statewide full day pre-K program allocation.</p>	<p>\$100 million increase for full-day pre-K or update to the per child rate to ensure that early adopters are not locked into a lower rate</p> <p>Focus on increasing rates for school districts that were early adopters of Universal Pre-K who continue to have programs that have to fund from local tax revenue. Currently, some school districts continue to receive \$5,400 from the state per child for full-day pre-K, an amount that is inadequate to cover the cost of any quality program. In addition, school districts that contract with community-based organizations to administer the pre-K program, do not provide an adequate amount for teachers to be paid a thriving wage, condemning the teachers that work for these CBOs to wages that do not cover the basics</p>

Mayoral Accountability (Mayoral Control for NYC schools)

Mayoral control for New York City public schools is extended by two years (until June 30th, 2026).

The Board of Education will consist of 24 voting members:

- 1 member appointed by each borough president
- 1 member from each borough elected by the community education council presidents (total of 5)
- 1 independent member who will be the chair of the board. This member will be selected by the mayor from 3 candidates each selected by the Speaker of the Assembly, the Senate Majority Leader and the Chancellor of the Board of Regents.
- 13 members appointed by the mayor

The executive budget recommends extending mayoral control for four years.

No extension of Mayoral control without a plan to phase it out.

Child care

	Enacted Budget	Executive Proposal	AQE Priorities
Total Investment	The enacted budget includes the \$280 million that the governor proposed in the executive proposal for the workforce compensation fund, funding that was rolled over from the allocation for FY24.	<p>The executive budget proposes no changes or new funding to:</p> <ul style="list-style-type: none"> • the subsidy program in terms of eligibility or expansion of eligibility to include all children regardless of immigration status • copays • workforce stabilization grants • infrastructure or capital funding • subsidy reimbursement rates for legally-exempt 	Invest \$1.5 billion in the child care system to increase compensation of the workforce and expand access to all families.
Support for the early childhood workforce			<p>Investing in the workforce:</p> <p>Create a permanent state child care fund to increase child care worker compensation. This fund should be robustly resourced and sufficient to offer all child care workers compensation parity with similar positions in the public school system. All members of the child care workforce who work in licensed, regulated programs should be eligible to receive compensation supplements from this fund (\$1.2 billion); and</p> <p>Increase rates for legally-exempt child care providers to 75% of the family child care rate and to 85% for providers who are eligible for the enhanced rate as a means of raising compensation for these providers, and require that the enhanced rate is made readily available to interested legally-exempt providers in all Local Social Services Districts (\$50 million).</p>

Other workforce support:

Establish a health insurance premium support program for child care workers as their income rises above Medicaid eligibility levels.

Make child care educators categorically eligible for child care assistance and eliminate the state subsidy rule prohibiting parents from teaching their own children.

Pay child care assistance (subsidies) to child care providers based on enrollment or capacity, not attendance, statewide.

Pay child care assistance (subsidies) to child care providers prospectively (at the beginning of the month, as is the practice with private pay families), not as a reimbursement.

Pay all child care providers at the established market rate, even when that rate exceeds their private pay price (A.2019 (Clark)/S.3070 (Ramos)).

Access for all families**Access for all families:**

The budget included a \$4.3 million increase to the Facilitated Enrollment pilot for children excluded from the Child Care Assistance Program (CCAP) due to immigration status, and for episodic workers.

The executive budget reallocates \$25 million for the employer tax credit, which obligates employers to create or expand child care for their employees (for children under age 3).

Access for all families:

End the practice of denying New York children child care assistance due to immigration status by offering state-funded child care assistance to immigrant children barred by federal law from participating in the New York's Child Care Assistance Program (CCAP) (\$50 million).

Expanding affordability:

Expand access to care for children with special needs by dedicating state funds to provide supplemental payments to child care programs who care for children with special needs (\$50 million).

Prohibit requiring parents or caretakers to earn a minimum wage or work a minimum number of hours to be eligible for child care assistance (\$50 million). (A.10288 (Clark)/S.4924(Ramos)).

Barriers for families and providers**Removing some barriers in accessing child care assistance:**

The enacted budget includes increasing differential payment rates for child care providers operating programs during nontraditional hours (outside 6am to 7pm) or caring for children experiencing homelessness, ranging from 10-15% (increased from 5%).

This increase will take effect on 1st, April 2025.

Removing some barriers in accessing child care assistance:

End New York's long-standing and inequitable rule of tying child care access to parents' exact hours of work, which makes it difficult for many working parents, including parents working in the gig economy or in retail with fluctuating schedules. This law (S.5327A (Brisport)/A.4986A (Hevesi)) was passed overwhelmingly by the Legislature in 2023, then vetoed by the Governor for fiscal reasons (\$70 million).

Take steps to increase capacity for non-traditional hour care by (1) requiring the payment of an enhanced reimbursement rate of 15% statewide for non-traditional hour care; and (2) commencing a pilot program to provide a monthly per-child supplement for non-traditional hour care and start-up grant program for providers seeking to offer non-traditional hour care (\$100 million). (A.1374 (Clark)/S.4079 (Brisport)).

Making applications easier for families:

Enact presumptive eligibility statewide with child care assistance costs covered by federal and state funds (not solely Local Social Service Districts funds), so families do not need to wait for paperwork processing to begin receiving assistance (\$30 million). (A.4099 (Clark)/ S.4667 (Brouk)).

Additional priorities

Reappropriates (no new funding) \$50m for capital projects for which programs can apply through the Office of Children and Families.

Fund CCR&R Infant Toddler Mental Health and Equity Initiatives, where culturally responsive child care that addresses the mental health needs of our youngest children is accessible to all children and families.

Enact legislation requiring New York State's Council on Children and Families or another appropriate body to work with State agencies, providers, advocates, and parents to study the effects of Pre-K expansion on the child care sector across New York State and make recommendations to ensure these two essential systems are aligned and well-coordinated, and the members of the workforce in both sectors are equitably compensated.