



EQUITY & FAIRNESS FOR ALL CHILDREN



Equity Now! Our Children Deserve It

# REFIT Testimony

**2019 JOINT LEGISLATIVE BUDGET HEARING**

## Dear State Leaders:

For over a generation, **REFIT** has advocated for the needs of financially challenged school districts. We appreciate the significant effort you've made to restore funding lost during the Great Recession. Thank you! While total aid has increased, we have yet to address the significant needs of students in financially challenged school districts. The Executive Budget does little to correct the longstanding inequities and in fact, some of the policy proposals create even more injustice in an aid distribution system perennially ranked last in the nation. Your leadership is needed now, more than ever before.

## HERE'S WHAT YOUR SCHOOLS NEED TO BUILD A MORE EFFECTIVE SCHOOL SYSTEM AND A BETTER NEW YORK STATE

- A **Foundation Aid Formula** that is adequate, recognizes student poverty, the increased costs of educating English Language Learners and unaccompanied minors and increased costs in some regions of the state. The Executive Budget proposal is woefully inadequate and will lead to the loss of programs and services to students. By the time the increase in Foundation Aid is divided into the historic "shares" and designated funding is eliminated, the amount left for struggling schools is de minimis. The Foundation Aid formula must be updated and used. Most importantly, the artificial "floor" on a school district's poverty rate must be eliminated. There is no rationale for the state ignoring the actual poverty of its children. The state can ill afford to continue freezing the formula. For districts experiencing enrollment increases, this places an undue burden on local taxpayers to provide state mandated programs and services.
- An approach to **preschool** that allows all school districts to provide this game changing beginning to a child's education. Research proves that this is the only successful way to overcome learning deficits that so many of our children bring to school. A scant few of preschool eligible children attend school-run preschool programs. Taxpayers end up paying more to overcome learning deficits of children that need help earlier. Our fiscally challenged school districts need transportation aid for preschool and they need state preschool aid up front. They simply don't have the resources to loan the state the money to start the program and wait to be reimbursed.
- A rational and consistent way for school districts to maintain **reserve funds**. This would allow schools to prevent fluctuations in local property taxes. All other forms of local governments keep reserves far in excess of our schools. If local governments kept to the school district limit, they would be deemed "in fiscal distress." At the very least, there should be a reserve fund for all school employees; to offset spikes in retirement system payments that damage educational programming. With the tax cap in place, there simply

is no reason to not protect taxpayers from the wide fluctuations in state retirement system payments or tax cap limits that in some years amount to a local revenue freeze.

## **HERE'S WHAT WOULD HARM OUR FINANCIALLY STRUGGLING SCHOOLS**

- **Capping expense based reimbursements for the cost of transportation, BOCES programs and Building Aid.** These reimbursements are a promise made to local taxpayers by the state. Local taxpayers have already paid for these expenses and await the state's fulfillment of its promise to reimburse them. Building Aid in particular results from voter approved debt that would be jeopardized (including payments to bondholders) if the reimbursement were arbitrarily changed after the fact. Artificially capping these reimbursements would wreak havoc on school district finances and local taxes. The result might well be the dismantling of needed programs and services to students.
- **Shifting the cost of special education summer school programs to local taxpayers:** The Executive Budget calls for the deterioration or even dismantling of a vital service provided to our most vulnerable children. Summer programming prevents the loss of learning for those children who work the hardest to make academic gains. Cutting summer school special ed funding forces school districts to scale back on these critically important programs. It forces schools to choose between cutting programs for the general school population or special education students. New York State should not become noted for creating class conflict between our children. Like capping reimbursed expenses, in prior years the legislature has shown the wisdom to reject this proposal. Please do so again!
- **Failing to change the tax cap before making it permanent:** The 2% tax cap has seldom lived up to its name. If the tax cap is to be permanent, it should be an actual 2% cap, rather than linked to the inappropriate consumer price index (which has no relationship to school district expenses.) Secondly, the cap should be on school district budgets and not on the local levy. Placing the cap on the levy creates a tremendous inequity between districts with local resources and those without them.
- **Forcing school districts to submit their budgets to the state for approval and requiring equal spending among individual schools within the district:** This proposal shows a dramatic lack of understanding about the operation of our schools. It costs far more to educate an high school student than an elementary school student. Some schools have more high cost special education students than others. Some schools have longer tenured teachers and the state's Triborough Amendment prevents the school from altering old contracts determining where teachers are assigned. Further half of all school districts don't have more than one school at any given grade level, making this proposal just another burdensome and costly waste of administrative time, district resources and ultimately, the public's money.

## HERE'S OUR CHALLENGE

While New York State spends a great deal on public education, it distributes that money in a horrific manner. Placing severe restrictions on both local and state revenue to already financially struggling school districts prevents children from succeeding. The long term impact of this approach will keep New York State from achieving long term economic viability. We owe both our children and our state a better effort than what is presented in the Executive Budget. That's not just wishful thinking, it's a court ordered mandate on state leaders to provide each child their constitutionally protected sound, basic education. Fortunately, we have committed leaders willing to meet the challenge. We have YOU! Thank you for engaging in that vital effort.

**Respectfully submitted,**

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**Chief Operating Officer**

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President