



Testimony before the Joint Budget Hearing on Elementary and Secondary Education
by Marina Marcou-O'Malley, Co Executive Director,
Alliance for Quality Education

Chairs Krueger and Pretlow, chairs Mayer and Benedetto, members of the joint budget hearing on education, thank you for giving me the opportunity to testify before you today. My name is Marina Marcou-O'Malley. I am the co-executive director of the Alliance for Quality Education, a statewide coalition of community organizing groups, dedicated to organizing low income Black, brown, and immigrant parents to advocate for the well being of their children, starting at birth and throughout their early and school years. We are committed to education for liberation, translating to racial, economic, and social justice for all.

The executive budget for FY 2026 includes changes that are welcome and changes that do not go quite far enough. First, the good parts. We applaud the executive for finally including universal school meals in the budget. From our perspective, hungry kids cannot learn, hungry young people cannot learn, nor can they thrive. We hope that universal school meals will be part of the final enacted budget.

We are pleased that the executive budget:

- **fully funds Foundation Aid at \$1.4 billion** and that school aid is not on the chopping block.
- proposes raising the **state's share for high needs districts to 93%**.
- and, after years of advocacy, recognizes that the Foundation Aid formula requires updates and they were finally made.

In addition, the proposed changes in the Foundation Aid formula to update the outdated free and reduced price lunch measures with Economically Disadvantaged and poverty counts from the 2000 census with the Small Area Income and Poverty Estimates¹ (SAIPE), are changes the State Board of

1

<https://www.census.gov/programs-surveys/saipe/about/faq.html#:~:text=3.-.How%20are%20the%20SAIP>

Regents, the Rockefeller report, and we have supported. As we noted at every opportunity, these changes should not be done in a vacuum. As it stands, the executive proposal delivers a smaller Foundation Aid increase than expected to approximately 24 school districts, 16 of which are high need. Of particular note, New York City is slated to receive \$344 million less of its Foundation Aid increase than was projected in the November publication of school aid by the State Education Department, a result of the changes made in both poverty counts. Another school district that would be negatively impacted is Albany, which is slated to receive \$1.2 million less in Foundation Aid than expected. The Rockefeller report, which recommended this change, also identified that New York City public schools will receive \$399 million less, if SAIPE alone is considered as a poverty indicator.

While we support this change, the state needs to ensure that students and school districts are not negatively impacted. One possible solution to mitigate the impact of using SAIPE is to consider also using a higher percentage of poverty threshold than the federal level. Currently, the federal poverty level is \$31,200 for a family of four. The fact is that, for NYC, this measure drastically undercounts families who live in poverty given NYC's high cost of living. There are many families and children whose needs are not accounted for by the existing formula. Notably, the absence of any weighting or indicator around unhoused students or students who experience housing insecurity is a real shortcoming, as we see housing and rent prices, as well as the number of people without housing, skyrocketing. This is an issue that must be resolved in the enacted budget. Please note that in our report² published in the spring of 2023, there are a number of different options available to improve the formula.

In addition, the executive proposal does not include any adjustment of the **regional cost index**, a recommendation that was made both by the State Board of Regents and the Rockefeller report. This is a problem across the state. First, the regional cost index needs to be adjusted to reflect the actual cost of living as the Regents and Rockefeller recommend. In New York City, for instance, costs are much higher than in Utica. The RCI has not been updated since the formula was implemented in 2007. We must address this in this year's budget.

In addition, updating the RCI will ensure that school districts in the New York City metropolitan area are properly categorized to reflect accurate costs and wages. City school districts such as Yonkers in Westchester County have higher costs because of their location. But, we categorize them as part of the Hudson Valley, which equates their costs with the Upper Hudson Valley. Certainly, the cost of doing business in the city of Kingston is not the same as in the city of Yonkers. This must be fixed.

Regarding the proposal to eliminate distractions by banning cell phone use from "bell to bell." Our position is neither positive nor negative regarding this proposal. We do believe, however, that young people need to be part of the process. To our knowledge, there has not been engagement with young

[E%20program's%20state%20and%20county%20estimates%20constructed_indicators%20of%20income%20and%20poverty.](#)

² <https://www.ageny.org/wp-content/uploads/2023/05/AQE-ELC-Foundation-Aid-white-paper-5-19-23.pdf>

people. While banning cell phones may limit distractions or the potential of online bullying, the underlying causes of bullying and harassment do not go away simply because students do not have access to their cell phones. This is something that we need to address, but most importantly, we need to listen to what young people have to say, listening deeply with intention so we can ensure that any changes actually have the intended effect and a positive outcome.

We must enact New York for All, which would prevent the totally voluntary collaboration between local police departments and ICE. If any interaction with local police can result in deportation, even the most everyday actions become high stakes. That is exactly the opposite of what we need in public schools, where we should encourage as much participation of students and also their families as possible.

In recognition of the panic and destabilization that experiencing a deportation in a family can cause a student, we should be attempting to make community participation in schools as robust as possible. New York for All is critical to do that. Enact it, so all our children are protected.

Pre-Kindergarten and Child Care

Early childhood education is the foundation of our education system. We believe that pre-Kindergarten should be universal and free, open to all three- and four-year-olds that want to attend. We believe that child care should be universal to all children, regardless of immigration status.

Continue Pre-K Expansion, but with Adequate Rates:

The executive budget does not include an increase for pre-K. Maintaining and continuing to expand pre-K must happen. We urge you to focus on increasing rates for school districts that were early adopters of Universal Pre-K who continue to have programs that are funded from local tax revenue. To ensure that we do not lose the momentum on pre-K, we should move toward at least a \$10,000 per child minimum or index the rates to Foundation Aid. Currently, some school districts continue to receive \$5,400 per child from the state 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 (CBOs) 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 poverty wages. Ensure equitable distribution of pre-K funding to community based organizations and family child care programs to ensure continuity of learning for children that honors families' choices.

Need Robust Investments in Child Care Workforce³:

Even though child care is not under the purview of the education department or this committee, it is the cornerstone of the successful development of children and it should be adequately funded. The

³<https://empirestatechildcare.org/wp-content/uploads/2025/01/ESCCC-Top-Priorities-January-2025-1.22.25.pdf>

executive budget makes very little investment in child care, with only \$110 million for capital improvements and \$1 million for the creation of a coalition to study revenues to pay the workforce. It makes NO investment in the workforce.⁴ Child care educators are among the lowest paid workers of the care economy, with 97% of other professions in New York paying more.⁵ Early care and learning programs have closed because they cannot sustain themselves. Now the governor is correctly making more families eligible for assistance, but if investments in the workforce are not sufficient, families will have vouchers but not be able to find anyone to provide the care. The child care workforce needs a \$1.2 billion investment this year in a permanent wage supplement fund. Until there is more investment in the workforce, there will not be enough programs to accommodate eligible families.

In New York's 2025-2026 Budget, We Call on New York Leaders to Make the Following Investments in Child Care. Together, They Total \$1.655 Billion in New Investments to Transform Child Care Across the State.

Provide sustained and reliable compensation and benefits to all members of the child care workforce. (\$1.2 billion)

- Create a permanent state fund to increase child care worker compensation. This fund should be robustly resourced and sufficient to offer all members of the child care workforce a significant boost in income; and
- Develop a plan for subsequent years to establish a minimum pay scale and career ladder based on agreed upon criteria. This pay scale will inform compensation supplement levels after the base pay scale for all has been increased.

Ensure ALL New Yorkers can access child care, starting with guaranteeing child care assistance (CCAP) to eligible low-income New Yorkers (\$400 million).

- Make child care a state-funded entitlement for eligible families making less than 250% of the federal poverty threshold and increase state funding for CCAP to account for growth in the program.
 - End New York's rule that denies CCAP to families if parent(s)/caregiver(s) earn less, on average, than minimum wage.
 - End New York's rule of tying CCAP to parent(s)/caregivers' exact hours of work.
- January 2025⁶

Help eliminate barriers to accessing child care for children with developmental delays and disabilities (\$5 million).

⁴ <https://www.empirestatechildcare.org/>

⁵ <https://rockinst.org/blog/five-things-to-know-about-the-care-workforce/>

⁶ <https://www.empirestatechildcare.org/>

- Increase the enhanced rates for children with special needs to 130% of the market rate (up from 115%) and take steps to make it easier for child care programs to receive the enhanced rate.

Raising Revenues⁷

AQE is a proud member of the Invest In Our New York campaign. We have a slate of bills that raise more than enough revenue to fund all of the priorities you hear today and throughout all the budget hearings. A recent Siena poll on raising taxes on the ultra wealthy found overwhelming support among voters and taxpayers.⁸ The governor has said it herself: millionaires and billionaires aren't leaving, everyday New Yorkers are, because they cannot afford to live here.

When you implement some of these wealth taxes such as the capital gains tax ([S.1439 Rivera/A.676-Kim](#)) that taxes the income made by selling stocks and making other investments, a bill that raises approximately \$12 billion annually, you can fully fund Foundation Aid, and give thriving wages to the child care workforce, and still have money to fund wages for home care workers and hospitals. If you implement the corporate tax bill ([S.953 Hoylman/A.1971-Kelles-Shrestha](#)) which raises \$7 billion annually, you can fund an ambitious housing plan. And, to be clear, the state has money, these options only provide more.

There are other options as well that collectively raise tens of billions of dollars annually. Passing these very modest wealth taxes on highly profitable corporations and ultra-wealthy individuals has the power to transform our state. We know that the legislature deeply values equality and justice for all people, of all classes, races, genders, and communities. We have the opportunity to actually deliver on that dream, ensuring that children have homes and great schools, that everyone has a thriving wage, and that no one wants for the bare minimum like food or healthcare. Passing these wealth taxes will also transform our budget system, moving from a stop-gap budgeting system that struggles from year to year and where many of our legislative champions have to fight annually for limited grant program funding for things like literacy initiatives, to one where we have more than enough revenue to meet the needs of our people and ensure fairness in our system of taxation. The ultra-wealthy and multi-billion dollar corporations don't need more giveaways and tax breaks, but the 95% of us who live outside that world need justice and investment. You have a choice here: to show where the state's priorities lie and do it in a way that invests in our New York, in our future.

End Jim Crow Education in East Ramapo

⁷ <https://www.investinourny.org/2024agenda>

⁸

<https://scri.siena.edu/2024/01/05/67-of-new-york-voters-support-raising-taxes-on-profitable-corporations-and-highest-5-of-earners/>

The state budget should incorporate the reforms contained in A10407 to empower public school families, fix crumbling infrastructure, hire bilingual educators, ensure access to quality classroom instruction and materials, and end the systemic racism that defines school governance and finance.

The East Ramapo Central School District is failing to provide an education that “*meets the basic needs of its public school students.*” This failure to provide the constitutionally required “sound basic education” is due to the combination of consistent mismanagement by the board majority and the failure of voters to increase local tax contributions. Budgets are defeated more often than anywhere else in the state. In June 2024, a budget was finally passed with a minimal 1% tax levy increase. This first increase in local funds since 2016 yielded a paltry \$1.5 million while the cost of education has soared.

The results for students are disastrous: East Ramapo’s graduation rate is 23 points lower than the statewide average and the dropout rate is three times the state average. For English Language Learners, who now represent the majority of students (56%), more than any other district in the state, things are worse: only 1 in 2 graduate and 1 in 3 drop out. After 3 years of decline, only 19% of 3rd to 8th graders meet proficiency in reading, well under half of the statewide average, including an abysmal 3% of English Language Learners. The district also serves the highest rate of homeless students (1 in 6 or 17%) in the state. Every school building in the district received a failing assessment on a recent state Building Conditions Survey, and water fountains were shut off for eight years due to lead in the fixtures. Many still are awaiting replacement.

Moody’s credit rating agency has given East Ramapo a Baa3 credit rating, one level above junk, which makes it virtually impossible to obtain bank loans or financing to support desperately needed capital improvements. This is the same rating that resulted in the state establishing fiscal control boards in other localities. Moody’s cites “weak governance,” “low graduation rate[s], very high dropout rates,” “environment risk,” and the “historical lack of support for property tax increases” as major factors leading to this rating.⁹ After it was revealed that East Ramapo discovered millions in unspent cash, Moody’s doubled down on the bad credit rating, finding: “To be that far off is just another kind of sign of fiscal challenges at the district.”¹⁰ Moody’s spelled it out clearly: “Generally the stronger the state oversight the better from a credit perspective.”¹¹

The legislation provides the solution the district needs right now. It does this by: (1) creating a fiscal control board, as has been implemented in multiple local governments around the state (New York City, Buffalo, Nassau County, Erie County and others), (2) providing a multi-year means to both raise

⁹

https://www.moodys.com/research/Moodys-Ratings-removes-negative-outlook-affirms-Baa3-rating-on-East-Rating-Action--PR_908933991

¹⁰<https://www.lohud.com/story/news/local/rockland/ramapo/2025/01/06/moodys-rating-of-east-ramapo-ny-gets-second-look-amid-school-budget-surplus-comptroller-to-audit/77173138007/>

¹¹ Ibid.

local revenues *and* issue the bonds necessary to repair and improve all school buildings, and (3) requiring measurable educational improvements. This legislation has been supported by the Commissioner of Education, the Board of Regents, the NYCLU, Spring Valley NAACP, New York Jewish Agenda, New York Immigration Coalition, Alliance for Quality Education, Young Advocates for Fair Education, Education Law Center, Proyecto Faro, Las Mejores Huellas de Los Inmigrantes, Organización de Padres Empoderados, Rockland Jews for Immigrant Justice, Rockland Coalition Against the New Jim Crow, Rockland Immigration Coalition, Indivisible Rockland, and public school parents and students. Comprehensive governance and financial reform with oversight must be enacted to meet the state's obligations to public school students in East Ramapo.