



Testimony for the Joint Legislative Hearing on the 2025–2026 Executive Budget Proposal: Elementary and Secondary Education

January 29, 2025

Thank you for the opportunity to speak with you about the 2025–2026 Executive Budget. My name is Chelsea Baytemur, Director of Policy and Advocacy for the YMCA of Greater New York, and I am here today on behalf of the Coalition for Equitable Education Funding (CEEFF), formerly known as the Emergency Coalition to Save Education Programs. CEEFF is made up of more than 120 advocacy and civil rights organizations, social service providers, and groups representing students, parents, and educators, who have come together to advocate for the resources needed to ensure every student receives a high-quality education, with a focus on those who need the most support.

We appreciate that in 2023 the State fully funded the Foundation Aid formula for the first time. However, the formula itself includes outdated and incomplete measures of need and has not evolved to account for growing costs, particularly in large urban districts like New York City. As you consider changes to the formula for FY 2026, we urge you to ensure it reflects the true cost of providing a sound basic education to today's students and accounts for the tremendous variation in the cost of living across different regions of New York State.

As such, we support the Governor's proposal to replace the flawed "free and reduced-price lunch" metric with a broader measure of "economically disadvantaged students" that will more accurately capture the number of students from low-income families. At the same time, however, we are very concerned by the Executive Budget's proposed changes to the formula's poverty metric. While we agree with the Governor that New York should not be relying on data from the 2000 Census, the state-funded Rockefeller Institute study indicated that replacing the current poverty measure with the most recent three-year average Small Area Income and Poverty Estimates (SAIPE)—as the Executive Budget proposes—would result in New York City schools receiving \$392 million *less* than they otherwise would. SAIPE is based on the federal poverty threshold, which is currently just \$32,150 for a family of four; it makes no adjustments for the local cost of living. And to state the obvious, trying to make ends meet on \$32,000 looks very different in the five boroughs than it does in a rural community upstate.

We are particularly concerned that the State would move forward with the update to the poverty weight without also updating the Regional Cost Index—as recommended by the NY State Board of Regents and the Rockefeller Institute—which is supposed to account for differences in wages in different parts of the State but is nearly two decades out of date. The State should also be looking at additional factors to better capture the needs of students in NYC and around the State, including adding a weight for students in temporary housing and students in foster care. To further address the inadequacies of the Governor's proposed poverty metric, the State could also consider using

differentiated weights for different concentrations of poverty, as recommended by the Rockefeller Institute, and adding a new cost-of-living adjustment, among other possibilities.

While the Executive Budget only includes changes related to the weights for low-income students and students living below the federal poverty threshold, we continue to call on the State to make the following additional changes to the Foundation Aid formula to help ensure schools can meet the needs of all students:

- **Replace the outdated “successful school district model” that has formed the base of the formula.** This model is based on the narrow view that successful school districts are those where students perform well on standardized tests, with insufficient consideration to the needs of large urban districts. The State must ensure the new base rate reflects the actual cost of providing the academic, social-emotional, and holistic supports students need to succeed in school, including in large urban districts, with particular attention to students from low-income backgrounds, students with disabilities, English Language Learners, students who are homeless, and students in the foster system.
- **Add a per-pupil weight for students in temporary housing and students in the foster system.** More than 119,000 New York City students—roughly one in every nine—experienced homelessness in 2022–23 (the most recent year for which data are available), and 6,800 students spent time in the foster system. At present, the Foundation Aid formula does not provide any additional funding to help schools support these student populations, both of whom face tremendous obstacles to success in school and have educational needs distinct from those of all students in poverty.
- **Increase the weights for students with disabilities and ELLs to ensure they reflect the cost of providing legally required, high-quality classes, services, and supports and are adequate to address the wide spectrum of student needs.** This includes considering differentiated weights by program to better account for the tremendous diversity within both groups of students, neither of which is a monolith.
- **Update the Regional Cost Index to better reflect the rising costs of salaries and services.** This metric has been fixed since 2006 and is thus significantly out of date, particularly given increased expenses in New York City.
- **Provide resources to implement the State’s new class size requirements.** The New York City Independent Budget Office (IBO) has estimated that NYCPS will need between \$1.6 and \$1.9 billion annually to achieve full compliance with the law by the 2028 deadline, given the significant hiring needs associated with reducing class size—yet the State has allocated no additional funding to help NYCPS meet this legislative mandate, which applies to New York City alone.
- **Include funding for students in 3-K and Pre-K, as well as students with disabilities through the school year they turn 22.** Over the past decade, New York City has dramatically expanded access to early childhood education. The Foundation Aid formula, however, only covers grades K–12, a holdover from an earlier era in which a child’s educational career was typically thought to begin at age five or six. Numerous studies have demonstrated the long-term benefits of high-quality preschool, and the Foundation Aid formula should be updated to reflect the needs of a unified P–12 system. In addition, the State recently affirmed that districts have a legal obligation to provide special education programs and services to students with disabilities until they turn 22 if they have not yet graduated, but the Foundation Aid formula does not provide funding for these students.

Our Collective Call for an Equitable Foundation Aid Formula that Meets Students' Needs is available [online](#).

Finally, we emphasize that the State cannot let another 15-plus years pass before it next revisits Foundation Aid. Given the complex nature of the formula itself and the ever-changing needs of our public schools, ongoing review of the formula by independent experts and stakeholders will be essential to ensure it incorporates adequate, up-to-date measures of student need and provides equitable funding to districts across the State.

Thank you for the opportunity to testify. I would be happy to answer any questions you may have.