



**Testimony for the Joint Legislative Hearing on the Fiscal Year 2027
Executive Budget Proposal: Elementary and Secondary Education
Testimony of the Dignity in Schools Campaign - NY**

January 29, 2026

On behalf of Dignity in Schools Campaign - NY (DSC-NY), thank you for the opportunity to submit testimony about the Fiscal Year 2027 Executive Budget: Elementary and Secondary Education. DSC-NY organizes students, parents, educators, and advocates to create safe, inclusive learning environments in NYC public schools. We advocate for restorative justice, mental health access, and immigrant protections, while working to eliminate police presence in schools.

We are calling on Governor Hochul and the New York State Legislature to provide a limited, two-year extension of mayoral control to allow a NYC-based commission to research, design, and plan for the implementation of a new, democratic school governance system of New York City Public Schools (NYCPS); and to fully fund the Foundation Aid per pupil funding formula with long overdue changes.

We call on Governor Hochul and the NYS Legislature to disentangle NYC school governance negotiations from the budget cycle, and for the state leaders to make immediate changes to the existing system of mayoral control that will start the democratic turn toward greater participation in NYC education policy and budgeting.

The state must: 1) reduce the number of Mayoral appointees to the Panel for Education Policy (PEP) so they are not the majority, and repeal §2590-B.a.1.D of the New York State Education law regarding the PEP's composition; 2) establish transparent oversight and accountability; and 3) increase Student Representation in education policy decisions that affect their futures. The state law must also be amended to authorize high school juniors and seniors to vote on City-Wide Education Councils and PEP and ensure they have independent support and mentorship to develop their leadership. To increase transparency and diversity in representation, the state must also increase the pool of eligible students and create a democratic process for youth to vote on who should represent them in governance bodies.

We proudly stand with 43 organizations representing parents, students, educators and Community Education Councils who are urging state and local leaders to work together to design a democratic school governance system rooted in the voices of Black, Brown, immigrant, LGBTQIA+, low-income and disabled communities.

We also call on the state to fully fund the Foundation Aid per pupil funding formula with long overdue changes, including 1) updating the formula's Regional Cost Index and 2) adding a



weight for students experiencing homelessness and students in foster care. While we are pleased that the FY 2027 Executive Budget would fully fund the current Foundation Aid formula, we are concerned that it does not make needed changes to the formula and would result in New York City students continuing to miss out on hundreds of millions of dollars from Albany—shortchanging NYC students and schools.

We appreciate that, after years of advocacy, Governor Hochul and the State Legislature fully funded the Foundation Aid formula for the first time in 2023 and that the Governor is proposing to fully fund the current formula in the FY 27 Executive Budget. However, the formula itself is more than 15 years old, relies on outdated and incomplete measures of student need, and has not evolved to reflect rising costs.

Last year, the State had indicated that it would reexamine the Foundation Aid formula—providing an opening to make necessary updates to the formula. However, the limited changes to the formula in the enacted FY 26 budget *resulted in New York City schools receiving \$314 million less* than they would have had the State made no changes at all. This shortfall stemmed from an update to the poverty weight, which relies on the grossly inadequate federal poverty guidelines and measures poverty the same way in every school district across New York, even though costs look very different in different parts of the State.

Without further changes, New York City students will continue to be shortchanged. The FY 27 Executive Budget does not include critical updates and would result in NYC students continuing to miss out on hundreds of millions of dollars intended for low-income students as a result of the limited changes made last year and continued in the FY 27 Executive Budget.

We are calling on the Legislature to address these shortcomings and make long overdue changes to the formula, including updating the Regional Cost Index and adding a weight for students who are homeless or in foster care:

1. **Update the Regional Cost Index:** The formula's Regional Cost Index (RCI) is supposed to account for the varying costs and need for different wages throughout the State, but the values have not been updated since 2006, making them nearly 20 years old. It is becoming increasingly difficult for families to be able to afford to live in NYC, and the formula's RCI has not been updated to help school districts pay for increased wages and growing costs and expenses. While both the Senate and Assembly proposed updating the Regional Cost Index in last year's one-house budgets, the final budget included only a change for Westchester County, despite the affordability crisis facing NYC families. The FY 27 budget should update the formula's RCI, as proposed in S.8125/A.9049 sponsored by Senator John Liu and Assembly Member Jo Anne Simon.
2. **Add a Weight for Students Who Are Homeless and Students in Foster Care:** During the 2024-25 school year, more than 154,000 NYC students experienced homelessness. Students experiencing homelessness, as well as students in foster care, face significant barriers to education, but the formula provides no additional funding to help school districts meet their



unique educational needs. The latest data show that more than half of NYC students experiencing homelessness, and two out of three students in shelter, were chronically absent. In addition, one in eight NYC students in shelter dropped out of high school—more than three times the dropout rate of students living in permanent housing. The FY 27 budget should add a per pupil weight to the Foundation Aid formula for students who are homeless or in foster care, as proposed in S.8139/A.9048 sponsored by Senator John Liu and Assembly Member Jo Anne Simon.

In a city where more than 150,000 students experienced homelessness last year, NYC schools should not continue to be deprived of hundreds of millions of dollars intended to support low-income students, and the Legislature should ensure that the final state budget does not continue to shortchange NYC students and schools.

We are joining with the [Coalition for Equitable Education Funding](#), comprised of more than 120 organizations, in urging Governor Hochul and the NYS Legislature to fully fund the Foundation Aid formula with key changes, including an update to the RCI and an added per pupil weight for students who are homeless and students in foster care, as well as to make the updates and changes needed to ensure the formula meets the needs of today's schools and students, including students who need additional support to succeed in school.

Thank you for your consideration. If you have any questions, please don't hesitate to contact Andrea Ortiz, Director of Dignity in Schools Campaign - NY.

Submitted by:
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