



**TESTIMONY OF EDUCATION LAW CENTER ON
GOVERNOR HOCHUL'S PROPOSED FY27 STATE BUDGET**

JOINT BUDGET HEARING

January 29, 2026

Chairs Krueger and Pretlow, Chairs Mayer and Benedetto, and members of the joint budget hearing on education, thank you for the opportunity to provide testimony on school funding in Governor Hochul's FY 2027 State Budget.

We submit these comments on behalf of Education Law Center (ELC), a national nonprofit legal advocacy organization that pursues justice and equity for public school students. ELC is deeply committed to the students in New York state, and has engaged in school funding advocacy, research, and litigation in coalition with various New York-based partners.

We strongly support the Governor's proposal to increase school aid by \$1.6 billion, including a \$779 million increase in Foundation Aid and a \$561 million increase in Universal Prekindergarten Aid, and we urge the Legislature to do so as well. These funding increases are critical to ensuring that school districts have the resources necessary to meet the needs of students.

However, we remain concerned that the Foundation Aid formula remains out of date and is not accurately capturing the true cost of educating New York's students, especially those who need the most support, such as students from low-income families, those experiencing homelessness, and emerging multilingual students. ELC, along with many state partners, has [advocated](#) for an in-depth review of the Foundation Aid formula. This process should include engaging school finance experts to conduct a methodologically rigorous cost study to determine the funding levels that would allow the State to meet its constitutional obligation to provide a "sound basic education."

While the State did engage the Rockefeller Institute to conduct a study of Foundation Aid, released in 2024, that study was explicitly prohibited from establishing the constitutional minimum cost of educating New York's students. The report did, however, provide numerous recommendations, based both on research and stakeholder input, to improve the formula. These include providing a short-term modification of the "Successful School Districts" model while developing a longer-term replacement; updating the poverty count for the Pupil Needs Index; modifying the English Language Learner rate; updating the Regional Cost Index, and modifying the Local Share calculations, among others.

Only one of those recommendations was enacted in last year's State Budget – updating the student poverty count – and no more changes are proposed for FY27. That so few of the recommendations were implemented represents a missed opportunity at best, and a waste of both taxpayers' money and time at worst.

ELC again urges the Legislature to commit funding in this year's budget for a proper analysis of Foundation Aid. Establishing the minimum aid levels that are required to provide a sound basic education – based on up-to-date methodologies for assessing the educational cost, properly accounting for the specific needs of particular student populations, and ensuring that costs are fairly shared between state and local revenue sources is a necessary step towards a more equitably funded school system that provides all students with an opportunity to succeed.

Thank you again for your consideration.

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