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JOINT LEGISLATIVE PUBLIC HEARING ON 2026-2027 EXECUTIVE BUDGET PROPOSAL

ELEMENTARY AND SECONDARY EDUCATION TESTIMONY TO THE JOINT FISCAL COMMITTEES OF THE NEW YORK STATE SENATE AND NEW YORK STATE ASSEMBLY

January 29, 2026

Dear Chairpersons Krueger and Pretlow, members of the Senate Finance and Assembly Ways and Means committees, and members of the New York State Legislature:

My name is Marian A. Bott, Ed.D. and I'm the Education Finance Specialist of the League of Women Voters of New York State. The League is a nonpartisan, grassroots organization with a mission to educate the public to become engaged members of their communities and informed voters.

We submit these remarks with regrets that we will not be allowed to present them at the budget hearings as we did in the past. We look forward to having individual meetings with Committee members during the course of this next six weeks.

Comments on Poverty Indices as Used in the Pupil Needs Index¹:

The poverty combined measure has not been fixed despite many recommendations having been provided to the Governor's office. The League has not been alone in voicing concerns over the deviousness with which efforts are made to suppress need-based solutions to this important measurement's flaws.

We support the December 2024 Rockefeller Report which recommended that in discontinuing the use of 2000 census data, our state substitute a rolling three-year average of the poverty data known as Small Area Income and Poverty Estimates (SAIPE), with the objective of reducing the volatility of the measure. This same 3-year average concept is also used for students deemed to have an "economic disadvantage" (using multiple sources of data including applications for SNAP benefits). But the 3-year averages do not correct for the glaring logic errors in the respective weighting of so-called ECDIS vs. SAIPE.

In the funding formula addressing poverty, after giving the average of three years a "count", a weight of .65 is assigned to the count of Economically Disadvantaged students. In a similar way, a 3-year SAIPE poverty rate is calculated, and the same .65 weight is given. This is a logic flaw. On the surface, it seems that SAIPE poverty is a tougher measure, requiring a deeper degree of poverty. But the explanation is more complicated than that. A few school district examples will demonstrate the point.

¹ See p. 183, Rockefeller Report. <https://rockinst.org/wp-content/uploads/2024/12/2024-12-Foundation-Aid-Report.pdf>

In Albany's the computer run count (5,789) of "Economically Disadvantaged" students in 2024-25², vs. an estimated 2025-26 public enrollment of 11,055, would calculate at 52%, but the formula actually produces a 3-year average of 70.4% students having an "economic disadvantage." The same computer runs counted, for the most recent available year (2023) 3,238 students in Albany were "in poverty" as defined by the U.S. Census Bureau's data base known as SAIPE. Using the average of 2021, 2022, and 2023 data, a figure of 3,283 is used for Albany, which is then divided by the 3-year total of 9,849, to produce a percentage of 28.1%. The 3-year average SAIPE is multiplied by .65, thus the "SAIPE count" for Albany is 2,022. The main point is that Economically Disadvantaged counts many more students than does SAIPE, and the widely disparate percentages (in Albany's case, 70.4 vs. 28.1) show that the measures are quite different.

Likewise in New York City, the 3 year "Economically Disadvantaged" rate is 77% while the 3-year SAIPE poverty rate is 24%. In Rochester 91% ECDIS vs. SAIPE at 38%, and Syracuse at 87% ECDIS vs. 38% SAIPE. And the weighting of .65 was not altered despite our and many organizations' objections. The weightings of the two measures should not be equal.

The Rockefeller report stated that using the SAIPE data is "not perfect" because it includes a count of students who attend private schools in the poverty count. To reinforce this point, The Rockefeller Report provided calculations of how much New York City was going to lose (given its high private school population) by changing over to SAIPE at the current weighting of .65.³ It would be naïve for legislators not to realize that the SAIPE Census estimates produce an undercount, but it is difficult to measure this flaw. With the shift to "Economically Disadvantaged in lieu of FRPL and SAIPE in lieu of Census, the question of whether they should still be weighted equally is crucial to fairness of the measure. So, what did it show in the Rockefeller Report? Their estimate was a loss of \$392 million in aid to New York City due to the poverty count alone, based on last year's budget. We have yet to see any estimates of the cost in this year's budget.

Rockefeller further calculated that New York City would break even (using new SAIPE data) with the 2000 census-based poverty indicator at a weighting of .78. But Rockefeller also said that the better approach would be to take the degree of poverty into consideration and to assign different weightings to districts with higher levels of poverty. Using their example, a school district whose school-age poverty rate was 30% or greater would receive a .95 weighting; 20-30% a .8 weighting, 10-20% a .7 weighting, and less than 10% a .6 weighting. They also recommended a linear gradation to avoid cliffs near tier dividing lines. Given the use of these factors, Rockefeller stated that a "similar \$2.16 billion total poverty adjustment statewide as was generated under the current formula" is the result.

Had the Rockefeller recommendations been followed, the SAIPE COUNT in any given district would no longer be the sole determinant of the amount of aid the district received, but rather the BRACKET of poverty concentration would matter as well (analogous to "high need districts"). It seems that analysis of the impact of measures was not very important in developing this year's K-12 Education Budget. It might be appropriate to bring the Rockefeller team back for an update.

I refer to our last year's testimony⁴ where we delved into this in depth. We are disappointed that especially in a year when students living in high poverty districts (however defined) are disproportionately affected, while the Governor's approach seemingly only addresses the political

² See dabte1, Col. J and L

³ Those components used to be "Free and Reduced Price Lunch" and "Census Poverty".

⁴ https://lwvny.org/wp-content/uploads/2026/01/LWVNYS_-Budget-Testimony_-Education_012925-3.pdf

questions, making sure no district complains of lost resources. This is hardly a robust response to the Rockefeller Report that the Governor’s office itself requested.

Comments on Regional Cost Index:

This is an excerpt from a bill introduced in both the Senate and the Assembly, with our comments below. It recommends another “tweak” to the Regional Cost Adjustment formula as shown below.

<u>Labor Force Region</u>	<u>Index</u>
Capital District	1.124
Southern Tier	1.045
Western New York	1.091
Hudson Valley	1.314
Long Island/NYC	[1.425] 1.496
Finger Lakes	1.141
Central New York	1.103
Mohawk Valley	1.000
North Country	1.000

While the League supports adjustments to make the Regional Cost Index fairer, we stand by our much more thorough recommendations made in our testimony in July of 2024 at the Rockefeller Commission hearings. We need more labor force regions to be defined, and we need to move to an index which reflects the costs in those regions. It is disappointing that the Legislature signed off on such a boldly political solution last year, and it is concerning to see costs addressed only in Westchester County. We recommend that this year the legislature resist the urge to put one more band-aid on this inadequate approach to regional cost adjustments (meaning, just adjusting Long Island/NYC is not a solution). Further, no cost estimates were provided with the proposed legislation. This should be required of any legislation with fiscal implications. We also believe a justification for the currently unsubstantiated numeric increase (.71 increase) should be provided.

Comments on Charter Schools:

The League neither opposes nor supports charter schools. We continue to have concerns over the subtle exclusionary practices of some operators. Our information is unfortunately largely anecdotal. We encourage this legislature to hold hearings, particularly in New York City, where the 14 specific categories of special needs⁵⁵, meaning the number of students served in these categories would be requested to be further broken down using this year’s data. If the charter operator has nothing to hide, the operator should be happy to comply with the legislature’s requests. The League believes that shedding more light on the type of students who are more, or in some cases less, welcomed by charter school management organizations will lead to better, and fairer treatment of students with special needs. The

⁵⁵ Individuals with Disabilities Education Act (IDEA) lists 14 categories. High-incidence disabilities include Specific Learning Disability, Speech or Language Impairment, and Other Health Impairment. Medium-incidence Disabilities include Autism, Developmental Delay, Intellectual Disability, and Emotional Disturbance. See Congress.gov, The Individuals with Disabilities Education Act: A Comparison of State Eligibility Criteria. CRS Report R46566. See also P.L. 108-446.

categories of emotional disturbance and “learning disabilities” are of particular concern based on research that I conducted in 2018, but which was never published due to issues with student confidentiality.

In 2025-26, 2.4 million students were enrolled in New York State’s public schools. Charter school enrollment, at about 169,000, represents 7% statewide. But in New York City, 129,416 students out of 929,791 or 14% were enrolled in NYC charter schools “without Board of Education approval” in 2025-26. Payments totaling \$3,121,109,805 were made to charter schools in New York City⁶ or \$24,117 per student. What is not included in that per pupil cost allocation is the cost of provision of facilities: expensive New York City leasing arrangements, shared facilities with non-charter public schools, and subsidized facilities from a few charter school operators who can afford, and prefer, their own facilities. While the League lobbied from the early 2000s on for Transition Aid for school districts who were experiencing an influx of charter operators (such as Buffalo, Rochester, Albany), it was never anticipated that New York City should receive this aid. A quarter of a century later, New York City still does not receive Transition Aid. Statewide, Charter School Enrollment in 2025-26 was 169,326. In percentage terms, 76% of all New York State charter school students are enrolled in New York City schools. However, the \$77,108,250 or \$455 per pupil on average goes exclusively to the 39,910 students outside New York City, meaning that their school districts receive on average \$1,932 per charter school student. The recipients are: Albany, Green Island, Watervliet, Elmira, Poughkeepsie, Buffalo, Cheektowaga, Maryvale, Cleveland Hill, Sloan, Lackawanna, Tonawanda, Kenmore, West Seneca, Greece, East Indequoit, Rochester, Wheatland Chili, Hempstead, Uniondale, Roosevelt, Freeport, West Hempstead, Westbury, Niagara Falls, Utica, Lyncourt, Syracuse, Lansingburgh, Rensselaer, Troy, Schenectady, Amityville, Wyandanch, Riverhead, Newfield, Mount Vernon, and Yonkers. We lobbied for this transition aid and are pleased that the above-named districts receive it. However, it leaves an open question for the future of this sector. Our sole concern is will the sector play by the same rules in terms of its treatment of students with special needs, or not. We count on the legislature to hold the sector accountable.

Thank you very much for considering our remarks.

⁶ Dabtm1, Column P.