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Testimony for the Joint Legislative Hearing on the Fiscal Year 2027 Executive Budget Proposal: Elementary and Secondary Education

January 29, 2026

On behalf of the Center for Independence of the Disabled, New York (CIDNY), thank you for the opportunity to submit testimony about the Fiscal Year 2027 Executive Budget: Elementary and Secondary Education.

As an Independent Living Center, CIDNY has provided critical services to people with disabilities in NYC since its founding in 1978. By providing services that address the social determinants of physical health, mental health, education, employment, housing, and transportation, as well as providing support for the development of independent living skills, CIDNY helps people with disabilities navigate the ever-changing service system, and enables them to live independent, fully integrated lives in the community. Education is a critical component of this endeavor, and ensuring positive outcomes for students with disabilities in NYC schools is a cornerstone of CIDNY's mission.

We are calling on Governor Hochul and the New York State Legislature 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, especially those with disabilities**.

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 However, the formula itself is more than 15 years old, relies on outdated and incomplete measures of student need, and has not evolved to reflect rising costs.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. Less funding to meet the needs of low-income students inherently means less funding to meet the needs of students with disabilities. This is not only because people with disabilities in NYS are almost twice as likely to live below the poverty line as people without disabilities (30% vs 17%), but because the link between poverty and poor mental health, especially in children, is well-studied.

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



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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.

Sincerely,

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