



THE COUNCIL'S INITIAL 2018-19 EXECUTIVE BUDGET SUMMARY

School Aid

- Governor Andrew Cuomo proposes a \$769 million increase in School Aid comprised as follows:

Aid Category	Change (in millions)
Additional Foundation Aid	\$338
\$50 Million Community Schools Set-aside	
Reimbursement for Expense-Based Aids / Other	\$317
Fiscal Stabilization Fund	\$64
Empire State After-School Program	\$10
Expanded Prekindergarten for Three- and Four-Year-Olds	\$15
Early College High Schools	\$9
Smart Start	\$6
Breakfast After the Bell	\$5
Expanded Advanced Placement Access	\$2.5
Other Education Initiatives	\$2.5
Total School Aid	\$769

The total sum is characterized as an increase in “School Aid,” but some of the included items are outside of what is conventionally considered to be School Aid. The total increase in aids appearing on School Aid runs is \$651 million, or 2.59 percent. There are increases totaling \$3.47 million in grants programs funded under School Aid and the \$64 million Fiscal Stabilization Fund to be allocated in the final budget. Altogether, these items amount to a \$719 million increase in what is commonly thought of as School Aid.

The proposed increase is roughly one-half the \$1.5 billion increase the Educational Conference Board estimated schools would need to preserve current services. The proposed increase would also be partially offset by a \$70 million cost-shift to school districts for summer special education, explained below.

The Governor has said that his increase of 3 percent is double what the School Aid growth cap calls for. The growth cap is based upon year-over-year change in statewide personal income. As late of November, the Division of the Budget was estimating that the growth cap would be 3.9 percent, and was projecting a School Aid increase of \$1.1 billion.

- **School Aid runs:** Runs are available [here](#).
- **Foundation Aid:** Unlike a year ago, the Governor does not propose repealing the 2007 Foundation Aid formula. The budget would increase Foundation Aid by \$338 million, or 1.97 percent, with \$50 million required to be used as a set-aside for Community Schools. All districts are assured a minimum increase of at least 0.25 percent. Over 80 percent of districts receive increases of 2 percent or less. Further details on how the increase is allocated will be provided soon.
- **Categorical Funding/Aid to Support Current Services:** Of the total increase, \$50 million is directed to new categorical programs, including After-School, Prekindergarten, and Early College High school programs. In addition, \$50 million from an increase in Foundation Aid would be set-aside for Community Schools initiatives bringing the total to \$200 million.

Excluding funding for the above categorical initiatives, the increase available to support ongoing basic services would be \$716 million, less than half the \$1.5 billion increase the Education Conference Board identified as needed to enable schools to maintain current services.

- **Fiscal Stabilization Fund:** The \$64 million Fiscal Stabilization Fund is to be allocated through negotiations in the final state budget and is *not* included in district totals on aid runs.
- **Expense-based aids:** These are funded according to current law formulas. However, the budget would cap growth in selected expense-based aids at 2 percent commencing in 2019-20. Affected would be Building, Transportation, and BOCES Aids. The caps for Transportation Aid and BOCES Aid would be applied by district. The cap for Building Aid would be applied statewide, so that if the statewide increase in Building Aid exceeded 2 percent, each district's Building Aid would be pro-rated down to achieve the 2 percent statewide growth.
- **Prekindergarten:** The budget also provides an additional \$15 million to be allocated through competitive grants to expand high-quality half-day and full-day prekindergarten for three- and four-year-old children in high-need school districts.

- **After School Programs:** The budget would provide an additional \$10 million to fund 6,250 new slots in after-school programs in high-need communities. \$2 million would be targeted to vulnerable and at-risk communities.
- **Early College High Schools:** 15 new Early College High Schools would be funded through an additional \$9 million. This round would target communities with low graduation or college access rates, and align new schools with in-demand industries.

Other State Aid to P-12 Education

- **AP/IB Fee Waivers:** \$2 million to offset the fee for Advanced Placement and International Baccalaureate exams that is not covered by Federal funds or other sources of local funding. This brings total subsidy to \$4 million. An additional \$500,000 to assist schools with limited to no advanced placement courses to help establish these offerings.
- **Smart Start:** Provides \$6 million to expand high-quality computer science and engineering education by supporting teachers with resources and professional development opportunities.
- **Breakfast After The Bell:** \$5 million to support schools that are required to serve breakfast after the instructional day has begun and \$7 million in capital funds for equipment to implement the program.
- **Charter Schools:** \$6.2 million to New York City to offset charter school facilities costs; \$22.6 million to charter schools in New York City; and statewide statutory charter school tuition increases.
- **Full-Day Kindergarten Conversion:** Provides additional aid to assist few remaining districts with half-day kindergarten shift to full-day kindergarten for all five year old children.
- **Master Teachers:** \$1 million to expand master teacher program and establish an additional four-year cohort of master teachers focusing on STEM education.
- **Gang Prevention Education Program:** \$1.5 million investment toward gang prevention initiatives in middle and high schools.
- **Empire State Excellence in Teaching Awards:** \$400,000 for a third round of these awards to recognize at least 60 teachers with \$5,000 each for professional development activities.
- **Mental Health:** \$250,000 to create enhanced mental health support grants for community schools.

Article VII Legislative Proposals

- **State Controlled School Building Budgeting:**
 - Requires the Big 5, Jamestown, Rome, Binghamton, Hempstead, Niagara Falls, Elmira, Newburgh, Utica, Schenectady, and Brentwood to have detailed school building funding statements approved by the Division of the Budget and SED.
 - Failure to receive approval results in loss of School Aid increase.
- **Charter Schools:**
 - Eliminates supplemental tuition reimbursement to New York City, equaling \$1,000 per student.
 - Expands costs eligible for facilities aid reimbursement for certain charter schools in New York City.
- **Special Education Cost Shift to School Districts:**
 - Reduces state aid for many school districts for certain school-age special education students attending summer programming.
 - State currently provides 80 percent reimbursement to school districts. New state share would range from 25 percent to 90 percent. Estimated to increase costs for school districts by \$70 million.
- **Special Education Waivers:**
 - Authorizes school districts to apply to SED to waive certain statutory special education mandates. School would have to demonstrate that they could utilize an innovative program as an alternative.
- **Full-Day Kindergarten Transition Aid:**
 - Provides additional aid to school districts transitioning to full-day kindergarten.
- **School Meal Proposals:**
 - Prohibits differential treatment of students whose parents have not paid school districts meal fees.
 - Prohibits any “shaming” of students that have unpaid meal fees.
 - Requires schools to directly contact parents to assist with applying for free meals or determine if there are other issues that have led to insufficient funds to purchase a school meal.
 - Requires schools to submit applications on behalf of students that are eligible for free or reduced-price lunches if parents did not submit such application.
 - Requires school buildings with an enrollment of 70 percent or greater are Free and Reduced-Price Lunch eligible to offer all students school breakfast after the instructional day has begun.

- Increases lunch meal reimbursement to 25 cents for the 2019-20 school year for every meal served in a district that purchases at least 30 percent of its food products from New York farmers, growers, producers, or processors.

- **School Bus Safety:**
 - Authorizes schools to purchase and install cameras on buses to enforce stopped school bus laws. Districts would be entitled to keep the revenue unless they entered a shared revenue agreements with local law enforcement.
 - Increases financial penalties for violating stopped school bus laws.
 - Requires all children under eight years old traveling in a school car or van to be properly restrained in an appropriate child restraint system.

- **Recovery High Schools:**
 - Authorizes BOCES to enter into agreements with the Big 5 city school districts and non-component districts to participate in a Recovery High School.

- **Computer Science:**
 - Establishes a work group to create model computer science standards to be made available to any school.

- **“Be Aware, Be Informed” Program:**
 - Requires SED to establish this program to develop model curriculum, lesson plans, and best practices to address a variety of social issues such as relationship building, bullying, dating violence, and sexual health.

- **Human Rights Jurisdiction Over Public Schools:**
 - Expands jurisdiction of the Division of Human Rights over public school districts and BOCES.

- **Sexual Assault Prevention:**
 - Establishes a one-year window to revive civil claims of sexual assault against any entity even if the claim is time-barred.
 - Increases statute of limitations for criminal and civil liability related to sexual assault.
 - Requires every school district to develop a sexual harassment prevention policy with investigation procedures and a standard complaint form.
 - Prohibits school districts and other public employers from paying settlement costs or final judgments for employees that committed acts of sexual harassment.

- **County-Wide Shared Services Panels**
 - Establishes these panels as permanent entities and continues ability of school districts and BOCES to participate at their discretion.

Other Major Budget Provisions

- **Federal Funding Contingency:** Continues authority of the Division of the Budget to reduce appropriations if the Federal government cuts Medicaid funding to New York by over \$850 million or the state suffers \$850 million in cuts from alternative sources. The Legislature could develop an alternative plan to reduce appropriations.
- **State Tax Receipts Contingency:** The Budget would also allow the Division of the Budget to reduce appropriations if annual estimate of receipts are reduced by \$500 million or more; several appropriations would be exempt from reductions under this provision, including School Aid.
- **Federal Tax Implications:** The Budget contemplates a variety of measures to minimize the harm that the federal tax law may cause for the state and taxpayers. This includes establishing new charitable contribution mechanisms and authorizing businesses to pay an employee's income tax and make an equivalent reduction in the employee's salary.
- **STAR:** Freezes increases in STAR reimbursement.