



2026-27 Enacted State Budget and the Public Schools



June 2026

School Aid and Other Education Funding

Enacted Budget School Aid Highlights

- \$1.66 billion (4.5%) increase in total School Aid on runs.
- Includes a \$1.03 billion (3.9%) increase in Foundation Aid and a \$432.5 million (40.5%) increase for Universal Prekindergarten.
- Foundation Aid: Provides a guaranteed minimum increase of 2%, up from 1% proposed by Governor. Increases weighting in Pupil Needs Index for English Language Learners from .53 to .60 and adds new PNI weightings of .12 for students who are homeless or in foster care.
- UPK: As proposed by the Governor, previously separate programs are eliminated, per child funding for 4-year-olds will be greater of \$10,000 or the district's Foundation Aid per pupil. Districts will be required to offer full-day placements for all 4-year-olds whose families seek a spot by 2028-29
- Other formulas funded according to current law for 2026-27, including BOCES Aid.

Enacted budget funding highlights, continued

- \$55 million (16.2%) increase to maintain universal free student meals
- \$9 million for high-impact tutoring in math in high need districts
- \$2 million for regional hub pilots to provide training and support for educators in districts with low performance in math*
- \$2 million for the NYSUT Education and Learning Trust for professional development of educators in best practices in numeracy and evidence-based math instruction
- \$1.9 million to create an accelerated teacher preparation program for career changers and others
- Other than school meals funding, each sum is to be allocated “pursuant to a plan developed by the commissioner of education and approved by the director of the budget”

All included in Governor’s proposed budget

Enacted budget funding highlights, continued

- Allow Building Aid cost allowances to include cost of certain renewable energy technologies, including ground-mounted and roof-mounted solar panels, geothermal systems, and other systems deemed appropriate by SED and NYSERDA.
- Sunset EXCEL school facilities program effective 12/31/2028—\$18.8 million remained unspent out of original \$2.6 billion authorized as of January.
- “Bullet Aid” to be allocated to school districts, public libraries, colleges and universities, and non-profits: Assembly—\$9 million; Senate—\$7.5 million; Governor —\$10 million.
- Shift of residential special education placement costs again extended.
- No state funding for additional costs of providing special education to age 22.
- No appropriation to resume paying off prior year adjustments owed to districts
- SED sought \$5.1 million to support implementation of New York Inspires; received \$2 million.

To access spreadsheet, copy this link into your internet browser:

https://www.nyscoss.org/nyscosdocs/Advocacy2526/2605_SA2627_REPORT1.xlsx



2026-27 Enacted State Budget

School Aid

District: TOTAL STATE

Aid Categories	2025-26	2026-27	Change	% Change
Foundation Aid	26,358,022,841	27,385,925,809	1,027,902,968	3.9%
Charter School Transition Aid	77,425,652	75,962,553	(1,463,099)	-1.9%
High Tax Aid	223,298,324	223,298,324	-	0.0%
Summer Transportation Aid	4,999,686	4,999,832	146	0.0%
Transportation Aid w/o Summer	2,745,692,057	2,904,713,442	159,021,385	5.8%
Building Aid	3,627,717,062	3,600,939,873	(26,777,189)	-0.7%
Building Reorganization Aid	7,629,839	5,577,450	(2,052,389)	-26.9%
Operating Reorganization Incentive Aid	4,941,429	4,284,352	(657,077)	-13.3%
Non-BOCES Computer Administration Aid	33,518,539	33,467,773	(50,766)	-0.2%
Non-BOCES Career Education Aid	204,242,195	207,438,885	3,196,690	1.6%
Non-BOCES Academic Improvement Aid	69,940,527	71,237,797	1,297,270	1.9%
BOCES AID	1,375,250,542	1,499,573,429	124,322,887	9.0%
Public Excess Cost High Cost Aid	720,813,318	644,974,708	(75,838,610)	-10.5%
Private Excess Cost Aid	523,759,459	544,540,957	20,781,498	4.0%
Software Aid	41,888,966	41,681,765	(207,201)	-0.5%
Library Materials Aid	17,040,891	17,390,670	349,779	2.1%
Textbook Aid	162,247,036	161,230,837	(1,016,199)	-0.6%
Hardware and Technology Aid	34,236,296	34,545,057	308,761	0.9%
Full-Day Kindergarten Conversion Aid	-	3,158,211	3,158,211	NA
Universal Prekindergarten Aid	1,068,805,460	1,501,319,355	432,513,895	40.5%
Supplemental Public Excess Cost Aid	4,313,167	4,313,167	-	0.0%
Academic Enhancement Aid	28,271,832	28,271,832	-	0.0%
Total Aid	37,334,055,118	38,998,846,078	1,664,790,960	4.5%
Total Aid excluding UPK	36,265,249,658	37,497,526,723	1,232,277,065	3.4%
Total Aid excluding Building Aids	33,698,708,217	35,392,328,755	1,693,620,538	5.0%

Impact of Save-Harmless & 2% Minimum Increase

Under Enacted Budget

2026-27 Proposed Foundation Aid	27,385,925,809
Formula Aid, w/o Save-Harmless & 2% Min.	26,675,160,449
Aid Due From Save-Harmless & 2% Minimum	710,765,360
% Due From Save-Harmless & 2% Minimum	2.6%

Universal Prekindergarten per 4-Year-Old

in Full-Day Programs

2025-26	NA
2026-27	NA

Universal Prekindergarten

- *Aid amounts on runs are estimates*—aid on behalf of 4-year-olds would be calculated using “current year” pupil counts—e.g., 2026-27 children served for 2026-27 UPK Aid
- Aid per 4-year-old would be greater of (a) \$10,000, (b) district’s *current year* selected Foundation Aid per pupil, or (c) its 2025-26 4-year-old UPK grant per pupil. Children in half-day programs would be weighted at 0.5.
- *“By no later than the 2028-29 school year, all districts shall serve in a full-day prekindergarten program all eligible four-year-old children whose parent or guardian applies to enroll such child in the district’s universal prekindergarten program...”*
 - Programs could be operated by districts or BOCES or in collaboration with other eligible agencies

Foundation Aid in brief

Foundation Aid* =

Foundation Amount	X	Pupil Needs Index	X	Regional Cost Index	X	State Sharing Ratio	X	Weighted Pupil Count
Standard per pupil amount for all districts, adjusted annually for inflation—\$8,273 for 2026-27, up 2.7%. <i>Originated from court decision requiring the state to determine the cost of providing a sound basic education</i>		Measure of student needs, applies 4 factors—2 measures of poverty, % of students who are ELLs, and “sparsity” (students per square mile). Ranges between 1 and 2 (poorest), <i>plus 2 new starting for 2026-27—</i> students who are homeless or in foster care		State is divided into 10 regions, each is assigned an RCI originally based on salaries of workers with credentials similar to teachers; there has been a change for only 1 county since 2007		A wealth-adjusted percentage. Wealth is measured using property wealth and resident income per pupil, each weighted 50% (“ <i>Combined Wealth Ratio</i> ”). Maximum state share for poorest districts is 93%		Number of students, based on enrollment, with extra weight given to some student categories (e.g., students with disabilities are counted as 1.41 <i>additional</i> students)– <i>Selected Total Aidable Foundation Pupil Units (TAFPU)</i>

Plus save-harmless/guaranteed minimum increase

Changes in multiple factors can either offset or compound their impacts

** There are alternative calculations but they affect very few districts*

Foundation Aid—more detail, if you are curious

Foundation Aid	=	Foundation Amount	X	Pupil Needs Index	X	Regional Cost Index	X	State Sharing Ratio	X	Selected Total Aidable Foundation Pupil Units (TAFPU)
<i>For 2026-27 aid, districts will receive the greater of above equation or a guaranteed minimum 2% increase over 2025-26 Foundation Aid.</i> The formula also provides for minimum aid of \$500 X Selected TAFPU, but all districts that would be covered by this “flat grant” calculation instead receive aid through save-harmless and the guaranteed minimum % increase.		\$8,273 for all district in 2025-26; adjusted annually for inflation. Figure for 2026-27 is projected to be \$8,496 (up 2.7%) Intended to represent cost of providing an adequate general education. Measure grew out of court mandate for the state to determine the cost of a sound basic education for New York City students. Study based on spending by "successful" districts; study has not been updated since 2012.		PNI values can range from 1.000 to 2.000 Based on 6 measures: • <i>% of Economically Disadvantaged students; replaced Free and Reduced Price Lunch data.</i> • <i>% of 5-17 year olds in community in poverty (Census Small Area Income and Poverty Estimates); replaced 2000 Census poverty data.</i> • <i>% of students who are English Language Learners; 2026 -27 budget raised weight for ELLs from .53 to .60.</i> • <i>Sparsity Factor – districts must have fewer than 25 students per square mile to qualify.</i> • <i>New for 2026-27--% of students who are homeless or in foster care.</i>		State is divided into 10 regions; a cost index is calculated for each region based on median salaries of workers in region with credentials similar to those required for teachers. RCI values range from 1.000 (Mohawk Valley and North Country) to 1.425 (New York City/Long Island). RCI values had not been updated since 2007. <i>2025-26 aid creates a new RCI of 1.351 for Westchester County, separating it from the Hudson Valley Region. No other RCIs changed.</i>		One method for calculating how much district is assumed able to contribute from local revenues. Percentage varies based on local wealth measured by property wealth per pupil and adjusted gross income per pupil compared to state averages, each weighted 50% (Comined Wealth Ratio). 2025-26 budget raised maximum state share from .910 to .930 (i.e., 93%) Note: State law provides for a second methodology for calculating the local contribution, but it applies to very few districts.		Based on Average Daily Membership with weightings: • 1.41 for students with disabilities • .5 for students in 1st year declassified from special education • .12 for summer students “Selected” refers to fact that districts are allowed the more favorable of TAFPU for the most recent year or the average of the 2 most recent years (cushioning against enrollment losses).

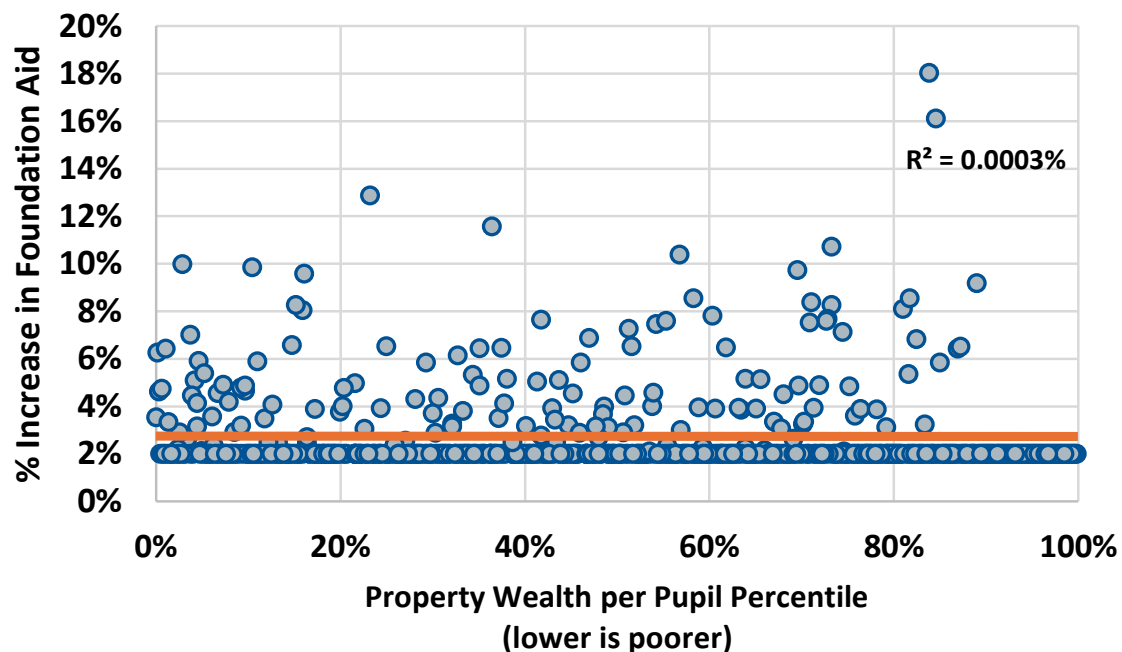
Total Aid and Foundation Aid results, districts grouped by SED Need/Resource Capacity Categories

	TOTAL SCHOOL AID				FOUNDATION AID				% Districts on Save-Harmless
	2025-26	2026-27	Change	% Change	2025-26	2026-27	Change	% Change	
Total State	37,334,055,118	38,998,846,078	1,664,790,960	4.5%	26,358,022,841	27,385,925,809	1,027,902,968	3.9%	77.9%
New York City	14,398,518,521	15,258,406,719	859,888,198	6.0%	10,461,073,524	10,998,994,608	537,921,084	5.1%	0.0%
Big 4	2,786,440,379	2,883,521,251	97,080,872	3.5%	2,090,015,918	2,168,897,712	78,881,794	3.8%	50.0%
High Need Small Cities & Suburbs	4,862,147,815	5,049,410,415	187,262,600	3.9%	3,598,045,524	3,719,062,525	121,017,001	3.4%	60.0%
High Need Rural	3,108,430,671	3,199,397,328	90,966,657	2.9%	2,112,719,029	2,164,130,691	51,411,662	2.4%	85.6%
Average Need	9,650,306,791	9,955,510,968	305,204,177	3.2%	6,465,116,114	6,649,222,921	184,106,807	2.8%	78.5%
Low Need	2,528,210,941	2,652,599,397	124,388,456	4.9%	1,631,052,732	1,685,617,352	54,564,620	3.3%	74.8%

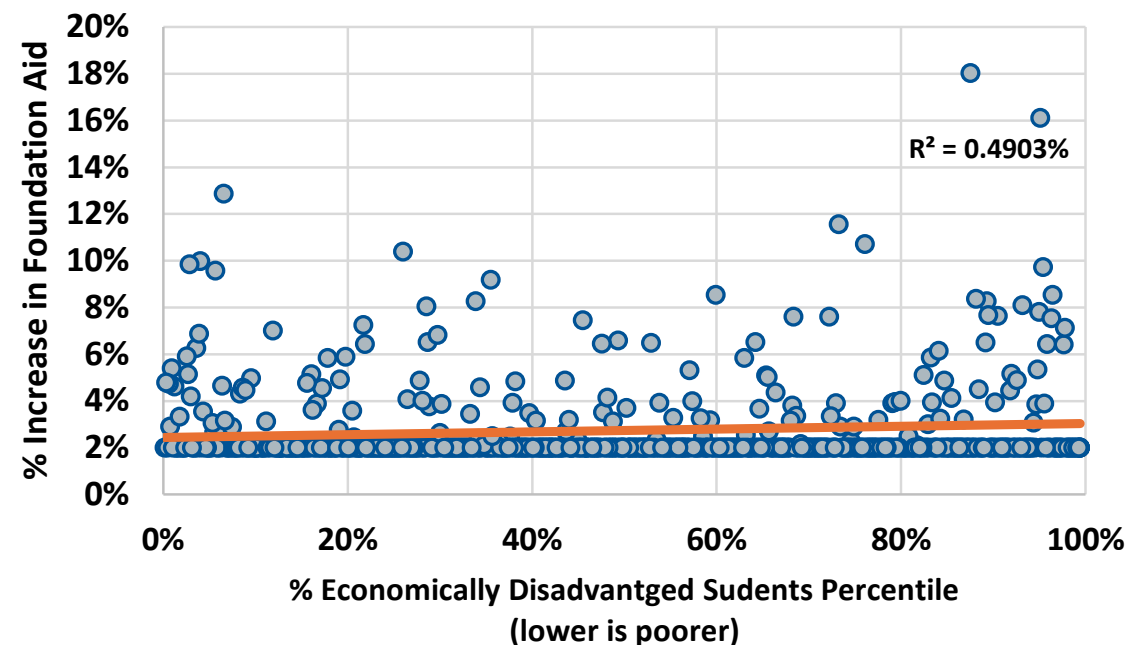
SOURCE: NYSCOSS analysis of NYSED School Aid data

No correlation between % increase in Foundation Aid and district property wealth or student poverty

Property Wealth Pupil
& Foundation Aid % Increase



% Economically Disadvantaged Students
& Foundation Aid % Increase



SOURCE: NYSCOSS analysis of NYSED School Aid data; one very small district receiving a 45% increase is omitted from charts.

Foundation Aid: Save-harmless and the guaranteed minimum increase

- For 2026-27, 78% of districts are due to receive the 2% guaranteed minimum Foundation Aid increase, up from 56% a year ago and 36% in 2023-24.
- Losing enrollment is the primary cause for districts falling on to save-harmless and becoming dependent on minimum increases.
- Generally, the higher the Foundation Amount inflation adjustment, the more districts get off save-harmless.
- Other positive formula changes can lift districts off save-harmless.
- The higher any guaranteed minimum increase, the more districts it will cover and the more districts fall on to save-harmless.

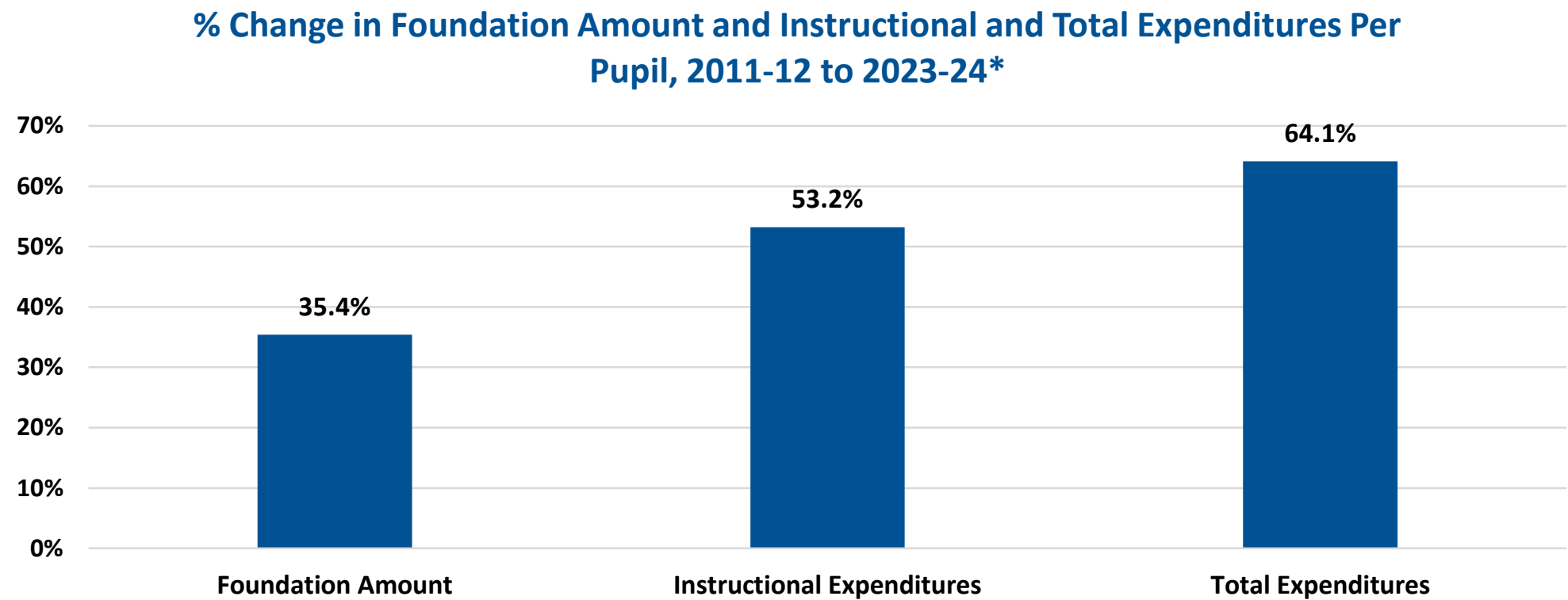
Save-harmless: enrollment change and Foundation Aid changes

	2022-23	2023-24	2024-25	2025-26	2026-27
% of districts on save harmless	43%	36%	50%	56%	78%
Median % change in weighted pupils	-1.7%	-0.7%	-0.5%	-0.6%	-1.0%
Foundation Amount inflation adjustment	4.7%	8.0%	2.8%	2.9%	2.7%
% total increase in Foundation Aid	7.7%	12.3%	3.6%	5.7%	3.9%
Guaranteed minimum increase	3%	3%	None	2%	2%

SOURCE: NYSCOSS analysis of NYSED School Aid data

The Educational Conference Board has prioritized raising the Foundation Amount

Comparison of change in Foundation Amount vs. instructional and total expenditures per pupil



* 2023-24 is last year of available for instructional and total expenditure data from SED Fiscal Profiles

SOURCE: NYSCOSS analysis of NYSED School Aid and School District Fiscal Profile data

Possible future advocacy priorities for School Aid

- Continue to prioritize raising the Foundation Amount—successful schools study has not been updated since 2012.
- Explore incorporating impact of property tax cap on district ability to raise local revenue expected by Foundation Aid formula.
- Pursue other changes and updates to Foundation Aid—the Regional Cost Index, measures of student needs.
- Seek increases in other aids—e.g., per pupil amounts for Textbook Aid, other instructional materials aids have not been increased since at least 2007.
- Explore changes in special education funding.
- Seek funding for UPK transportation.
- Community Schools funding? New York Inspires—e.g., aid for college in high school courses?

State Fiscal Outlook

- Sometime this month the Division of the Budget will release its Fiscal Year 2026-27 State Financial Plan with multi-year projections of surpluses or deficits and all components of state spending and revenues.
- Last year, the enacted budget State Financial Plan projected a structural deficit for FY 2026-27 of \$7.5 billion, or 4.9% of projected revenues.
- When FY 2025-26 ended last March, the state had taken in \$15.8 billion (11%) more in revenue than projected last June.
- Revenue growth eliminated the projected structural deficit for 2026-27, *including* initial estimated harm from the federal “One Big Beautiful Bill Act.”
- *Lesson: state revenues are volatile and hard to predict.*

Other Budget and Legislative Issues

Key Policy Items Enacted Budget

➤ Zero Emission Buses

- Advocacy paid off—2032 and 2040 are new deadlines
- \$75 million appropriated towards improving infrastructure
- Significant expansion of ZEB's will not occur without:
 - Cost Decreases
 - Infrastructure
- This is not our problem to fix

Key Policy Items Enacted Budget

➤ Pensions-Tier 6 Sweeteners

➤ 58 and 30 for TRS members: .46% of payroll with \$95 million cost outside NYC.

➤ ERS: .6% of payroll

➤ Tier 6 New entrant rate now 5.95% up from 4.69%.

➤ The “Blue-State Delusion Over Unions,” *The Atlantic*, May 28, 2026:

“...public-sector unions avidly negotiate for compensation in the form of pensions, not wages. But pensions are a poor recruitment tool: Starting wages matter much more to young people than pensions that will be paid decades down the line. When unions use their power to boost pension payments, they aren’t working to attract talented young people. They’re working to reward their members.”

ERS Tier VI Employee Contribution Rates

Salary Range	Current	New
Less than \$45,000	3%	3%
\$45,000 to \$55,000	3.5%	3%
\$55,000 to \$75,000	4.5%	3%
\$75,000 to \$100,000	5.75%	4%
\$100,000 to \$125,000	6%	5.25%
\$125,000 to \$250,000	6%	5.75%

Key Policy Items Enacted Budget

➤ **Best practices in mathematics and numeracy**

- Ongoing expansion of Governor's and Legislature's role in educational policy making
- SED will provide best practices to schools and schools must certify that they are in compliance commencing with the 2027-28 school year.

➤ **Protections for Undocumented Students**

Remainder of Legislative Session Concerns

➤ Election year makes things more interesting

- Additional oversight by the Attorney General in Schools-Vetoed last year
- Freedom to Read: Requires policies establishing a process for reconsideration of library materials. Starkly different bill vetoed last year
- Project labor agreements and bus driver due process
- Due process for part-time teacher assistants
- Piggybacking and Court Decision

New Federal Education Voucher Program

- “One Big Beautiful Bill Act” includes a new tax credit intended to support private schools
- Credit is up to \$1,700 per tax return for contributions to “scholarship granting organizations” (SGOs)
- SGOs must 501c3 tax exempt non-profits, provide scholarships to 10 or more students in at least two schools, spend at least 90% of donations on expenses in connection with students attending, elementary or secondary public, private, or religious schools
- The SGO scholarships may fund: Tuition and fees; academic tutoring; special needs services for a student with a disability; books, supplies, or other equipment; expenses for room and board; uniforms; transportation; supplementary items and services; including afterschool and extended day programs; expenses for the purchase of any computer technology or equipment or internet access.
- Scholarships must go to students from families with incomes not in excess of 300% of area’s median household income
- States opt-in, the Governor decides
- Credit will be applied when taxpayers file their 2027 federal returns
- *Could accelerate enrollment declines in public schools*

Questions, Ideas?

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