



## Reject Significant Charter Industry Funding

The Executive and Senate budget proposals would provide significant financial aid to charter schools at the expense of public school districts. These proposals include:

- Increasing charter school basic tuition for most districts, with partial reimbursement on a one-year lag, except for New York City, and phasing-out over three years
- Eliminating the charter school cap statewide and/or for New York City
- Providing Building Aid to charter schools and increasing rental reimbursement in New York City
- Added ten percent increase in tuition costs to fund charter school personnel

The Educational Conference Board has estimated school districts require approximately \$1.5 billion in funding just to maintain current services given moderate assumptions about costs. Yet, if the Executive and Senate proposals are enacted, significant sums of money would be diverted from the public education system and redirected to privately operated charter schools. This divestiture of public funds could result in programmatic and other cuts to public school districts.

It is also important to note that the financial consequences from these proposals would not be limited to a single fiscal year. In the annual Executive Budget, total School Aid is restricted by the personal income growth cap which limits increases in School Aid to the statewide percent increase in personal income of state taxpayers. Even if state spending is allowed to exceed that cap, each year, school districts must vie against other agencies and programs to ensure that districts receive the funding they need. Additional direct state support for charter schools by the establishment of a statewide building aid program commits state revenue to that program thereby limiting the availability of state funds for all districts in future years.

School districts also have a restrictive tax cap that limits local revenue and dependent district rely on their cities to increase local funding. Limits on revenue combined with legal and regulatory mandates that increase costs and decrease flexibility leave many districts struggling to serve their students. Charter schools are not subject to many of these expenses and requirements, and are far less transparent than public school districts.

With the Gap Elimination Adjustment fully eliminated, now is the time to focus on increasing and implementing Foundation Aid. Any increase provided would be blunted by allowing the cost of charter school tuition to increase, increased facilities rental costs and requiring districts to pay for additional charter school staff. These are all costs that would be borne by public school districts. Public school districts and their students should not bear the expense of subsidizing the charter school industry.

***The members of the Educational Conference Board strongly urge that all charter school amendments proposed by the Executive and Senate are rejected.***