



New York State
School Boards
Association

Legislative Priorities *2017*





Introduction

New York's education system has emerged from recent challenges stronger than ever. Graduation rates are on the rise. The state's economy has improved and, with that, school districts have experienced multiple years of unprecedented state aid increases.

School district leaders and school boards have partnered with state policymakers, leading the way for improvements and growth in our educational system. State policymakers have responded to demands for action from teachers, parents and the New York State School Boards Association (NYSSBA) to revamp the state's learning standards. The transition to new, more transparent assessments has begun with the shift to Questar Assessment, Inc. as the state's assessment partner and more test items are being released more quickly. Our elected officials have listened to district leaders, educators and parents by putting moratoriums on the use of state standardized test scores to make high stakes decisions regarding students and educators.

This important work must continue as we develop new and innovative ideas to address emerging and evolving challenges.

Nearly 10 years after the enactment of the Foundation Aid formula, we are presented with the opportunity to return to a functioning, adequate and dependable school aid distribution system. Districts look to the state to serve as a reliable partner to maintain and grow the valuable programs and services available to our students.

NYSSBA offers the enclosed recommendations in response to these issues in order to better serve our students and communities.



NYSSBA continues to be guided by **five main principles** which support state aid for public schools.

Adequacy – to provide sufficient resources to assure the opportunity for a sound basic education for all students.

Equity – to distribute a foundation level of state aid for every student that is based on the actual cost of providing a sound basic education that fairly compensates for differences in community costs, needs and resources. The Legislature should preclude municipalities from using state aid to replace local education resources.

Flexibility – to increase the percentage of operating aid so that boards of education retain the discretion to determine what educational programs best address local needs. Local communities should not be restrained from determining the level of funding they will expend to support educational programs.

Predictability – to provide timely passage of the state budget and stable funding distributed through a consistent, uniformly applied formula that would not require annual manipulation by the Legislature and that would facilitate long-term planning by school districts.

Clarity – to establish a funding formula that is easily explained and understood.



NYSSBA's 2017 Calls to Action

Operating Aid to Public Schools

The Foundation Aid formula, which was enacted in 2007 as an outcome of the Campaign for Fiscal Equity lawsuit, was a strong starting point. The enactment of that formula finally recognized both the cost of educating a successful student and the ability of a local district to meet that cost. As enacted, the Foundation Aid formula embodied many of NYSSBA's state aid principles.

Despite the original plan to phase in the formula over a four-year period, Foundation Aid was frozen after two years because of the downturn in the economy. Recent increases in Foundation Aid are commendable, but have fallen short of providing districts with the aid they need to fulfill their obligations to students. Aid has been distributed on a year-to-year, short-term distribution method with no predictability. NYSSBA calls on the state to return to the principles of the Foundation Aid formula.

At the same time the state must revisit the assumptions made as part of the development of the formula and commit to the return of a functioning formula beginning in the 2017-18 school year. This funding would allow school districts to return to an operating aid formula that is based on updated enrollment, district wealth and student need, while ensuring that districts that have lost enrollment during the years Foundation Aid was frozen are not harmed because of a distorted system.

Policymakers deserve credit for finally eliminating the GEA. For the first time in six years, school districts need not worry about an aid formula that subtracts from their aid. That progress does not mean school districts are no longer struggling to cope with the more than \$9 billion in cumulative school aid lost to the GEA. NYSSBA believes a genuine and thoughtful Foundation Aid strategy will allow school districts to provide the opportunities their students deserve.

Property Tax Cap

School boards strive to maintain affordable property taxes for their community members. That is why property tax increases were already low in the years prior to the enactment of the tax cap in 2011. As school districts develop budgets for the 2017-18 school year, they will be facing a tax cap below the advertised 2 percent for the fourth consecutive year. While more than 95 percent of districts continue to adopt tax cap compliant budgets, five years of the tax cap provides us with a solid understanding of what has and has not worked well. NYSSBA recommends the following that, if enacted would help school districts more effectively navigate the tax cap to the benefit of taxpayers and students alike:

- Make the allowable growth factor a consistent 2 percent;
- Count a school district's BOCES capital costs in the capital exclusion;
- Include PILOT properties in the tax base growth factor;
- Reform the tax cap override process;
- Eliminate negative tax caps; and
- Account for enrollment growth.



Expense-Based Aids

NYSSBA calls for the full funding of expense-based aids to school districts in 2017. Much of this funding represents reimbursement for approved costs associated with delivering programs and services to students, such as transportation, special education and instructional services delivered through Boards of Cooperative Educational Services (BOCES). These expense-based aids also reimburse schools for expenses related to school facilities, including the testing and remediation of potential lead contamination in school water systems. School districts have already incurred these costs and are counting on the state to provide full and timely reimbursement for all claims, including building aid, which might otherwise be subject to recalculation.

Prior Year Claims

A school district filing a new prior year claim may not receive aid for as many as 15 years. The delay may be even longer if the stagnant annual appropriation for prior year claims is not increased. Thousands of claims have been submitted by districts and approved by the state. These claims are the result of updated cost information and other issues. Years of severely limited state funding have caused a massive backlog of these claims. Nearly \$350 million is owed to school districts through adjusted state aid claims from prior years, an amount that has grown four-fold in six years. NYSSBA calls on the state to increase funding for prior year claims and establish a sensible plan to pay off the backlog of these claims in the near future.

High Tax Aid

High tax aid is provided by the state to school districts whose residents pay a comparatively high percentage of their income in property taxes. This aid often helps support districts with otherwise relatively low state aid levels. NYSSBA calls on the state to maintain funding for this category in 2017.

Support for English Language Learners

Students who are English language learners (ELL) have a unique set of educational needs. These needs require schools to provide enhanced services to ensure they acquire the needed English language skills, and, in some instances, address remediation if there has been a break in formal education. State support is critical as schools strive to meet these needs. Districts continue to struggle logistically and financially with the implementation of state requirements on reporting and delivery of ELL and bilingual education services. Adjustments to the way the Foundation Aid formula accounts for ELL students could help school districts meet their obligations. However, adjustments to the Foundation Aid formula will take time to be fully implemented and reach all students. NYSSBA calls on the state to provide immediate, dedicated funding to serve these students so that districts can hire the skilled educators necessary to teach these students.



Changes in Enrollment

Despite an overall loss in state population, many districts have experienced enrollment increases. Between the 2014-15 and 2015-16 school years, more than 100 districts saw growth in student enrollment. Some districts have reported moderate increases, while others have reported sudden spikes, in some cases due to increased numbers of refugees and unaccompanied minors presenting for enrollment. Regardless of what causes an enrollment spike, funding must be provided to support these students while the Foundation Aid formula is restarted.

At the same time that some districts are grappling with higher enrollment, other districts have experienced declines. A decrease in enrollment is not always synonymous with a reduction of expenses. These districts, like those with stable or increasing enrollment, have faced the same increasing demands related to changes in evaluation, standards, curriculums, ELL requirements, lead testing and rising costs of healthcare and other benefits.

Restarting the formula will drive much needed funding to those districts serving more students with less in recent years, while ensuring that districts who have endured the same increasing demands while serving fewer students do not lose funding.

Career and Technical Education

The structure exists for students to earn a Regents diploma through means other than the conventional 5 Regents Examinations model. Under the 4 plus 1 model, students can earn a Regents diploma by successfully completing an approved industry-based exam in lieu of one Regents exam. Students who successfully complete industry-based programs have demonstrated high levels of success in college and career. However, creating the framework for these programs is only part of the equation. For an increase in student access and participation, resources are required. NYSSBA calls on the state to:

- Lift the cap on reimbursement of BOCES aid to support Career and Technical Education (CTE) teachers;
- Increase special services aid for the Big 5 and non-component districts;
- Continue support for existing P-Tech schools and funding the expansion of similar programs; and
- Continue to develop alternative models including project based learning and other demonstration of college and career readiness, to allow students to achieve an equally rigorous diploma.

NYSSBA also calls on Congress to reauthorize and increase funding for the Carl D. Perkins Career and Technical Education Act.



Prekindergarten

Recent investments in full day prekindergarten (pre-K) are laudable. However, despite the tagline “universal,” many districts interested in participating are unable to access funding and cannot offer a prekindergarten program. This is because they either do not have the resources to cover upfront costs, or they are concerned about relying on grant funds that may not be recurring. NYSSBA calls for additional funding to end the reliance on grants by transitioning pre-K funding to a stable and reliable funding formula. The additional funding should make transportation for four-year-olds aidable to the same extent it is available for K-12 students. All additional funding should also be focused on expanding pre-K for four-year-olds before focusing on three-year-olds.

Supporting Public School Districts and Local Governance

NYSSBA believes in local school board governance. Boards of education are representatives of their communities and should retain the authority and flexibility to make the decisions that are best for those communities. Initiatives that shift funding and authority away from local governance teams undermine the voice of the community.

Federal enactment of the Every Student Succeeds Act (ESSA) lends support to the idea that educational decisions should remain at the local level. NYSSBA supports ESSA provisions that return many educational decisions to states and school districts. The state plan that is submitted to the United States Department of Education (USED) in 2017 should ensure local control and decision making authority with school districts and boards of education.

Valid and Reliable Educator Evaluations

Teacher and principal evaluations continue to be at the forefront of a school board’s responsibilities. Continuous changes to the system, with a lack of stakeholder support, have contributed to the perception that the existing system is insufficient. The Regents Research Workgroup should continue evaluating potential changes to the Annual Professional Performance Review (APPR) law and regulations. NYSSBA calls on the Regents to seek stakeholder agreement before making a recommendation to the legislature and the governor for significant changes to the evaluation law. Attaining consensus on the course of action, to the extent feasible, will help avoid future issues.



Property Tax Exemptions and Industrial Development Agencies

Recent changes in state law have extended both the Cold War and alternative veterans' property tax exemptions to a taxpayer's school district property taxes. Property tax exemptions do not reduce the level of property taxes within a community. They shift a larger portion of the tax burden to other taxpayers within the school district, many of whom are unable to afford such an increase, including seniors, disabled individuals and others with fixed incomes. Although this exemption is offered at local discretion, it places board members in a no-win situation. NYSSBA believes that the state should offer such benefits through state-funded mechanisms. School districts should not have to choose whether to honor veterans, raise taxes for all others including vulnerable populations or maintain programs.

School district budgets are also impacted by tax incentives offered by Industrial Development Agencies (IDA). Payments in lieu of taxes (PILOT) and other tax abatement agreements reached between an IDA and a company or other entity reduce the amount of revenue that a school district would otherwise receive and initially negatively impact a district's tax cap calculation. While the goal of such agreements is to improve and develop the local economy, they are not always negotiated with meaningful input from the district. NYSSBA calls on the state to require better communication and disclosure by IDAs and to provide ways for school districts to have a formal role when considering property tax agreements that impact both their schools and taxpayers.

District Autonomy and Flexibility

Nonpublic schools and the charter industry have enormous flexibility in the operation of their schools. Staffing decisions, building construction regulations and educational decision-making are free of many of the constraints placed on public school districts. Nonpublic schools do not have to maintain open admission policies. Neither nonpublic schools nor the charter industry are required to provide special education services, leaving that responsibility with public school districts, even for the eligible students they admit. These differences in regulation provide them with significant advantages over public school districts.

State policymakers have acknowledged the importance of the operational flexibilities awarded to the charter school industry and by further extending them to superintendents and potential independent receivers.

Rather than investing greater public resources in a small number of schools that serve only a minute percentage of the state's students, resources available for education should be devoted to improving and growing public school district programs, while also offering districts the flexibility to operate free of restrictions.

Regional High Schools and Shared Services

Many school districts, especially small districts and those in remote settings, struggle to offer their students the diversity of programming they deserve. Allowing school districts to combine resources with one another, or directly through their BOCES, means students across the state could have access to richer academic programs. The state has encouraged mergers in recent years and has made some changes to make them more feasible. However, local voters consistently reject most mergers. It is time then for the state to create an alternative that offers a refined reorganization option for districts. NYSSBA calls on the state to remove barriers to collaboration in the delivery of educational services.



School Safety

Schools should be safe havens where students can grow and learn. Unfortunately, in recent years the security of school buildings and grounds has been increasingly threatened or compromised. Parents and students should be assured that their schools are both safe and secure.

In order to accomplish this, NYSSBA urges the enactment of two legislative proposals related to school safety:

1. Charge individuals who make threats of mass violence against a school by any means with a felony.
2. Give schools the ability to decline their designation as a polling location. District leaders should be empowered to decide who can enter school buildings and when they can enter while students are present. This is practically impossible to control on election days, thus schools should have the ability to decline their designation as a polling location.

School District Employee Retirement Planning

NYSSBA calls for legislation authorizing school districts and BOCES to establish and fund reserves for future obligations associated with payments to the Teachers' Retirement System (as they can for ERS) and other post-employment benefit obligations. These reserves would allow districts to appropriately plan for future obligations in a fiscally prudent manner. Well-funded reserves for these purposes can help keep academic programs strong and local property taxes stable in years when rates and costs increase.

Healthy Students

The state has a vested interest in ensuring that students have access to healthy food at home and in school. A healthy diet, rich in fruit and vegetables, has been shown to improve student success. For many years, the state school lunch reimbursement rate has remained stagnant. NYSSBA calls on the state to increase this rate.

NYSSBA also urges Congress to reauthorize the Healthy Hunger-Free Kids Act in a manner that increases local flexibility, retains existing community eligibility provisions, and provides additional federal reimbursement for school meals.

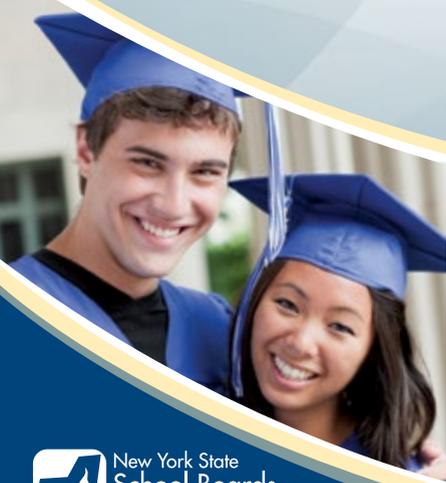


The New York State School Boards Association believes that proposals affecting public education should:

- provide **access** to programs that prepare students to be college and career ready;
- **achieve** equity and adequacy in funding;
- promote **efficiency** and cost-effectiveness;
- advance high **expectations** for all students;
- embrace **innovative** approaches and assessments; and
- foster **community** engagement and regional cooperation.







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