



NYSSBA 2021-22 Assembly One House Analysis

State Aid

While not providing information as to a specific total statewide increase, the Assembly budget proposal increases funding for schools in three main ways: rejecting the Executive’s proposal to create a Local District Funding Adjustment state aid cut, rejecting the Executive’s proposal to consolidate expense-based aids into Services Aid and increasing Foundation Aid by \$1.4 billion above the Executive’s flat funding proposal. The Assembly proposal accepts the Executive’s proposal to allocate \$3.8 billion in CRRSA Act stimulus funds.

Federal Aid

The Assembly accepts the Executive proposal to allocate more than \$3.8 billion in federal education funds in support of school aid. The funds included were approved by the federal government as part of the CRRSA Act stimulus package this past December. The district-specific distribution, listed as “COVID-19 Suppl. Stimulus” on the school aid runs, is determined by existing federal Title I formulas, with a slight per-pupil adjustment for average and low wealth districts. The entirety of the CARES Act funding from March 2020 were used to support school aid in the current 2020-21 school year and are therefore not included in 2021-22.

School funding recently signed by President Biden as part of the American Rescue Plan was not part of the Assembly one-house budget proposal.

Foundation Aid

The Assembly rejects the Executive proposal to hold Foundation Aid amounts flat for a second consecutive year, at 2019-20 levels, for every district. The Assembly proposes a total Foundation Aid increase of \$1.4 billion with a minimum per-district increase of two percent and every district receiving at least 60% of their Foundation Aid formula amount. The Assembly also proposes a three-year phase-in of Foundation Aid to ensure that all districts are fully funded by the 2023-24 school year.

Consolidation of Expense-Based Aids

The Assembly rejects the Executive proposal to consolidate multiple separate aid categories into a new block-grant aid known as “Services Aid.”

Transportation Aid Allowable Expenses

The Assembly expands beyond the Executive proposal to permit transportation aid on expenses related to the delivery of student meals, instructional materials and the provision of internet access, and also includes expenditures incurred for transportation capital, debt service and leases. The proposal would further expand such aidability to also cover the current 2020-21 school year. The Assembly also proposes to permit transportation aid on expenses incurred for operating and maintenance costs of special education pre-kindergarten transportation.

Fund Balance Flexibility

The Assembly proposes raising the level of fund balance school districts may maintain from the current 4% cap. The Assembly proposal raises the cap to 6% for the 2020-21, 2021-22, and 2022-23 school years.

Temporary Retirement Incentive

The Assembly proposes a 55/25 temporary retirement incentive for public employees who are members of the New York State Teachers Retirement System, New York State Employees Retirement System, New York City Teachers Retirement System, New York City Employees Retirement System, and New York City Board of Education Retirement System. This incentive is a local election and an employer must elect into the incentive. Election for educational employers must take place by July 30, 2021 and the open period may not run past August 31, 2021.

Additionally, the Assembly proposes a temporary retirement incentive for those who are at least 50 years of age with at least 10 years of service. This incentive is also a local option and an employer must opt into the incentive. This incentive will allow the employee to claim 1/12th of an additional year of service for up to three years.

Prior Year Aid Claims

The Assembly rejects the Executive proposal to discontinue the \$19 million in annual funding to pay against the prior year school aid claims list and eliminate the entirety of the existing aid claims list. Additionally, the Assembly includes a proposal that would ensure any deductions due to excess aid payments would be used to help pay down the prior year aid claims list.

Community Schools Set-Aside

The Assembly accepts the Executive proposal to maintain current community schools set-aside levels, with \$250 million of total Foundation Aid funding again being restricted to be used by districts for services and programs that further community schools initiatives.

Charter Schools

The Assembly accepts the Executive proposal to reduce charter school tuition rates that districts are required to pay to charters, but rejects the proposal that would reduce supplemental basic tuition reimbursements paid to districts by the state. The Assembly also rejects the Executive proposal to authorize the reissuance of charters that have recently been surrendered, revoked or terminated, and would not count these reissuances against the charter cap.

Building and Transportation Aid Forgiveness

The Assembly includes proposals seeking forgiveness for select school districts facing state aid take-backs due to the late filing of final cost reports or transportation contracts.

School Lunch Reimbursement

The Assembly would allow school districts to be able to count food purchased for lunch during the COVID-19 pandemic towards the qualifying purchases threshold to qualify for the increased state reimbursement lunch rate.

Throughout the pandemic, the US Department of Agriculture's Food and Nutrition Service has allowed school food authorities to operate the Seamless Summer Option or Summer Food Service Program to reduce administrative burdens and provide more flexibility of school meal delivery during a time in which strict health guidelines require minimal contact. This proposal would clarify that school food authorities would still be eligible for the enhanced state lunch reimbursement, regardless of the federal meal program in which they participated throughout COVID-19.

Committee on Special Education Placements

The Assembly rejects the Executive proposal to permanently eliminate the state share of costs related to Committee on Special Education (CSE) placements for districts outside of New York City, and transfer the state's responsibility for maintenance costs of state-operated schools for the blind and deaf onto school districts.

Special Act School Districts

The Assembly proposes to hold special act school districts financially harmless for reductions in enrollment they may have experienced as a result of COVID.

Pre-Kindergarten

The Assembly proposes an additional \$75 million to expand the Universal Pre-Kindergarten program.

Homeless Students

The Assembly proposes an additional \$10 million to support homeless students and trauma-informed practices.

Student Mental Health

The Assembly proposes an additional \$10 million in competitive grants to support student mental health.

Affordable Broadband

The Assembly rejects the Executive's proposal that would require broadband service providers offer affordable broadband to low income customers at \$15/month.

The Assembly proposes a digital inclusion grant program to award grants to eligible entities to support digital inclusion programs. "Digital inclusion programs" would mean "programs designed to promote digital inclusion and digital literacy through in-person or remote support...including, home connectivity, technical support, and device access." Eligible entities would include local governments, school districts, libraries, and more.

The Assembly also proposes a plan that would require the Public Service Commission to study the "availability, affordability, and reliability of high-speed internet and broadband services in New York state." The proposal defines "high-speed internet service" as "internet service of at least 100 mbps download and 10 mbps upload." The proposal would also provide a comprehensive data set to adequately map broadband availability to help expand access.

Moratorium on Termination of Utility Services

The Assembly rejects the Executive proposal that would extend the prohibition on any utility corporation or municipality from terminating or disconnecting services to any residential customer due to nonpayment of utility bills. During the COVID-19 pandemic, a moratorium of terminating services for residents was imposed and set to expire March 31, 2021. This proposal would expand that moratorium for the duration of the state disaster emergency.

Shared Service Contracts

The Assembly rejects the Executive's additional two year extension of municipal "piggy-backing" for materials contracts and also rejects the Executive's proposed changes to the Countywide Shared Services program.

Medicare Part B Reimbursements

The Assembly rejects the Executive's changes to Medicare Part B reimbursements.

Electric Generation Facility Cessation Mitigation Fund

The Assembly accepts the Executive's proposal which would increase the statutory cap for the Electric Generation Facility Cessation Mitigation Fund from \$69 million to \$140 million. The Fund provides payments to local government entities which would have otherwise seen a decrease in tax revenues due to the closure of an electric generating facility.

School Construction Services

The Assembly rejects the Executive's proposal that would authorize school districts and not-for-profits to enter into loans with the Dormitory Authority of New York State (DASNY) for capital projects over \$5 million. It would also authorize DASNY to offer loans to school districts and not-for-profits during the COVID-19 pandemic, without a requisite project total.

Paid Time Off for Vaccination

The Assembly rejects the Executive proposal to provide paid time off for COVID vaccinations. However, Chapter 77 of the Laws of 2021 requires employers to provide all employees sufficient time, up to four hours, paid leave per COVID vaccine. This law will be in effect until December 31, 2022.

STAR

The Assembly rejected all of the Executive's administrative proposed changes to the STAR program, except for those relating to mobile home credits.

Voting Provisions

The Assembly accepts the Executive proposal that requires that at least one early voting site in every county remain open until at least 9 PM at least 3 nights per week and extends the minimum number of early voting hours for all early voting sites on Saturdays and Sundays from 5 to 10 hours. These provisions apply to general (non-school district) elections. The Assembly proposal further requires a broadband connection on site and access to sufficient space for polling.