



New York State  
School Boards  
Association

# Legislative Priorities *2018*





# Introduction

New York is facing another groundswell of change in education policy. School leaders must confront unique challenges in education every day. If we do not keep up with the rapid changes and issues facing our students, we will not properly prepare them to be successful, contributing members of society.

We are currently experiencing an increasing opioid epidemic, issues of equity and diversity, and growing needs of students' mental and emotional well-being. With the gravity of these challenges weighing on our shoulders, we also need to consider how to prepare our students for 21st century demands in a rapidly changing world. Addressing all of the aforementioned concerns may seem daunting, but New York is capable of meeting the current needs of our students while also planning ahead to give them the tools and skills necessary to be the next great inventors and innovators.

We have made progress over the years, but there is much work to be done.

With NYSSBA's support and engagement from the education community, the Common Core Learning Standards have been replaced with the Next Generation Learning Standards. These new standards were created in partnership with New York State educators and better reflect our priorities as a state. A moratorium remains in place on the use of student test data as a part of the Annual Professional Performance Review. The Gap Elimination Adjustment is gone and the first concrete steps were taken towards acknowledging the failure to properly fund the Foundation Aid formula. Expansion of pre-kindergarten and afterschool programs have helped even the playing field for students whose parents work full time and cannot afford alternatives to public programs.

New York claims to be the state of progress, however, not all changes are moving in the right direction. For example, at the state level, legislative changes adopted to improve upon the state's rigid property tax cap were vetoed, despite the fact that these moderate adjustments were agreed upon years ago. Ten years since adoption, the Foundation Aid formula has yet to be fully funded.

At the federal level, the current administration is attempting to roll back funding for students in poverty, educator training and Medicaid. At the same time, federal officials are attempting to shift resources away from school districts and into school choice programs, which primarily benefit the charter industry and non-public schools.

It is critical for public schools to protect the state and federal aid that is already received. Public schools must retain their autonomy and encourage streamlined state regulations for more efficient operations. Achieving these goals requires cooperation at the local, regional, state and federal levels.

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



NYSSBA's positions on school funding are guided by **five main principles**:

**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 2018 Calls to Action

## State Aid for Schools

The Foundation Aid formula, first enacted in 2007, embodies many of NYSSBA's state aid principles. When allowed to run and fully funded, this operating aid formula measures the cost of educating a successful student, adjusts for regional and student differences and accounts for the local wealth of a district.

Despite the original plan to phase in the formula over a four-year period, Foundation Aid was frozen after just two years due to the Great Recession. Foundation Aid has slowly grown, beginning in 2012, but those increases have been delivered based on year-to-year, short-term distribution methods with no predictability and little stability.

School districts need an operating aid formula that is based on updated enrollment, district wealth and student need, while also ensuring that districts that lost enrollment during the years Foundation Aid was frozen are not harmed because of a distorted system.

Foundation Aid makes up nearly two-thirds of formula-based state aid, but New York's school districts rely on a wide variety of state funding mechanisms. Smaller in scope than basic operating aid, these other funding streams are just as important. Whether it be for improved tuition methodologies for special act districts, expense-based aids for transportation, special education, BOCES and facilities costs or high tax aid for districts unusually dependent on property taxes, school districts depend on the state to properly fund these categories, especially those that are reimbursements for expenditures already made by the district.

To accomplish these goals, NYSSBA calls on the state to establish and follow a plan to fully fund the Foundation Aid formula. NYSSBA also calls on the state to maintain and improve important funding categories beyond Foundation Aid, including full funding of all expense based aids, and funding for all districts including special act school districts.

**The New York State School Boards Association**  
supports fully funding the  
Foundation Aid formula



## Property Taxes and Local Revenue

More than half of statewide school district spending is sustained by local revenue, the overwhelming majority of which is generated through property taxes. School boards strive to balance restraint in property tax growth with their mission to deliver the programs and services their students need in order to successfully compete in our 21st century economy.

The enactment of the property tax cap in 2011, the growth of tax abatement agreements and the approval of new and expanding property tax exemptions, have forced school boards to adjust their budgeting practices and adapt to these increasing pressures on local revenue.

Two bills that passed both houses of the Legislature in 2017 are important first steps. Counting BOCES capital costs in the tax cap's capital exclusion and including properties under PILOT agreements in the tax base growth factor were approved permissively in 2015, but have not been implemented administratively. These minor, but important, adjustments must be made. Additional priority reforms include:

**The New York State School Boards Association**  
supports meaningful reforms  
to the Tax Cap

- Making the allowable growth factor a minimum of 2 percent;
- Prohibiting negative tax caps;
- Reforming the tax cap override process;
- Accounting for enrollment growth in the calculation.

If enacted, these reforms would help school districts more effectively navigate the tax cap to the benefit of taxpayers and students alike.

The growth in the number of property tax exemptions available to targeted groups of school property taxpayers has also been problematic. These include the Alternative Veterans exemption, the Cold War Veterans exemption and a variety of additional exemptions that have been proposed, but not yet enacted. While laudable in their goal, these exemptions shift a larger portion of the tax burden to other taxpayers within the school district, many of whom are unable to afford such increases, including seniors, disabled individuals and others on fixed incomes. Many of these exemptions are technically offered at local discretion, but place board members in the untenable position of offering tax exemptions to certain groups while raising the taxes of others or forgoing important educational programs. NYSSBA believes the state should offer such benefits through state-funded mechanisms.

Tax incentives also impact school district budgets. Industrial Development Agencies (IDA) routinely offer payments-in-lieu-of-taxes (PILOT) and other tax abatement agreements to encourage economic development. Unfortunately, these incentives have an initial negative impact on a district's tax cap calculation. The objective of such agreements is to improve and develop the local economy, but they are not always negotiated with meaningful input from school districts and are not subject to school district approval.

NYSSBA calls for legislative changes to the PILOT process that would promote greater communication and transparency between IDAs and school districts and would require that school districts agree to such tax deals in order for them to apply to school property taxes.



## School District Financial Planning

In order to maintain strong academic programs and stable local property taxes, school districts need tools to help them budget more effectively. Currently, school districts are limited to maintaining undesignated fund balances equal to no more than 4 percent of their general budgets to address revenue shortfalls and unanticipated costs throughout the school year. This level is significantly less than the minimum amount recommended by the Government Finance Officers Association (GFOA) and is well below the amount permitted by nearly all other levels of government across the state. NYSSBA supports a reasonable increase to that limit. In addition, NYSSBA seeks legislation authorizing school districts and BOCES to establish and fund reserves for future obligations associated with payments to the Teachers' Retirement System (as they currently are permitted to do for the state and local Employees' Retirement System) and other post-employment benefit obligations.

NYSSBA calls on the state to enact these sensible policies to support efficient school district budgeting and fiscal planning.

## 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. But the funding provided by the state has not kept pace with the growth in claims. Nearly \$350 million is owed to school districts through these claims, an amount more than 18 times the annual appropriation.

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. Recent proposals would allow proceeds from state aid overpayment deductions to be used to fund the state's prior year aid claim obligations.

## English Language Learners

Students who are English language learners (ELLs) have a unique set of educational needs. These needs require schools to provide enhanced services to ensure they acquire necessary English language skills. In some instances, remediation may be needed 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 in implementing 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 assist school districts in meeting 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 2015-16 and 2016-17 school years, more than 150 districts saw growth in student enrollment. Some districts have reported moderate increases, while others have reported sudden spikes, due in some cases 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.

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 in expenses. These districts, like those with stable or increasing enrollment, face the same increasing demands related to changes in evaluation, standards, curricula, ELL requirements, lead testing and rising costs for health care and other benefits.

Restarting the Foundation Aid formula will drive much needed funding to those districts with growing enrollments while ensuring that districts who have endured the same increasing demands with slightly fewer students do not lose funding.

NYSSBA calls for an immediate influx of aid for all districts experiencing meaningful enrollment growth, regardless of where the students have arrived from.

## Career and Technical Education

The structure exists for students to earn a Regents diploma through means other than the conventional five Regents examinations model. Under the 4+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 and flexibility will be required. Specifically, some changes that could be adopted that would allow for growth in these programs include:

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

NYSSBA calls on the state to adopt the above referenced changes. NYSSBA also calls on Congress to reauthorize the federal Carl D. Perkins Career and Technical Education Act.



## Early Education

In recent years, New York State has increased commitment to early education, through both pre-kindergarten and full-day kindergarten. NYSSBA supported changes to merge the state's multiple pre-kindergarten grant programs into one funding stream. This was a positive first step; however, the work cannot stop there. Continued investments must be made to ensure that all communities can offer pre-kindergarten seats to their students, and school districts must be confident that state financial support will be there every year. At the same time, attention must be given to the remaining districts that have been unable to implement or re-implement full-day kindergarten.

NYSSBA calls on the state to continue simplifying and stabilizing pre-kindergarten funding. This can be accomplished by using existing operational and reimbursable funding methods – similar to how K-12 is currently funded – such as transportation aid and Foundation Aid for all pre-kindergarten students. In addition, NYSSBA calls on the state to provide sustained financial support for districts that need assistance transitioning to full-day kindergarten.

## Support Public School District Governance

There has been increasing support from state and federal policymakers for non-public schools and the charter school industry. This is unfortunate because these schools lack critical accountability measures, do not vote on their budgets, nor have public input on board member composition. Yet, they are given a significant amount of operational discretion and have a much more flexible operating environment. These advantages allow these schools to try new ideas or alternative strategies that are not always available to traditional public school districts.

When traditional public school districts seek the same kind of flexibilities or alternative governance structures, they are rebuffed by outdated laws and regulations. Yet, non-public schools and the charter school industry are often heralded as more successful and innovative institutions of K-12 education. These claims are misleading.

Local boards of education are representatives of their communities and should be granted similar authority and autonomy as non-public schools and the charter school industry. For example, public schools should have the freedom to explore alternative organizational structures, such as regional high schools. Public schools should have the same flexibility in the way they deliver instruction. Public school districts have been educating students for hundreds of years and have a proven track record of accountability and success.

NYSSBA calls on the state and federal governments to adequately support public school districts, which currently educate 87 percent of the nation's students, by:

- Ensuring that public school districts are given greater autonomy and flexibility to try more innovative programs such as regional high schools and online learning;
- Requiring that non-public schools and the charter school industry be held to the same requirements and standards of accountability as traditional public schools;
- Guaranteeing that state and federal policymakers take steps to keep public funds in public school districts.



## Student Health, Safety and Success

School districts not only have a responsibility to educate students, but to also keep them healthy and safe. In order to be successful students, children need more than just educational services. They need to be physically and mentally healthy, well-nourished and nurtured, all in an environment that is safe from threats of violence.

NYSSBA calls on the state and federal governments to fund programs that support students' physical and mental health, including school nutrition programs. Further, NYSSBA calls on the federal government to protect Medicaid payments to school districts by rejecting block grant and per capita cap proposals that could result in cuts to school-based health services and for the state to ensure that all threats of violence against districts are dealt with severely.

## School District Elections

School board members, like other municipal officials, are publicly elected. Unique rules by which school district elections are conducted complicate this process. In addition to general procedural complexities, the process is not uniform for every district. Small cities, for example, have different rules than other school districts.

To ensure school board elections are clear and transparent to voters and conducted in a way that does not disrupt daily operations school districts should be given authority to design their own elections and how they are run.

NYSSBA calls for the following changes:

- Uniform election rules and timelines;
- Ease of access to an absentee ballot;
- Appropriate time to verify the validity of all petitioners before finalizing the ballot;
- Limiting special elections to fill vacated board seats, not expansions of the board;
- School district control over how their buildings are used in non-district elections.

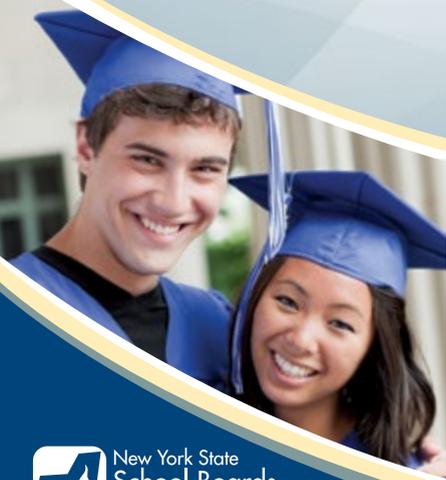


The New York State School Boards Association believes that proposals affecting public education should:

- 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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