



NYSSBA 2021-22 Senate One House Analysis

State Aid

The Senate budget resolution indicates that their proposal would increase total education funding by \$3.5 billion above the Executive budget proposal, providing for a year over year statewide increase of \$5.7 billion (20.5%). This funding is inclusive of the \$3.8 billion in CRRSA Act stimulus funding that had been previously included in the Executive proposal. The year over year state aid increase would equal approximately 6.6%. The Senate's budget also rejects the Executive's proposed Local District Funding Adjustment state aid cut. The budget resolution states that their proposal would require that federal funds supplement, and not supplant, state aid.

Federal Aid

The Senate 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 included as part of the Senate one-house budget proposal.

Foundation Aid

The Senate rejects the Executive proposal to hold Foundation Aid amounts flat for a second consecutive year, at 2019-20 levels, for every district. The Senate proposes a total Foundation Aid increase of \$1.37 billion (7.4%) with a minimum per-district increase of two percent and every district receiving at least 60% of their Foundation Aid formula amount. The Senate 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 Senate 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 Senate 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 Senate also proposes to permit transportation aid on expenses incurred for operating and maintenance costs of special education pre-kindergarten transportation.

Building Aid Formula

The Senate proposal adds an enhancement to building aid for school districts with comparatively high levels of free and reduced price (FRPL) counts, but otherwise lower building aid ratios.

Fund Balance and Reserve Fund Flexibility

The Senate proposes raising the level of fund balance school districts may maintain from the current 4% cap. The Senate proposal raises the cap to 8% for the 2020-21, 2021-22, 2022-23, 2023-24, and 2024-25 school years.

Additionally, the Senate proposal would extend the period of time over which districts may pay back operating funds they have borrowed from their reserves to help cover expenses related to COVID-19. Chapter 157 of the Laws of 2020 gave districts five years to pay these funds back. The Senate's proposal would extend the period to ten years, and not require any payback for a period of two years after the borrowing. The Senate's proposal would also eliminate the requirement for interest to be added to the payback amount.

Temporary Retirement Incentive

The Senate 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 Senate 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.

Building Level Reporting

The Senate proposes repealing the law that requires all school districts to submit school building-level spending plans. The state-mandated plans are based on anticipated spending. Meanwhile, federal law requires school districts to report on actual building-level spending.

BOCES Aidable Salary Cap

The Senate proposes to phase in an increase to the aidable salary cap for BOCES CTE teachers, ultimately reaching \$50,000 by the 2026-27 school year. The proposal would also include a comparable adjustment to Special Services Aid for the Big 5 and other non-component districts.

Building and Transportation Aid Forgiveness

The Senate 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.

Task Force on Education Funding and Property Tax Reform

The Senate includes a proposal that would establish a task force on education funding and property tax reform. The task force would conduct a comprehensive study and provide recommendations on education funding and the role of property taxes in funding New York's education system to ensure an effective, efficient, and equitable system of funding public education.

Prior Year Aid Claims

The Senate 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 Senate 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 Senate 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 Senate rejects the Executive proposal to reduce supplemental basic tuition reimbursements paid to districts by the state, and restores that proposed \$35 million cut. The Senate 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.

Committee on Special Education Placements

The Senate 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 Senate includes a number of proposals to provide financial stability to special act and other special education schools. The Senate proposes that increases to special act tuition rates be commensurate with total school aid increases and that special act districts are held harmless for reductions in enrollment. Additionally, the Senate proposal would authorize special act districts to establish a fiscal stabilization reserve fund.

Culturally responsive-sustaining education

The Senate includes a proposal that would direct the State Education Department to develop racially and culturally inclusive curriculum and create a task force to review and recommend materials and professional development to support the implementation of culturally responsive-sustaining education. The Senate proposal also includes a \$300,000 appropriation for the development of such curriculum.

Continuation of Existing Programs

The Senate accepts the Executive proposal to maintain multi-year investments in after-school programming, early college high schools and P-TECH (Pathways in Technology Early College High School) programs.

Pre-Kindergarten

The Senate proposes an additional \$500 million to expand full-day prekindergarten for 4 year olds.

Affordable Broadband

The Senate rejects the Executive's proposal that would require broadband service providers to offer affordable broadband to low income customers at \$15/month. The Senate replaces the Executive's proposal with the E-LEARN proposal, which would require all school districts to send out forms to all students' families seeking information on whether or not they have access

to high quality internet. For the duration of the pandemic, the proposal would require districts to enter into agreements with Internet Service Providers (ISPs) to provide students who do not have high quality internet at home with access on a continual basis within their residence (whether temporary or permanent).

The Senate 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.

Shared Service Contracts

The Senate rejects the Executive’s additional two year extension of municipal “piggybacking” for materials contracts.

The Senate partially accepts the Executive’s proposed changes to the Countywide Shared Services program. It also requires that countywide panels include a school district representative, elected by the school board, instead of their inclusion being optional.

Moratorium on Termination of Utility Services

The Senate 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.

Medicare Part B Reimbursements

The Senate rejects the Executive’s changes to Medicare Part B reimbursements.

Electric Generation Facility Cessation Mitigation Fund

The Senate 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 Senate 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. The Senate proposal would, however, 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 Senate 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 Senate rejects all of the Executive's proposed changes to the STAR program, except for those relating to mobile home credits.

Property Tax Relief Credit

The Senate proposes restoring the previously expired property tax relief credit. The credit would apply to residences for qualified homeowners who cannot take a credit for those 65 and older. The proposal does not seem to tie the ability to receive the credit to a school district's compliance with the tax cap.

Voting Provisions

The Senate rejects the Executive's proposal requiring that at least one early voting site in every county remain open until at least 9 PM at least 3 nights per week and extending 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.