2021-22 Executive Budget Proposal
NYSSBA Analysis
Executive State Budget Proposal

- $192.7 billion - “All Funds” budget (+11.4%)
- $102.1 billion - “State Operating Funds” budget (-2.5%)
- $31.7 billion* - Education Funding (+7.1%)
  – Figure now includes STAR funding
• Division of Budget is projecting a $9+ billion deficit in 2021-22, with a combined four-year projected deficit of $40+ billion
  – Executive Budget assumes a minimum $6 billion in new federal aid
  – Governor says that NYS deserves at least $15 billion in new federal aid
Education Funding

• Proposed increase of $2.1 billion (+7.1%)
  – Allocation of CRRSA Act funds - $3.8 billion
  – “Local District Funding Adjustment”
    • Reduces state aid by $1.35 billion (restored by CRRSA Act funding)
  – “Services Aid” (consolidation of 11 expense-based and categorical aids)
    • $393 million year over year reduction ($700 million decrease compared to current law, if formulas were allowed to run)

  – Foundation Aid - Flat at $18.4 billion
  – Restoration of last year’s $1.1 billion Pandemic Adjustment
“Services Aid”

• Consolidation and elimination of:
  – Transportation Aid
  – BOCES Aid
  – Special Services Aid
  – Charter school Transition Aid
  – High Tax Aid
  – Supplemental Public Excess Cost Aid
  – Academic Enhancement Aid
  – Instructional Material Aids (software, library, textbooks and hardware)

• Funding would be reduced by nearly $700 million vs. current law
  • $300 million through consolidation + additional $393 million cut
    – Filled by CRRSA Act funding
    – Mostly impacting New York City
  • No language to allow for annual growth
Transportation Aid

• Expands allowable transportation aid expenses to include delivery of meals, instructional materials and Internet access
  – Limited to Spring 2020
  – Does not address significant stand-by costs during school building closure or costs in 2020-21
Prior Year Aid Claims

• Discontinues the $19 million in annual funding to pay against the prior year school aid claims list

• Eliminates the entirety of the existing aid claims list ($303 million)
Prior Year Aid Claims

Prior Year Aid Claims Owed to School Districts
By Needs/Resource Category

- High Need: $54
- Average Need: $73
- Low Need: $41
- New York City: $126
- Big 4: $7
- BOCES: $2
CSE Special Education Placements

- Proposed permanent elimination of the State’s share of maintenance costs for CSE placements
- First adopted in last year’s budget with expiration of 4/1/21
  - Districts to cover nearly 57% of costs
  - State previously covered 18% of the costs
  - Estimated $28 million cost to districts in 2021-22
Charter Schools

- Executive Budget reduces charter school tuition rates that districts are required to pay to charters
  - And reduces supplemental basic tuition reimbursements paid to districts by the state (50% of the tuition reduction)

- Authorizes the reissuance of charters that have recently been surrendered, revoked or terminated, and would not count these reissuances against the charter cap
Continuation of Existing Programs

• Maintains existing funding for:
  – Pre-kindergarten
    • Continued investment in QUALITYstarsNY
  – After-school programming
  – Early college high schools
  – P-TECH
  – Community Schools*
Affordable Broadband

• Requires $15/month Internet option for low-income families
  – Minimum download speeds of 25 Mbps

• Does not address lack of infrastructure or cost of devices as barriers to access
Additional Proposals

• Paid Time Off for Vaccination
• Contract “Piggybacking” Extension
• School Construction Services
• STAR
What Was Left Out?

- Adjustments to Foundation Aid Formula
- School District Budgeting Flexibility
- Property Tax Cap
What Was Left Out?

- Student Health/Mental Health
- Small Group Health Insurance
- Relief from Cost Drivers and Unnecessary Mandates
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Thank You for Attending

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