

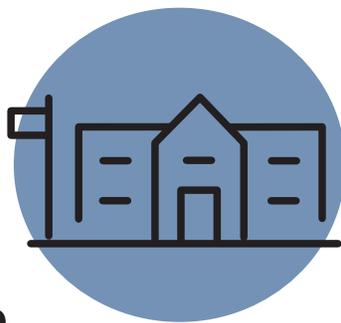


EDUCATION



The Executive Budget reflects Governor Hochul’s strong commitment to education, setting forth additional funding and services to get all students and schools back on track for a bright future. The Executive Budget provides a \$3.1 billion or a 10 percent increase to annual School Aid, the largest School Aid increase in history, for a record total of \$34.5 billion. Notably, this proposal includes fully funding the Foundation Aid formula for the first time in its 17-year history.

NYS SCHOOLS EDUCATE 2.3 MILLION CHILDREN K-12



ABOUT NEW YORK STATE SCHOOLS

- New York State’s 673 major school districts educate approximately 2.3 million children in kindergarten through 12th grade.
- Public education in New York State represents a significant commitment of State and local resources. With total State, local, and Federal spending levels exceeding \$76 billion, education is both the largest area of State spending and the largest component of local property taxes.
- New York State has ranked first nationally in school district spending per pupil for 16 straight years, a reflection of the State’s longstanding commitment to provide all students with the opportunity to excel as learners, workers, and citizens.

MAJOR INVESTMENTS FOR THE FUTURE OF NEW YORK

- With this Executive Budget, School Aid increases will total more than \$13 billion over 10 years – a 63 percent increase over that period. Foundation Aid alone will have increased by \$5.7 billion since the three-year phase-in of full funding of the current formula was enacted in 2021. This funding will impact school-age children and their families for generations to come.

PREPARING STUDENTS FOR SUCCESS NOW AND IN THE FUTURE

Establish High-Impact Tutoring Programs to Address Learning Loss. The effects of the pandemic on student learning were particularly acute in New York for students in grades 3-8, where the percentage of fourth-grade students performing at or above basic proficiency in math and reading decreased at rates above the national average. High-impact tutoring has proven to be one of the most effective methods in helping students get back on track to making meaningful academic achievements. This is why the Executive Budget dedicates \$250 million of the historic increase in Foundation Aid to the establishment of high-impact tutoring programs across the State. The programs will focus on assisting students in grades 3-8 in reading and math.

Create New Early College High School and P-TECH Programs. College-level courses provided in high schools, like those provided through the Smart Scholars Early College High School (ECHS) or Pathways in Technology Early College High School (P-TECH) programs, allow students to earn college credit in high school, helping them get a head start on college and reduce their student debt. New York currently has 86 ECHS and P-TECH programs serving thousands of students in every region of the State. To encourage continued growth in these programs, the Executive Budget includes an additional \$20 million in grant funding to support the establishment of new ECHS and P-TECH programs. New funding will prioritize support to students in high-need school districts, with programs focused on computer science and computer and software engineering, helping to prepare students for the technology jobs of tomorrow.



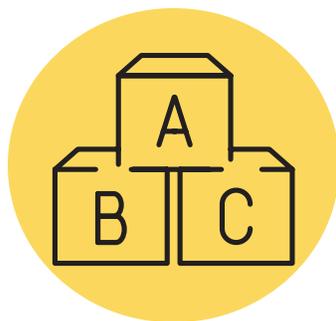
\$20 MILLION IN GRANT FUNDING FOR NEW ECHS & P-TECH PROGRAMS

Create a Robust High School-College-Workforce Pipeline. To help build the economy of the future, the Governor will invest \$10 million over two years in competitive funding for school districts, boards of cooperative educational services (BOCES), and community colleges to develop strategic workforce plans that promote job readiness across the State. Awards will reach every region of the State to ensure that New York remains ready to meet the needs of local industries.



**\$34.5 BILLION
HIGHEST LEVEL
OF STATE AID
IN HISTORY**

**\$125 MILLION
TO EXPAND
FULL-DAY
PREKINDERGARTEN**



Prekindergarten Programs. The Executive Budget adds \$125 million to expand high-quality full-day prekindergarten programs, bringing the State’s annual support for such programs to \$1.2 billion. This new funding will support approximately 17,500 additional full-day prekindergarten slots for four-year-old children. With this added funding, the State will be approximately 95 percent phased-in with universal prekindergarten coverage for four-year-old children.

Historic Funding for Schools to Respond to the Pandemic. In addition to the historic State aid increases provided to school districts in the FY 2022 and FY 2023 Enacted Budgets, New York’s public schools were also awarded \$14 billion of federal Elementary and Secondary School Emergency Relief (ESSER) funds, available for use over multiple years.

This funding will continue to help schools safely operate with in-person instruction, address learning loss, and respond to students’ academic, social, and emotional needs resulting from the disruptions of the COVID-19 pandemic.

SUMMARY OF SCHOOL AID SPENDING

PROPOSED FY 2024 EXECUTIVE BUDGET ACTIONS

Historic School Aid Increase. The Executive Budget provides \$34.5 billion in total School Aid for SY 2024, the highest level of State aid in history. This investment represents the largest year-to-year increase ever: \$3.1 billion (10.0 percent), including a \$2.7 billion Foundation Aid increase and a \$392 million increase in all other School Aid programs, including expense-based aids, categorical aids, and competitive grants.

Foundation Aid. Foundation Aid is the State’s main education operating aid formula. It is focused on allocating State funds equitably to all school districts, especially high-need districts, based on student need, community wealth, and regional cost differences. The Executive Budget provides a \$2.7 billion (12.8 percent) increase in Foundation Aid. This growth

| EXECUTIVE BUDGET SCHOOL AID | | | | |
|--|-----------------|-----------------|------------------|-----------------|
| SCHOOL YEAR BASIS (\$ IN MILLIONS) | 2022-23 | 2023-24 | \$ CHANGE | % CHANGE |
| FOUNDATION AID | \$21,334 | \$24,069 | \$2,735 | 12.8% |
| <i>HIGH-IMPACT TUTORING SET-ASIDE</i> | \$0 | \$250 | \$250 | N/A |
| EXPENSE-BASED AIDS | \$9,537 | \$9,769 | \$232 | 2.4% |
| UNIVERSAL PRE-K EXPANSION | \$0 | \$100 | \$100 | N/A |
| FORMULA-BASED AIDS (AID ON THE RUN) | \$30,871 | \$33,938 | \$3,066 | 9.9% |
| CATEGORICAL AIDS | \$306 | \$307 | \$1 | 0.5% |
| COMPETITIVE GRANTS | \$176 | \$197 | \$21 | 11.8% |
| SUFPK EXPANSION (FY2024) | \$0 | \$25 | \$25 | N/A |
| SUFPK EXPANSION (FY2023 - ROUND 2) | \$0 | \$13 | \$13 | N/A |
| TOTAL SCHOOL AID | \$31,353 | \$34,480 | \$3,127 | 10.0% |

fully funds the formula for the first time in its history, marking the final year of the three-year phase-in and ensuring that each school district receives a minimum year-to-year increase of 3 percent. Within the Foundation Aid increase, \$250 million is dedicated to support high-impact tutoring for students struggling to recover from pandemic-related learning loss.

Expense-Based Aids. The Executive Budget fully funds the current statutory formulas that reimburse a portion of certain school district expenses, such as school construction, pupil transportation, BOCES services, and the educational costs of certain students with disabilities. In total, these aid categories are projected to increase by \$232 million (2.4 percent). The Executive Budget also adds \$125 million to expand high-quality full-day prekindergarten programs for four-year-old children.

OTHER P-12 EDUCATION

The Executive Budget provides funding for new and recurring initiatives outside of traditional School Aid to bolster the school system in New York State.

Charter Schools. Approximately 182,000 students attend 343 charter schools in New York State. Charter schools receive tuition payments made by school districts, funded through State and local sources; these tuition rates are established for each school district based on the average annual growth in the district's spending. Consistent with the current statutory formula, the Executive Budget increases New York City charter schools' per-pupil funding by 4.5 percent. This will allow charter schools to continue to innovate, recruit high-quality teachers and staff, and provide strong educational options for New York's students.

The FY 2024 Executive Budget also proposes to eliminate the regional cap on the number of charters that may be issued in New York City. Additionally, the Executive Budget proposes to permanently authorize the reissuance of any charter originally issued to a charter school that subsequently closed after July 1, 2015, due to surrender, revocation, termination or non-renewal. These changes will permit the issuance of additional charters in New York City and expand educational opportunities for students.

Nonpublic School Programs. Approximately 370,000 students attend roughly 1,700 nonpublic schools statewide. The Executive Budget provides \$193 million in aid to reimburse nonpublic schools' costs for State-mandated activities and requires SED to prorate claims that exceed available annual funding, starting with aid payable in SY 2024. The Budget also provides \$70 million for science, technology, engineering, and math (STEM) instruction, a \$12 million (21 percent) year-to-year increase. In addition, the Budget continues \$45 million for capital health and safety projects, including critical repair and maintenance of nonpublic schools' facilities.

Special Education Tuition Rate-Setting Reform. Approximately 14,000 school-age students with disabilities are educated in private settings and special act school districts during the school year, and 50,000 school-age students with disabilities receive summer services. Additionally, approximately 80,000 preschool-age children with disabilities receive special education services. Funding for the providers of these special education services is determined through a rate-setting methodology administered by SED. Pursuant to SED's request, the Executive Budget provides \$2.5 million for SED to study and design a new rate-setting methodology in order to streamline and improve the timeliness of tuition rates for these providers. SED will present its recommendations to DOB by July 1, 2025, and adoption of any alternative methodology would be subject to DOB approval.

OTHER BUDGET ACTIONS

Major Capital Investments in Native American Reservation Schools. The Executive Budget provides \$20.1 million for capital improvements to the three State-owned schools on Native American reservations to supplement the \$35.7 million provided for these schools in the FY 2023 Enacted Budget. The two year total of \$55.8 million provides \$20.1 million for the St. Regis Mohawk Nation School, \$18.4 million for the Tuscarora Nation School, and \$17.3 million for the Onondaga Nation School. This funding will modernize classrooms and HVAC systems, among other school facility upgrades.