

## Big Breakthrough on New York School Funding

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By Wendy Lecker and Mary McKillip

After a sustained 12-year campaign, New York advocates secured a major victory in April when lawmakers enacted a \$1.4 billion increase in state aid in the FY22 State Budget, along with a commitment to fully fund the state's Foundation Aid formula by the 2023-24 school year. The \$1.4 billion increase will be followed by an estimated \$2.5 billion aid increase over two years to finally close the gap in the state's share of school funding required by New York's Foundation Aid Formula. While lawmakers still must follow through with those increases in enacting the next two State Budgets, the commitment to do so is a major breakthrough after years of failed efforts in the Legislature and stubborn resistance by Governor Andrew Cuomo.

The funding increase stands in stark contrast to the [prior year's budget](#) that cut \$1.1 billion in state aid, and the \$2 billion cut to aid [proposed in Governor Cuomo's initial budget](#) for this current year.

New York's Foundation Aid formula was enacted in 2007 to respond to a ruling by New York's highest court in the *Campaign for Fiscal Equity v. State* lawsuit that declared the state's school finance system unconstitutional. In enacting the Formula, the State committed to increasing state aid by \$5.5 billion over four years but defaulted on this promise after two years. Ever since, the Formula has remained deeply underfunded.

### High Poverty Districts Benefit Most from Full Formula Funding

The Foundation Aid Formula is designed to deliver more funding to New York districts with higher enrollments of low-income students [who require additional resources](#) to support their education. These higher need districts struggle to raise sufficient local dollars and rely more heavily on state aid to support their schools. As a result, the underfunding of the Foundation Aid Formula has a disproportionate impact on students in these districts.

Education Law Center's analysis of the \$1.4 billion increase in 2021-22, and the commitment to fully fund state aid in the following two years, shows the benefit to higher need districts. As seen in Figure 1, districts with higher concentrations of students in poverty<sup>1</sup> receive higher increases in state aid, an average of \$676 per pupil in the highest need districts compared to \$212 in the lowest need districts. The districts with 50% or more students in poverty serve a majority of students in the state.

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<sup>1</sup> District poverty here is measured using New York State's calculation of the 3-year average of the percent of students directly certified in the district. Direct certification is a process used to enroll students in the school free lunch program if families receive SNAP benefits or Medicaid.

To reach full funding, the state must allocate an additional \$2.5 billion in Foundation Aid dollars in 2022-2023 and 2023-2024, according to current estimates. The highest poverty districts would receive an estimated \$1,058 per pupil increase over the two years compared to a \$544 per pupil increase in the wealthiest districts, as seen in Figure 2.

Figure 1: Increased State Aid Per Pupil 2020-2021 to 2021-2022 by District Poverty

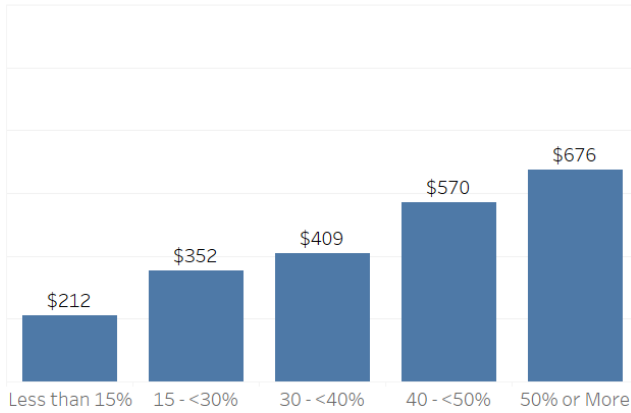


Figure 2: State Aid Gap to Full Funding by District Poverty

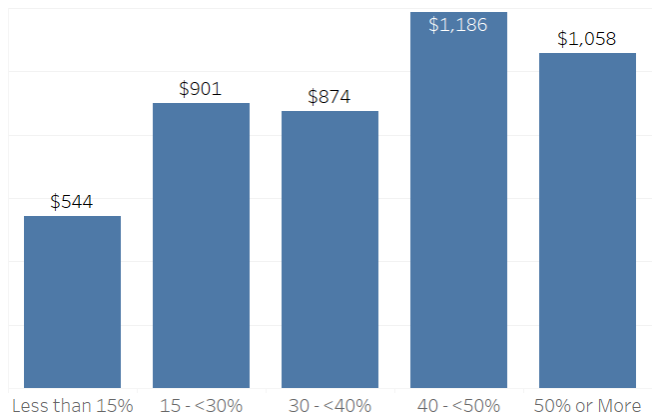


Figure 3: Increased State Aid 2020-21 to 2021-22 and Remaining Funding Gap, Conference of Big 5 School Districts

ALBANY		BUFFALO		MOUNT VERNON		NEW YORK CITY		ROCHESTER		SYRACUSE		UTICA		YONKERS	
FY22 Total	\$9,594,022	FY22 Total	\$43,314,792	FY22 Total	\$3,150,836	FY22 Total	\$530,112,349	FY22 Total	\$39,857,572	FY22 Total	\$18,938,590	FY22 Total	\$11,282,752	FY22 Total	\$21,926,983
Remaining Gap Total	\$25,939,395	Remaining Gap Total	\$55,127,919	Remaining Gap Total	\$0	Remaining Gap Total	\$540,821,690	Remaining Gap Total	\$40,662,776	Remaining Gap Total	\$24,103,662	Remaining Gap Total	\$30,505,221	Remaining Gap Total	\$22,369,954

### Litigation Part of the Advocacy Mix

New York’s grassroots advocacy campaign has been complimented by two pending lawsuits challenging the State’s underfunding of public education that have been working their way through the courts. The first is *Maisto v. State* in which an Appellate Court last month ruled that the State’s failure to provide adequate funds to schools in eight small cities districts violated the rights of district students to a sound basic education under the State Constitution. The *Maisto* decision recognized that the obligation to adequately fund public schools “takes on a heightened status in economically distressed school districts” where social workers, guidance counselors and other staff and services are essential.

The second lawsuit, *NYSER v. State*, centers on students in New York City and Schenectady, and is currently pending in State Supreme Court in New York County. Like the plaintiffs in *CFE* and *Maisto*, the plaintiffs in *NYSER* contend that the failure to provide adequate state education funding violates the rights of public school students in the districts in the lawsuit, particularly traditionally underserved students.

## Conclusion

The Education Law Center publication, [\*Courthouse to Statehouse- and Back Again\*](#), documents the struggle in four states – Kansas, Massachusetts, New Jersey, and Washington – to safeguard the constitutional rights of students to an adequate education. In each state, successful school funding reform was achieved through a long-term, multi-pronged effort that included litigation, but was aimed squarely at elected officials in state capitols. This same playbook was employed in New York, and now, after almost two decades of sustained effort, advocates have succeeded in securing historic increases in state school funding that will have a significant impact on the learning and lives of children across New York State.

*View funding increases for every New York school district [here](#).*