

Building a More Equitable New York Education

February 12, 2020

EACH YEAR EDUCATION IS AT THE CENTER OF NEW YORK’S BUDGET DEBATES. There’s no mystery why: funding to primary and secondary schools accounts for about one fifth of the state budget, and higher education accounts for another six percent. In addition to state spending, local governments also contribute substantially to financing education. Education is one of our biggest expenses...and one of our smartest investments. A strong educational system leads to well-informed New Yorkers, a highly productive labor force, and a rich cultural life for ourselves and our children.

This year, despite a large budget gap, New York State can and must make substantial steps toward addressing the urgent needs of our educational system.

K-12 Education: A \$3.8 Billion Broken Promise

New York State is failing its schools. The injustice of our state’s school funding system has been so egregious for so long that in 2003 New York’s highest court ruled it unconstitutional. The court required the legislature and the governor to come up with a way to make sure all students in the state have the opportunity for a “sound, basic education.” The result, some years later in 2007, was a new Foundation Aid Formula.

Despite the court ruling and the agreement by the legislature and governor, Foundation Aid has never been fully funded. This year, the gap is a staggering \$3.8 billion. Yet the executive budget includes just \$504 million for foundation aid. Even if the additional \$200 million that the executive budget includes in

Foundation Aid: A Long Way to Go to Meet the \$3.8 Billion Commitment to Our Children

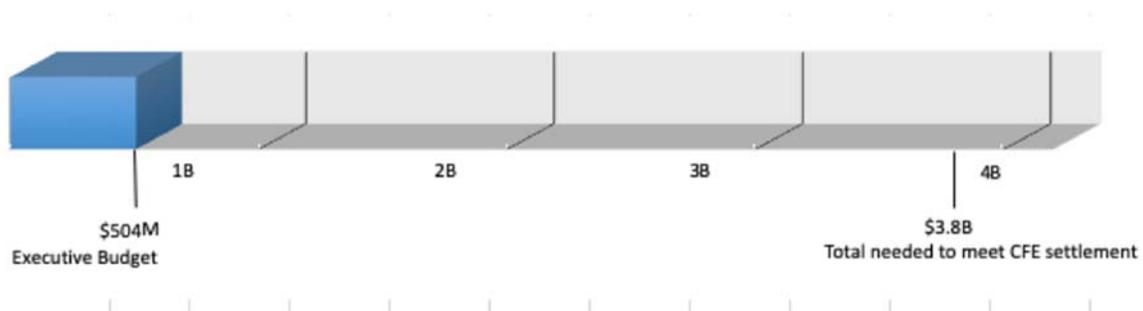


FIG. 1 Source: Executive Budget, New York State Board of Regents.

a “Fiscal Stabilization Fund” is all allocated to foundation aid, that leaves New York students shortchanged by some \$3 billion. It should go without saying that the foundation aid formula is not a luxury. A sound basic education is the bare minimum that is required from New York, not a lofty aspirational goal. Students of color, rural students, students in upstate cities and in New York city, and students in lower-income districts around the state are being dramatically shortchanged.

The NYS Board of Regents and advocates such as the Alliance for Quality Education are calling for at least \$2 billion of that \$3.8 billion gap to be closed this year, and the rest to be closed next year. The political reality may be that the full \$3.8 billion is more than state legislators or the governor are willing to take on this year, but the fact is that meeting this promise to our state’s children is a moral, and in fact also a legal, obligation. **The governor and legislature should add the full \$3.8 billion to Foundation Aid, and if meeting that commitment seems insurmountable it should at a minimum add \$2 billion to this year’s budget and the rest next year.**

Because K-12 education is jointly funded by the state and localities, making good on this promise will ease pressure on local taxes while reducing racial, geographic, and social inequities and ensuring that school districts around the state have the resources to provide a sound basic education for all.¹

In addition to this expansion of Foundation Aid, the governor and legislature should invest **\$50 million in Culturally Responsive Education, \$50 million to implement positive school climate strategies to prevent suspensions, and \$100 million for sustainable community schools**, all strong programs that promote equity and inclusion in our schools.

Make Universal Pre-K Truly Universal

New York State was a leader in creating full-day Pre-K programs, and in expanding Pre-K to include not just 4-year-olds but also 3-year-olds. However, universal Pre-K is far from universal in New York. New York City has added to state funds to guarantee access to Pre-K for all 3- and 4-year-olds, and has additionally agreed to a pathway to pay parity for early childhood education providers working in different contexts.² **The governor and the legislature should invest \$150 million to fully extend Pre-K to all areas of the state, and should move toward a system of pay parity for Pre-K teachers.**

Ensure Quality and Access in Higher Education: SUNY, CUNY, and TAP

Educating students, contributing to groundbreaking academic research, enriching the state’s cultural environment, and robustly contributing to the state’s economy are all reasons for New York to take immense pride in the State University of New York (SUNY) and the City University of New York (CUNY). SUNY is composed of 64 campuses with 424,000 enrolled students and CUNY is composed of 24 campuses with 274,000 students. These public universities also provide real access to all students, with students of color well represented in each region. At CUNY, 25 percent of students are black, 31 percent Hispanic/Latino, and 21 percent Asian or Pacific Islander. At SUNY, 11 percent of SUNY students are black, 14 percent are Hispanic, and 7 percent are Asian or Pacific Islander.³

Unfortunately, the state has starved SUNY and CUNY of resources for years, forcing them to make do with less and pass along burdens to students, faculty, and staff, and to local governments in the case of community colleges. It's time to reverse this trend.

For both SUNY and CUNY, the most immediate step in restoring public funding is covering their full operating costs, which the "TAP gap" undermines by cutting into tuition revenues. The state's Tuition Assistance Program, TAP, is the state's major needs-based financial aid to help students pay for both public and private higher education. However the state requires CUNY and SUNY to waive all or part of the remaining tuition for students receiving TAP financial aid. For low income students, the colleges waive the entire difference between \$5,000 and their tuition bill, but all TAP students get part of their bill waived. This adds up to a serious revenue loss of about \$80 million each for CUNY and SUNY, \$160 million total, to cover this growing "TAP gap." The state should add funds to cover this growing "TAP gap." It is not all that is needed, but it is the first big step toward relieving some of the financial stresses on SUNY and CUNY campuses.

The state's arbitrary two percent spending cap has hurt virtually every area of public service, and CUNY and SUNY are no exception. The two percent spending cap has not kept up even with increased mandatory costs, and it has put a particular strain on CUNY and SUNY in areas where enrollment has grown. New York State has, rightly, emphasized high school graduation and urged graduates to attend college, but it has then failed to adequately support them or their colleges and universities when they enroll.

Continually increasing tuition is no solution, and neither is pushing the costs to local governments that are already straining to meet their commitments. Nor is it a good idea to further expand class size, stretch student services, delay maintenance of buildings, or further rely on adjunct faculty to keep programs running. Efficiencies that don't hurt the quality of the institution or those who depend on it are hard to find in systems that have been under strain for over a decade. A real investment is needed to realize the full potential of SUNY and CUNY and to meet the needs of New York's students.

The governor proposes to expand upward the Excelsior Scholarship, increasing the family income at which college tuition would be free from \$125,000 to \$150,000. That is a sound idea that will benefit upper-middle-class families who may struggle with tuition, and it is also a move toward a more generally free tuition at SUNY and CUNY. But as the program aids students, there should be an expansion of funding to the university systems so they can provide a quality education to all students. And, there should be a greater attention to the students in greatest financial need, whose largest concern is not tuition—which has long been free—but books, travel, and living expenses.

The state's Tuition Assistance Program made some important strides last year in removing exclusions for undocumented students who graduated from high school in New York State and are New York residents. But TAP still retains restrictions that dramatically limit aid to part-time students, students who work while they gradually complete a degree, independent students who do not have financial support from their families, which contributes to the growing problem of students who are homeless. In

addition, the maximum TAP award has not been raised in five years. A modernization of TAP that would address all these issues should be part of this year's state budget.

Institute a Five-Year Moratorium on New Charter Schools

While public schools are slated to receive just a three percent increase in state aid, the Executive Budget proposes New York City charter schools receive a 5.3 percent increase, including a \$50 million reimbursement to city government for facilities aid. The Executive Budget also proposes to re-issue any charter that was revoked, expired, or surrendered in New York City. This proposal essentially lifts the New York City charter cap by nearly 20 schools. The Executive Budget also includes a three percent increase in funding to charter schools outside of New York City.

The continuous underfunding of public schools in order to fund charter schools undermines the efforts of local school districts and creates a bifurcated system. Where our public schools are underperforming we should learn why and address the problems head on; creating charter schools does not solve the problem. It would make sense today to institute a five-year moratorium on new charters. This would allow governments to focus on the success of public schools while continuing to support, but not expand, existing charter schools. During this time we should thoroughly study both public schools and charter schools. In five years, we can review the data and lift the moratorium if necessary, or accept that traditional public schools can and will educate our future workforce and leaders.

Recommendations

- Make good on the \$3.8 billion commitment to ensure a sound basic education to all of New York's students. If the full amount cannot be achieved this year, it should be done over two years, with at least \$2 billion toward closing the gap this year.
- Extend availability of Pre-K to all families with 3- and 4-year-olds, at an estimated cost of \$150 million.
- Begin to rebuild CUNY and SUNY after years of neglect. Closing the \$160 million TAP Gap is a bare minimum.
- Expand TAP to meet the needs of low-income students, independent students, students with children, and those who take longer to graduate as they work and pursue a degree at the same time.
- Institute a five-year moratorium on new charter schools rather than expanding charter school funding by 5.3 percent.

¹ Education funding is a joint state and local responsibility. To determine how much the state should contribute, the foundation aid formula determines the amount needed to provide a student a sound, basic education, and then calculates each school district's need (based on factors such as students with disabilities, students in poverty, and English Language Learners), its ability to pay (based on factors such as local property values), and the cost of living (which affects labor and other expenses).

² <https://www1.nyc.gov/office-of-the-mayor/news/547-19/mayor-de-blasio-speaker-johnson-city-has-achieved-pathway-pay-parity-early>

³ SUNY data on enrollment and race are at: Fast Facts, <https://www.suny.edu/about/fast-facts/>. SUNY also serves some 850,000 people through continuing education and outreach programs and CUNY serves 229,000, while each also serve thousands more through online courses. CUNY data at CUNY data book: http://www.cuny.edu/irdatabook/rpts2_AY_current/ENRL_0031_RACE_GEN_TOT_PCT.rpt.pdf and the CUNY operating budget request <https://www.cuny.edu/wp-content/uploads/sites/4/page-assets/about/trustees/meetings-of-the-board/2020-2021-Operating-Budget-Request-and-Four-Year-Financial-Plan.pdf>, p. 20.