

Testimony before the Joint Budget Hearing on Elementary and Secondary
Education
by Marina Marcou-O'Malley, interim Co Executive Director,
Alliance for Quality Education

Chairs Krueger and Weinstein, members of the joint budget hearing on education, thank you for giving me the opportunity to testify before you today. My name is Marina Marcou-O'Malley. I am the interim co-executive director of the Alliance for Quality Education, a statewide coalition of community organizing groups, dedicated to organizing Black and brown parents to advocate for their children, their public schools and communities.

Foundation Aid

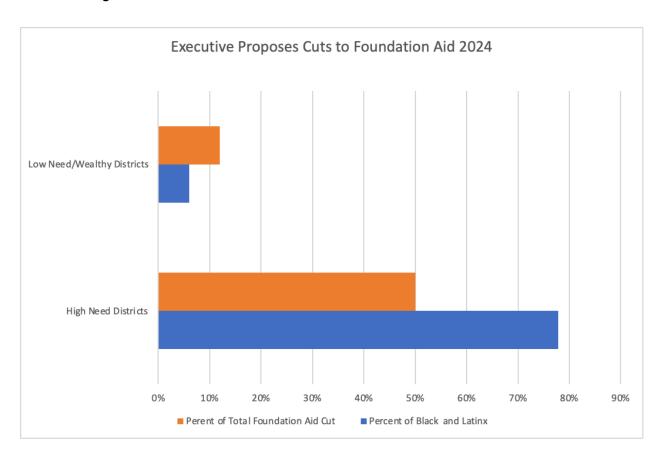
100% Funding of Foundation Aid as is in current law:

It seems rather surreal that we testified before this very committee a year ago touting that for the first time in more than fifteen years, we are able to deliver a big thank you to all elected officials who stood up and fought for our public school children so they can have the quality education to which they have a right. We thanked Governor Hochul, a practice that was a first for AQE since we had been at odds with her predecessors over this very issue. It is surreal because now we are back to testifying before you and asking you to reject the executive's proposal to change the foundation aid formula in order to drive less money to our public schools. Our kids and young people have a right to all the resources they need to spread their wings and reach their full potential. The executive proposal gives them almost half of what current law requires, undermining the very predictability of the formula and sending us back to times when fights over funding formulas were at the forefront of every education stakeholder in the state.

Our analysis of the proposed changes in the formula, agrees with the analysis our colleagues have published, and it is worth repeating one more time. Yet again, the high need districts, these same districts the governor wants to protect, are bearing 50% of the proposed cuts to Foundation Aid.

These 206 school districts educate 78% of Black and Latinx students and 80% of all English Language Learners in the state. All of these districts have significantly lower ability to raise local revenue from property taxes and rely mostly on the state. Compared to wealthier districts,

high needs districts are still getting a significant cut, one that would put them back to the chronic underfunding era.



No matter how you dress it, how you want to make it sound, a cut is always a cut and those who bear it are children. Children who are only children once. Our state gave our current 5th graders better resourced schools in these districts, only to take some of it back and tell them that as 6th graders they need to do the same things but with fewer resources. I really wish I was able to be here in front of you praising the governor for not reneging on the state's commitment to a sound basic education, but I can't. I urge you to reject this proposal and make clear that basic operating aid, Foundation Aid, is in fact here to stay and no one is allowed to change it to save money because they don't want to raise taxes on the wealthy. Budgets are about priorities, our school children need to be at the forefront of ours, NO CUTS TO FOUNDATION AID.

There has been a lot of discussion of people leaving the state because of the crisis of affordability, in fact. Cutting aid to schools will only exacerbate this problem, as families will choose to live in states that value public education.

Update the Foundation Aid Formula:

The Foundation Aid formula needs to be updated as it has been more than 15 years since it was created and implemented. But it needs to be done in the right way, not in the way the executive

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proposes. The pandemic, the new learning standards, new poverty measures, all need to be factored into the formula. Therefore we urge you to fund the \$1 million State Education Department's budget request to contract with experts and conduct a process to engage the public. This is an important next step in ensuring that our state's primary funding formula is up to date, taking into account current demographic variables, and adequately addressing the challenges that our schools face, especially due to the pandemic. AQE is fully in support of making changes to the formula that include a new cost study to determine the cost of "sound basic education" in today's terms. We also support taking in consideration concentrated poverty, updated weights for English Learners and for students with disabilities, regional costs, and other areas that may be necessary for the formula to continue to prioritize school districts with high needs and adequately meet the needs of their students.

Make sure that students have continuous access to programs and services

Funding immediate student needs in the FY25 budget to bridge any gap in the services provided by our public education system with the expiring federal dollars must be included in the enacted budget. The executive makes no such provision, leaving school districts that used the federal dollars toward staff and programs to address the needs of their students, the needs that the pandemic illuminated and compounded. To be clear, districts used their dollars for basic needs and programming. Take the example of Buffalo for instance, which stands to lose literacy coaches and reading teachers because of these expiring funds. The governor announced the "back to basics" initiative, a worthwhile endeavor. That said, that program must be funded adequately, as well programs and initiatives that are already underway, including those that are in danger of ending because of expiring federal funds.

<u>Community schools</u> We support the continuation of funding for community schools at \$250 million. We urge the legislature to create its own categorical aid for community schools, outside the Foundation Aid formula and invest another \$100 million. Community schools have been proven to work wherever they are implemented. It is the right way to do school, one that addresses the needs of the community and the students, regardless of what they are. The community schools strategy is not a cookie cutter strategy. It is tailored to each community and the students within it. It works.¹

Mayoral Control

The New York City school governance issue, also known as mayoral control, does **NOT** belong in the budget process. Currently, the State Education Department is having hearings all over NYC. Parents, community members, educators gave their testimony on the issue. The majority of them spoke against mayoral control, against renewing it citing how problematic it has been. We urge you to allow the process that the state is funding to happen before any taking on the issue. We urge you to wait for the department's report and to consider we are now 20 years into mayoral control and problems with school governance have only gotten worse, shutting out of the process the voice of families and

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¹ https://www.nyscsn.org/

students. We urge you to discuss mayoral control outside the budget process and not allow anyone to turn it into a bargaining chip.

Pre-Kindergarten and Child Care

Early childhood education is the foundation of our education system. We believe that pre-Kindergarten should be universal and free, open to all three and four year olds that want to attend. We believe that child care should be universal to all children, regardless of immigration status.

Continue Pre-K Expansion, but with Adequate Rates:

The executive budget includes a \$100 million continuing investment in pre-K with unused funds from the previous year. Maintaining this investment is positive and must happen. In addition, allowing more flexibility to school districts may also have a positive effect. However, the state must address the per child rate that school districts that opted in the program early receive to this day. We urge you to focus on increasing rates for school districts that were early adopters of Universal Pre-K who continue to have programs that are funded from local tax revenue. Currently, some school districts continue to receive from the state \$5,400 per child for full day pre-K, an amount that is inadequate to cover the cost of any quality program. In addition, school districts that contract with community based organizations (CBOs) to administer the pre-K program, do not provide an adequate amount for teachers to be paid a thriving wage, condemning the teachers that work for these CBOs to poverty wages. Ensure equitable distribution of pre-K funding to community based organizations and family child care programs to ensure continuity of learning for children that honors families' choice.

Ensure that preschool special education is adequately funded by establishing a methodology to calculate rates for providers that more accurately reflect the cost of delivering the service and instruction, as well as ensure the longevity of the programs.²

Need Robust Investments in Child Care Workforce³:

Even though child care is not under the purview of the education department or this committee, it is the cornerstone of the successful development of children and it should be adequately funded. The executive budget makes very little investment in child care, with only \$340 million additional state dollars going to the child care assistance program. It makes NO investment in the workforce.⁴ Child care educators are among the lowest paid professions of the care economy with 97% of other jobs in New York paying more.⁵ Early care and learning programs have closed because they cannot sustain themselves, and now we find ourselves to the point where the governor is correctly making more families eligible for assistance, but if investments in the workforce are not sufficient families will have

² https://thechildrensagenda.org/wp-content/uploads/2023/01/Kids-Cant-Wait-2023-Policy-Priorities-1.pdf

³ https://www.aqeny.org/wp-content/uploads/2024/01/Updated-ESCCC-2024-Priorities-1.16.24.pdf

⁴ https://www.empirestatechildcare.org/

⁵ https://rockinst.org/blog/five-things-to-know-about-the-care-workforce/

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vouchers but no one to provide the care. The childcare workforce needs \$1.2b billion investment this year in a permanent wage supplement fund. If there is no more investment in the workforce, there will continue to not be enough programs to accommodate the eligible families.

Raising Revenues⁶

AQE is a proud member of the Invest In Our New York campaign. We have a slate of bills that raise more than enough revenue to fund all of the priorities you hear today and throughout all the budget hearings. A recent Siena poll on raising taxes on the ultra wealthy, found overwhelming support among voters and taxpayers.⁷ The governor has said it herself, millionaires and billionaires aren't leaving, everyday New Yorkers are, because they cannot afford to live here.

When you implement some of these wealth taxes such as the capital gains tax (S.2162-Rivera/A.2576-Kim) that taxes the income made by selling stocks and making other investments, a bill that raises approximately \$12 billion annually, you can fully fund Foundation Aid, make up for gap left by the expiring federal funds and give thriving wages to the child care workforce, and still have money to fund wages for home care workers and hospitals. If you implemented the corporate tax bill (S.1980-Hoylman/A.3690-Kelles-Shrestha) which raises \$7 billion annually, you could fund an ambitious housing plan. And, to be clear, the state has money, these options only provide more.

There are other options as well that collectively raise tens of billions of dollars annually. Passing these very modest wealth taxes on mega rich corporations and individuals has the power to transform our state. We know that the legislature deeply values equality and justice for all people, of all classes, races, genders, and communities. We have the opportunity to actually deliver on that dream, ensuring that children have homes and great schools, that everyone has a thriving wage, that no one wants for the bare minimum like food or healthcare. Passing these wealth taxes will also transform our budget system, moving from a stop-gap budgeting system that struggles from year to year and where many of our legislative champions have to fight annually for limited grant program funding for things like literacy initiatives, to one where we have more than enough revenue to meet the needs of our people, and ensure fairness in our system of taxation. The ultra wealthy and multi-billion dollar corporations don't need more giveaways and tax breaks, but the 95% of us who live outside that world need justice and investment. You have a choice here: to show where the state's priorities lie and do it in a way that invests in our New York, in our future.

⁶ https://www.investinourny.org/2024agenda

https://scri.siena.edu/2024/01/05/67-of-new-york-voters-support-raising-taxes-on-profitable-corporations-and-highest-5-of-earners/