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## **Westchester Assembly Delegation Budget Forum**

**February 6, 2021**

**Karen Belanger, Executive Director, Westchester Putnam School Boards Association**

The Westchester Putnam School Boards Association greatly appreciates the opportunity to testify before you today to bring your attention to issues facing public education.

The COVID-19 pandemic has presented unprecedented challenges to school districts. Pandemic costs have fallen heavily on school districts as they aim to preserve academic and mental health programs for students while studying from home, in school buildings or a hybrid of the two learning models. As school districts have been bearing the cost of providing devices and wi-fi hotspots for home use to many students, we are supportive of state proposals to ensure access to affordable home broadband services for all families. In planning ahead for post-pandemic education, we recognize that the short term costs of PPE and cleaning supplies are likely to be dwarfed by the longer-term costs of tending to the mental health needs of students, filling COVID learning gaps, and closing the digital divide permanently.

While we recognize the difficult financial position the state is in, WPSBA is concerned about the fiscal effects of using the full additional \$3.8 billion in federal funds intended for pandemic relief to school districts to maintain core state aid funding for P-12 public education. The effects of COVID-19 will be long lasting, and to that end long term relief is needed to help school districts. WPSBA proposes providing management flexibility school districts to provide meaningful relief to school districts, without a fiscal impact on the State.

### **Funding Public Education**

The Executive Budget for FY2022 includes more than \$3.8 billion in federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act) pandemic relief fund, which is offset by a new "Local District Funding Adjustment" that reduces state aid by \$1.35 billion. In addition, the Executive Budget proposes a \$693 million reduction in consolidated services, the elimination of both the \$19 million in annual funding of prior year claims aid and the existing aids claims list with more than \$300 million in outstanding approved aid claims statewide. Plus, the budget includes the permanent elimination of the state share of costs related to Committee on Special Education (CSE) placements for districts outside of New York City, and transfers the state's responsibility for maintenance costs of state-operated schools for the blind and deaf onto school districts. The Executive Budget inappropriately places STAR payments in school aid runs, as STAR payments to school district are a flowthrough payment to property taxpayers that ensures that school districts receive the entirety of their voter-approved tax levy.

Schools districts cannot afford both the proposed aid cuts and the additional cost burden from New York State.



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### **Transportation Aid**

While WPSBA applauds the Executive Budget recommendation to permit transportation aid for school bus runs to deliver meals or devices to students during last spring's closures of school buildings, we believe this does not go far enough. The Federal CARES Act funding received by the majority of school districts in the Spring of 2020 required districts to maintain employment to the extent possible. In addition, with no clear end date for the closure of school buildings until near the end of the school year, districts had to plan for reopening of buildings and transporting students at any stage. That posture has not changed this year as many districts have cycled in and out of hybrid and in-person learning models in favor of remote learning when needed to reduce spread of COVID-19 and maintain quarantine protocols. With this high level of uncertainty, school districts that paid bus drivers or transportation contracts to remain on standby for the reopening of school buildings should be permitted to receive the appropriate transportation aid.

### **Consolidation of Expense-Based Aids**

The ability of districts to plan is also an argument against the proposed consolidation of expense-based aids. School district personnel are able to make financial decisions on the basis of knowledge of aid streams for shared services through BOCES, transportation of students, library and technology purchases and others. The consolidation of these aid streams with no plan for how those funds will be distributed in future years hampers districts' ability to plan for the most efficient use of resources.

### **Foundation Aid/Regional Cost Index**

Foundation Aid is the primary mechanism for ensuring State funds are provided to the students most in need of those funds. Freezing levels of Foundation Aid for two years has put many more districts behind on fully funding the formula. Nineteen of WPSBA's 46 school districts (40%) are projected to be at less than 60% of full funding of Foundation Aid in the coming school year, according to the Executive Budget. WPSBA strongly urges updating the Foundation Aid formula and data as this continues to be a critical issue when it comes to the appropriate distribution of Foundation Aid funds.

In addition, the formula should properly reflect the changing student demographics and actual expense of operating in a high-cost region adjacent to New York City, similar to how the regional cost factor for Long Island is calculated. WPSBA proposes the creation of a new MTA region which would include Westchester and Putnam counties for the purpose of calculating the regional cost index in the formula, as the districts in the NYC commuter region are faced with a more consistent cost structure than counties in the mid-Hudson region that are not in commuting distance of the city.



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## **Tax Levy Cap**

Funding to ensure the education of public-school students in New York State primarily comes from State Aid sources and local property tax payers. The State Comptroller's office has announced the allowable growth factor, based on inflation, will be limited to 1.23% for the coming school budget year. While we do not agree that annual inflation is ever a valid number for the majority of school district costs, in a pandemic year, general inflation is certainly not an appropriate measure of the growth in school district costs. Due to the exceptional costs of providing school programs and services both remotely and in school buildings during the pandemic, we propose that the allowable growth factor for the coming year be set at the 2% that is the typical maximum. School board members, who live and pay taxes in their local community, are well aware of the economic circumstances of local taxpayers and can choose to bring a budget to their community for approval that is below that number, but boards of education should have the flexibility to ask local voters to approve a number based on a 2% growth factor.

## **Cost Containment**

Increasing the management flexibility of school districts in several arenas can help school administrators and boards of education as they attempt to contain costs to protect programs and services for students. Although we appreciate the financial flexibility provided by Chapter 157 of the Laws of 2020 permitting districts to borrow for COVID-19 costs from district reserves, the requirement to pay interest on school district funds should be removed. Other options for increasing the flexibility of school districts include:

- Increase the negotiating flexibility of school districts by adjusting the Triborough Amendment to increase incentives to come to the bargaining table when contracts are completed;
- Reduce construction costs by amending "Wicks Law" to increase the project costs threshold and to allow districts to enter into Project labor Agreements for school construction work;
- Reduce the distance required for districts to provide out-of-district transportation for private and parochial school students from 15 to 5 miles; and
- Limit the high cost of special education services through limiting the costs of compensatory services to account for service restrictions during COVID-19 school closures, establishing a cap on school district contributions to out of district placements to the comparable BOCES rate for a similar program, and returning the burden of proof on the party seeking relief in special education legal challenges.



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### **Special Act Public School Districts**

Special Act School Districts (SASDs) are public school districts that provide specialized services to some of NYS's most challenged students whose individual needs cannot be met in their home district. The fiscal and programmatic stability SASDs can be enhanced through:

- Permitting SASDs to establish an unappropriated reserve fund, like all other public school districts;
- Authorizing the designation of COVID-19 related expenses as direct care costs for tuition rate-setting;
- Awarding SASDs an interim plus tuition rate at the beginning of every fiscal year, to permit districts to budget using approved growth rates; and
- Providing SASDs with additional funding for increased safety and security as part of the implementation of Raise the Age, to address the placement of youth offenders in SASDs by the Courts.

### **Educational Access & Student Mental Health**

WPSBA is supportive of measures such as the Low-Cost Broadband Internet for Low-Income New Yorkers proposal in the Executive Budget that seek to ensure affordable access to broadband services in every household. Although school districts have been providing students and families with devices and Wi-Fi hotspots, home access to reliable highspeed internet is critical to students not only during the pandemic, but to fill the homework gap permanently. Funding to support additional academic programming post-pandemic to combat learning loss during COVID-19 will be crucial to ensure the academic well-being of all special needs and general education students.

The mental health needs of our students were rising before the pandemic and have only increased since the onset of COVID-19. We call on legislators to make significant resources available to support and expand mental health services for students provided both in-person and remotely due to the rise in trauma, social disconnection, isolation, stress and fear of our youth during a pandemic.

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Thank you for your ongoing support of public education in Westchester County, and all you do to assist educators in public school districts in providing academic, extracurricular, social, and mental health programs and services to the young people of our state.