

Review of the 2024-2025 Executive Budget

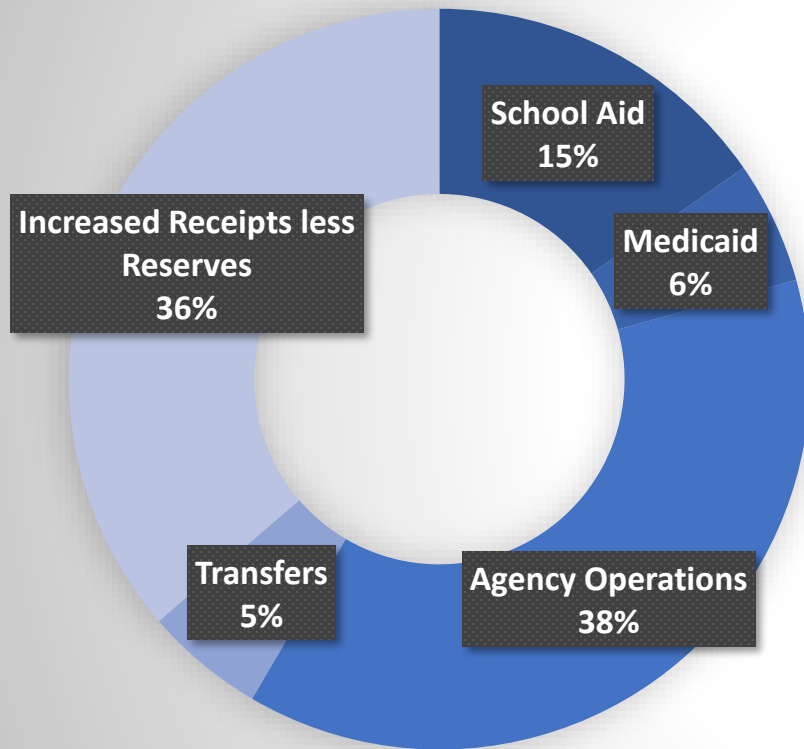
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New York State
EDUCATION DEPARTMENT

Knowledge > Skill > Opportunity

Executive Budget Proposals to Close FY 2025 Gap



The Governor is required to submit a balanced budget under the NYS Constitution, Art VII §2.

The Governor's proposed budget includes actions to close a \$4.5 billion gap in FY 2025.

School Aid proposals represent 15% of the gap.

State Spending – Major Categories

School Aid remains the largest piece of state operating spending

Category	FY24*	Share of FY24	FY25*	Share of FY25
School Aid	\$34.39	27.2%	\$35.31	27.3%
DOH Medicaid	\$27.44	21.7%	\$30.43	23.5%
State Operations	\$21.80	17.2%	\$23.16	17.9%
All Other Assistance and Grants	\$29.79	23.5%	\$29.04	22.5%
General State Charges	\$10.59	8.4%	\$8.32	6.4%
Debt Service	\$2.61	2.1%	\$3.02	2.3%
Total State Operating Funds	\$126.61	100.0%	\$129.27	100.0%

* Projections, displayed in billions

State Aid Comparison Table

Aid Category	Current Law	Regents Proposal	Executive Budget
Foundation Aid	\$927 million	\$1.24 billion	\$507 million
Expense-Based Aids	\$318 million	\$318 million	\$318 million
FAPE22 • Includes Excess Cost Aids and Foundation Aid	\$0	\$55.3 million	\$0
Total:	\$1.2 billion	\$1.6 billion	\$825 million
Unallocated Supplemental Assistance Grants	\$0	\$0	\$100 million

Foundation Aid Actions



Under Current Law the Foundation Aid total for 2024-25 was projected at \$24.93 billion, an increase of \$927 million



The increase was largely due to the inflation factor and enrollment increases in certain districts



The Executive Budget includes smaller growth in Foundation Aid due to two significant proposals:

A change in the inflation factor

A change in the save harmless



Foundation Aid: Inflation Factor

- Replace the single year inflation value with a multi-year average
- Reduces foundation aid growth by \$331.4 million

Foundation Aid: Save Harmless



Save harmless funding would be cut by \$167.9 million across 337 districts, leaving \$207.1 million in save harmless funds



Reductions are based on district wealth, and affect rural districts, especially those with the greatest enrollment declines

Other School Aid Changes

Sharing Ratio: The maximum percentage of a district's per pupil foundation aid amount that the state will support

- The Executive Budget increases the maximum state share from 90% to 91% to support the highest needs districts. This partially offsets the lower inflation factor.

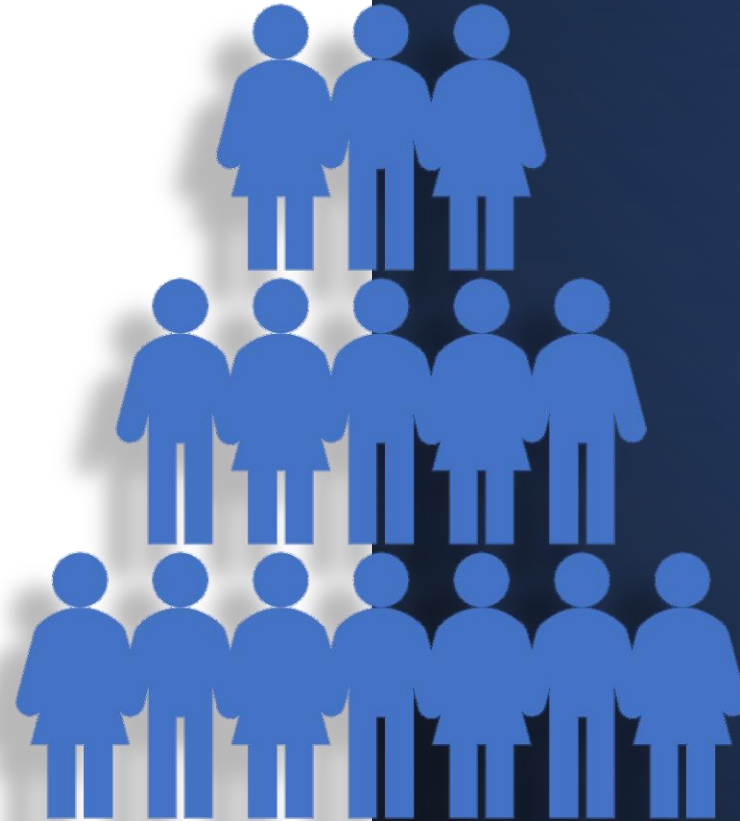
Expense Based Aids

- Fully funded in the Executive budget without changes
- Does not include enhancements for student with disabilities above age 21

Regents Priorities

Regents Priorities Included:

- Critical Staffing
 - Personnel increases to reflect new contractual costs
 - NYSED IT staff needs and non-personnel costs
 - Statewide Longitudinal Data System staff
 - Literacy and Health experts for the Office of Standards & Instruction
 - Technical experts for zero-emission buses



Regents Priorities Included:



State-funded Prekindergarten

Consolidates three expansion grants into one program

Removes language that prohibits supplanting state funds and served as a barrier to expansion



State funding for two prekindergarten programs previously funded with federal revenue

Regents Priorities Included:

- Tuition Rate Setting Methodology Study
- \$3 million NOVELny
- \$1 million for the Talking Book & Braille Library and Conservation Preservation
- Requested appropriation language changes for the Vocational Rehabilitation Program and the Adult Education Program

Regents Priorities Included, Not Funded at Requested Levels:

- Maintained capital funding for the State-Owned Schools
- Maintained Public Library Construction Aid at \$34 million (\$45 million request)
- Provided \$2 million for Support for Post-Secondary Students with Disabilities, a decrease of \$2 million (\$6 million total request)
- Reduced funding for the Opportunity Programs

Regents Priorities Not Included:

School aid for students with disabilities through age 22

- Primarily Public Excess Cost Aid, Private Excess Cost Aid, and Foundation Aid

Expense based aids

- Current year aid for districts with large enrollment growth (e.g. influx of immigrant students)
- Career and Technical Education aid enhancements to BOCES and Special Services Aids
- Early College aid formula

Foundation aid

- \$1 million for Foundation Aid Study
- Short-term Foundation Aid Updates

Regents Priorities Not Included:

Special Education Data System (SEDS)

Special education providers

- Statutory tuition growth rate until new methodology is in use
- Interim plus rates to minimize delay on approved special education provider rates
- Support Educational Providers with Residential Programs - \$19 million

Department Staff

- Continue federal stimulus staffing to complete federal reporting - \$865,000
- Exam Translations & NYS English as a Second Language Achievement Test (NYSESLAT) - \$4.5 million
- Charter School Office Funding - \$1.7 million

Regents Priorities Not Included:

- Juvenile Justice Hybrid Programming - \$20 million
- Teacher Recruitment Program - \$1.2 million
- Teacher and Leader Development (Statutory changes to APPR) - no funding requested
- Cultural Education Revenue Stabilization - \$10 fee or \$17 million
- NYS Summer School for the Arts - \$2 million requested

Proposed Statutory Changes

- Science of Reading Instructional Best Practices-
- Eliminates Bundy Aid to Independent Colleges and Universities with a total endowment of more than \$750 million
- Authorizes information sharing between NYSED, HESC, SUNY, and CUNY

Proposed Statutory Changes

Extends NYC Mayoral Control for four years until June 30, 2028

Transportation Aid to include costs supported by the environmental bond act

Dissolves the Smart Schools Review Board, to allow NYSED to review remaining investment plan proposals

FAFSA Completion – each district must obtain documentation from each senior or their parent or guardian certifying completion of a FAFSA or a waiver

- NYSED to collect the total number of students certifying FAFSA completion or waiver

Proposed Statutory Changes

- Interstate Medical Licensure Compact and Nurse Licensure Compact
- Scope of practice changes



Proposed Statutory Changes

Delegate

Delegate certain nursing tasks to unlicensed persons

Make

Make changes related to Maternal and Reproductive Health for Minors

Make

Make changes related to the scope of services provided by Emergency Medical Services

Extend

Permanently extend certain licensed professions related laws that are expiring

Next Steps in the Annual Budget Cycle

