



LOWER HUDSON EDUCATION COALITION

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LHEC ADVOCACY AGENDA 2021

Since 1976, the Lower Hudson Education Coalition (LHEC) has been a leading regional public education advocacy voice and resource for the 77 public school districts in Dutchess, Putnam, Rockland, and Westchester counties. Our districts educate over 239,000 students and encompass more than 1.7 million community members.

FUNDING PUBLIC EDUCATION

State Aid and Regional Cost Index: The Executive Budget presents a concerning financial picture for public schools. *It includes more than \$3.8 billion in Federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act) stimulus funds, with aid reductions totaling almost \$2.1 billion. Cuts include a \$1.35B new “Local District Funding Adjustment”, \$693M reduction in “Combined Services Aid”, \$28M permanent cost shift of the state share of special education student residential placement, and \$19M in annual funding of prior year claims (plus an additional \$300M in pending items on the claims list).*

- **Reject the Local District Funding Adjustment** – The state will reach a funding cliff to maintain school aid levels very quickly with the allocation of 100% of CRSSA funds in the coming year’s school aid runs.
- **Repudiate the Consolidation of Expense Based Aids** – Consolidating these aid categories divorces aid from actual expenses and sets an artificially low base for future aid. For example, transportation aid levels from the prior and current school year provide a lower base for many districts. The result also increases unpredictability, leaving school districts unable to forecast and plan.
- **Disallow the Elimination of the Prior Year’s Claims Funding and List**
- **Eliminate the CSE Cost Shift** – The permanent transfer of the state’s 18.424% share for residential placements for special education students to school districts outside of New York City must be rejected.
- Expand upon the Executive’s proposal for **Transportation Aid to be applied, not just for Spring 2020 but for the entirety of the COVID-19 pandemic**, not only when buses are used to provide students with access to school services, such as device delivery and meals, but also when bus drivers are on standby.
- Use **updated school district data** to ensure that increasing student needs, changes in enrollment, recent poverty data, appropriate regional costs and special education needs are reflected. Outdated data is used in the 2007 Foundation Aid formula and does not reflect changes in Hudson Valley demographics and cost of living.
- Establish a **new MTA Region** to include the LHEC counties with the current NYC/Long Island grouping, which more accurately reflects the significantly higher costs for staffing, district operations and overall higher cost of living in our communities compared to northern counties.

Fiscal Flexibility: *To ensure that the tax levy cap calculation does not negatively impact school districts in a time of low inflation and unprecedented costs due to the COVID-19 pandemic, adjustments to the formula would reduce unintended consequences of specific formulaic requirements.*

- **Set the tax levy cap growth factor at 2%** for the 2021-22 school year budget. The growth factor for the coming 2021-22 school year has been calculated as 1.23%. With the lack of increase in foundation aid provided in the FY2021 State budget combined with additional costs due to COVID-19, school districts face a fiscal crunch.
- **Amend the tax cap formula** to account for enrollment growth, ensure no negative levy caps, include PILOTs in the tax base growth factor and reduce the impact of changes in use of reserves or transfer to capital.
- Limit the impact on school districts of large tax certioraris by allowing for **smoothing of substantive tax adjustments** through the levy calculation.

Administrative Flexibility: *In 2011 when the Property Tax Cap was first enacted, school districts and local governments were promised mandate relief to ensure the ability to comply with the tax cap. However, in the years since, meaningful mandate relief has failed to materialize for school districts. Considering the COVID-19 pandemic and the significant fiscal*

pressures that both the state and school district face, increasing administrative flexibility would provide significant assistance to local school districts' ability to manage unsustainable cost burdens.

- Amend Chapter 157 of the 2020 Laws, **removing the required interest payment on funds** used in the pandemic.
- **Revise the 'Wicks Law'** to increase the project cost 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.

High Cost of Special Education Services: *Funds spent on special education should be mostly targeted at the provision of services to students. A 2018 analysis determined that in the ten-year period following the decision by NYS to move the burden of proof in special education cases to the school district, 40% of due process claims in the USA were filed in NYS.*

- **Establish a limit on the costs of compensatory special education services** to account for service restrictions during COVID-19 school closures.
- **Establish a cap on school district contributions to out of district placements** to the comparable BOCES rate for a similar program by amending Education Law 3602 to reflect the tenets of IDEA.
- **Establish a cap for school district financial responsibility for reimbursement of parental legal fees** in special education legal challenges.

SPECIAL ACT PUBLIC SCHOOL DISTRICTS

Special Act Public School Districts (SASD): *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. Measures are needed to ensure the fiscal and programmatic stability of Special Act public school districts.*

- Permit SASDs to establish an **unappropriated reserve fund**, like all other public-school districts.
- Authorize the designation of COVID-19 related expenses **as direct care costs** for tuition rate-setting.
- Award Special Act School Districts an **interim plus tuition rate** at the beginning of every fiscal year, to permit districts to budget using approved growth rates. This would allow SASDs to continue to sustain and expand their high-quality programs while accounting for the growing cost of new mandates, TRS, ERS and healthcare.
- Provide 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.

STUDENT MENTAL HEALTH, SAFETY & EDUCATIONAL ACCESS

Mental Health: *Prior to the COVID-19 pandemic, there was a clear increase in social-emotional and mental health needs of students, which has only been exacerbated. Public school districts need new flexible funding to provide appropriate services, programs, and facilities to address increased mental health needs.*

- 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.

Student Safety: *Funding and support is essential for school safety requirements and to ensure facilities, protocols and equipment are available to protect the physical health of students and staff in school buildings during the pandemic.*

- Authorize **more funding for COVID-19 related expenses.**
- Provide additional **flexible resources for school safety**, including funding for staffing, security upgrades, professional development and training.

Educational Access: *Educational equity during the pandemic requires that all students have access to devices and broadband at home as well as in school buildings.*

- **Support the Executive's proposal for Low-Cost Broadband Internet for Low-Income New Yorkers.**