



**FY2021 NYS Budget**

<b>State Budget</b>	<b>Details</b>	<b>Effect on Schools</b>
FY2021 Enacted Budget School Aid	School aid increased by \$107M: <ul style="list-style-type: none"> <li>• \$96M in statutory reimbursement aid</li> <li>• \$10M for school mental health grants administered by the Office of Mental Health</li> <li>• \$1M to NYSED to develop curriculum on civic education and diversity</li> </ul>	Foundation Aid (state + CARES Act funds) flat from 2019-20.  LHEC Districts received an increase of \$8M for a total aid figure of \$1.54B.
FY2021 Executive Budget Proposals NOT in Enacted Budget	<ul style="list-style-type: none"> <li>• NO consolidation of 10 aids into Foundation Aid</li> <li>• NO change to reimbursement rate for Building Aid</li> <li>• NO cap on transportation aid</li> </ul>	Positive
FY2021 Enacted Budget	<ul style="list-style-type: none"> <li>• State share (18.42%) of CSE residential placement costs pushed to local districts outside NYC</li> <li>• Allows foster youth funding to be used for additional housing and medical costs</li> <li>• Funds Department of Health led vaping prevention program targeted at students</li> <li>• Bans disposable polystyrene food service containers as of January 1, 2022</li> <li>• Final Cost Report forgiveness for Mahopac CSD</li> <li>• Extends East Ramapo monitors through June 2021</li> </ul>	Estimated \$25M additional costs for school districts.  Mahopac decision is positive. LHEC continues to advocate for blanket forgiveness for aid reporting errors.
FY2021 Enacted Budget	Director of Budget is granted the authority to reduce aid at multiple points in the year, by any amount necessary to achieve a balanced state budget.	School districts cannot plan for the year without assurance that school aid will be forthcoming in the expected amount.
Enacted Budget Q1 Financial Plan	Estimate for General Fund receipts reduced by \$14.5B from February estimates, a 15.3% reduction.	Absent federal relief funding, cuts to 2020-21 school aid are expected.

**LHEC Sponsoring Organizations:**

Lower Hudson Council of School Superintendents  
Rockland County School Boards Association

Dutchess County School Boards Association  
Westchester Putnam School Boards Association



<b>Legislation</b>	<b>Details</b>	<b>Effect on Schools</b>
<b>180 Days of Session</b> (S7996/A10189) <b>Signed by Governor</b>	Prevents financial penalties for school districts unable to meet the 180 day requirement due to closures in response to COVID-19.	Positive
<b>Property Tax Payments</b> Passed both houses. Not sent to Governor as of 8/17/20	Permits school districts and municipalities to defer collection or establish new installment schedules for property tax payments. Property taxes must be paid in full no later than 120 days after original due date.	Pressure from taxpayers to delay payment could negatively affect school district cashflow.
<b>Reserve Funds</b> Passed both houses. <b>Signed by Governor on 8/24/20.</b>	Allows school districts to transfer funds from otherwise restricted reserves to pay for costs associated with COVID-19 state disaster emergency. Monies plus interest must be refunded to reserves within 5 years, at a minimum of 20% per year.	Additional flexibility with respect to reserve usage is appreciated. Repayment schedule may be an issue if economic conditions remain poor.
<b>Bond Anticipation Notes</b> (issued in 2015-2021) Passed both houses. Sent to Governor on 8/12/20.	Provides flexibility to local governments by: <ul style="list-style-type: none"> <li>• extending rollover period on BANs</li> <li>• authorizing expenditures or transfers from reserve funds for COVID-19 expenses</li> <li>• permitting repayment of COVID-19 inter-fund advances by the end of the next fiscal year</li> </ul>	Additional financial flexibility is appreciated.
<b>Public Health Emergency Planning</b> Passed both houses.	Requires public employers to adopt a plan for operations in the event of a declared public health emergency involving a communicable disease.	
<b>BOCES Agriculture</b> Passed both houses.	Directs BOCES to establish an agriculture program for students.	
<b>Mass Layoff Notice</b> Passed both houses.	Requires written notice concerning mass layoffs in local government or school districts.	
<b>Special Act Reserve Funds</b> Passed Senate	Authorizes Special Act School Districts to establish undesignated reserve funds of up to 1% of budget.	Provides much needed financial flexibility.
<b>Transportation Aid</b> Passed Senate	Authorizes school districts to use school transportation aid to pay for the cost and expenses of transporting and delivering meals, homework materials and any other school materials for students during COVID-19.	Financial flexibility during a pandemic is a positive.
<b>Carmel Insurance Reserves</b> Passed Senate	Grants the Carmel Central School District the authority to establish an insurance reserve fund.	Positive

**LHEC Sponsoring Organizations:**

Lower Hudson Council of School Superintendents  
Rockland County School Boards Association

Dutchess County School Boards Association  
Westchester Putnam School Boards Association