



Advocates for Children of New York

Protecting every child's right to learn

Public Comments Submitted to the Rockefeller Institute Re: New York State Foundation Aid Formula

September 6, 2024

Advocates for Children of New York (AFC) appreciates the opportunity to submit comments regarding the New York State Foundation Aid formula. For more than 50 years, Advocates for Children has worked to ensure a high-quality education for New York students who face barriers to academic success, focusing on students from low-income backgrounds.

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Every year, we help thousands of individual families navigate the New York City school system. Every day, we hear from parents who are having difficulty getting the support their children need in school—including families of students with disabilities, English Language Learners (ELLs), students in temporary housing, and students in foster care.

We appreciate the recent increases in state education funding and that, for the first time, in 2023, the State began fully funding the Foundation Aid formula. However, our students and our schools have changed over the past 17 years, and the current Foundation Aid formula does not reflect the true costs of educating students today. The Foundation Aid formula is based on an outdated and narrow view of what defines a “successful school district,” includes outdated measures of need, does not include any additional resources for students in temporary housing or students in foster care, has not kept pace with growing costs, and does not reflect the academic, social-emotional, and holistic supports students need—from preschool through high school.

While New York City and New York State contributed roughly the same amount to the New York City Public Schools (NYCPS) budget two decades ago, the City is now contributing around 57% of the cost of the NYCPS budget while the State is paying only 37%. There is a growing need for increased State support for City schools, particularly given the enrollment of 40,000 newly arrived immigrant students in temporary housing; the expiration of federal COVID-19 relief funds that were being used for important education programs—ranging from social workers to literacy programs to supports for students with disabilities, ELLs, and students in temporary housing—that are still needed today; the requirements of the State’s 2022 class size law; and the growth in the number of children participating in early childhood education programs.



As you consider changes to the Foundation Aid formula, we urge you to approach recommendations through an equity lens. The formula must include the resources needed to provide a high-quality education to *all* students, including those who need the most support—with particular attention to students with disabilities, ELLs, students in temporary housing, students in foster care, and low-income students. All modifications to the formula must be based on the actual costs of meeting the needs of students, including these specific student populations.

We recommend that the State:

1. Replace the outdated “successful school districts” model that forms the base of the formula.
2. Add per-pupil weights for students in temporary housing and students in the foster system.
3. Reexamine the existing poverty weight to ensure the needs of students from low-income communities are accurately represented.
4. Increase the weights for students with disabilities and ELLs to ensure they reflect the cost of providing legally required and high-quality classes, services, and supports and are adequate to address the wide spectrum of student needs.
5. Include funding for 3- and 4-year-old students in pre-kindergarten.
6. Include funding for students with disabilities through the school year in which they turn 22 years old.
7. Update the Regional Cost Index (RCI) to better reflect the rising costs of salaries and services.
8. Ensure the formula accounts for and funds the State’s new class size requirements for New York City.

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1. Replace the outdated “successful school districts” model that forms the base of the formula.

To determine the base per-pupil funding amount, the Foundation Aid formula uses a “successful school district” model. This model identifies school districts in New York that are “successful” according to a pre-determined set of criteria and then uses their costs to determine the base amount for Foundation Aid, with an emphasis on “successful school districts” that keep their costs lower than other districts. This methodology is based on a narrow view of what defines a successful school district, has been poorly implemented, is significantly out of date, and is not representative of the needs of large urban school districts. As a result, it does not accurately reflect the true cost of educating students in New York City or in many other parts of the State.

While the Foundation Aid formula was designed with the expectation that the list of successful school districts—and thus the base per-pupil funding rate—would be updated every three years, it has not been revised since 2017. In the interim, New York’s educational landscape has changed significantly, including the implementation of new education standards.



Moreover, the model reflects a narrow understanding of what constitutes a high-quality education. New York identifies “successful” school districts as those where students perform well on certain standardized tests. The model ignores the broader context in which learning occurs, fails to consider metrics that go beyond test scores, and ignores major demographic differences in student populations and needs. This model does not reflect the true cost of providing the academic, social-emotional, and holistic supports young people—particularly those who need the most support—need to succeed in school. It also means that the base per-pupil amount for a district like New York City is based on districts that look very different.

Standardized tests alone are not a reliable gauge of student learning or a school’s ability to meet its students’ needs. In fact, research has generally concluded that between-school differences in average test performance are smaller than the variation between students within the same school.¹ Some evidence suggests that standardized tests are primarily a measure of family demographics and economic resources; a number of studies have shown that census data can be used to successfully predict the percentage of students in a school who will receive passing scores on state standardized tests.² In addition, at AFC, we routinely work with students—many of whom have disabilities or are still learning English—who have successfully completed their coursework but struggle with standardized assessments, sometimes sitting for a single Regents exam a half-dozen times to try to raise their score by just a few points. While the Foundation Aid formula provides additional funding for students with disabilities, ELLs, and students in poverty above the base amount, determining that base by looking at school districts where students perform well on standardized tests, regardless of the student populations they serve or contextual factors impacting overall performance, is likely not providing accurate information about the resources needed to provide a high-quality education to high-needs students and help them succeed.

Research has also shown that factors outside of a school’s control—like the weather on the day an exam is administered—can have a meaningful impact on test scores. An analysis of the June Regents exam scores of nearly one million New York City students between 1999 and 2011 found that, for the average student, having to take a Regents exam on a day when it is 90°F outside reduces the chances of passing that subject by roughly 10%, relative to taking the exam on a 75°F day.³ Different regions of the state experience different weather patterns, and consequently, something as random as the weather can influence which school districts are deemed “successful.”

¹ Thomas J. Kane and Douglas O. Staiger, “The Promise and Pitfalls of Using Imprecise School Accountability Measures,” *Journal of Economic Perspectives* 16, no. 4 (Fall 2002): 91–114, <https://www.aeaweb.org/articles?id=10.1257/089533002320950993>.

² Jamil Maroun and Christopher H. Tienken, “The Pernicious Predictability of State-Mandated Tests of Academic Achievement in the United States,” *Education Sciences* 14, no. 2 (2024): 129, <https://doi.org/10.3390/educsci14020129>; Christopher H. Tienken et al., “Predicting Middle Level State Standardized Test Results Using Family and Community Demographic Data,” *RMLE Online* 40, no. 1 (2017): 1–13, <https://doi.org/10.1080/19404476.2016.1252304>.

³ This study estimates that during the 1998–99 through 2010–11 school years, at least 90,000 New York City students who would have otherwise passed a Regents exam received a failing score because of hot temperature on the day of the test. R. Jisung Park, “Hot Temperature and High-Stakes Performance,” *Journal of Human Resources* 57, no. 2 (March 2022): 400–434, <https://doi.org/10.3368/jhr.57.2.0618-9535R3>.



The State must also consider that the number of students who opt out of the New York State tests is far from inconsequential. The percentage opting out varies considerably from district to district and, on average, has increased in the years since the Foundation Aid formula was developed: in 2023, the average test refusal rate for districts in New York State was 14%, compared to less than 1% a decade prior.⁴ While historically, families participating in the standardized testing opt-out movement were predominantly white, affluent, and suburban, the families opting their children out of standardized testing since the pandemic have grown more racially and economically diverse.

The New York State Education Department (NYSED) recently announced its intent to decouple specific assessment requirements from graduation requirements, recognizing that there are multiple ways for students to demonstrate their proficiency in meeting the State's learning standards. Meanwhile, the school finance field has developed alternative methodologies for estimating base per-pupil spending in the years since the current model was adopted. As one example, the New Jersey Professional Judgment Panel method relies on panels of education experts to determine the programs, resources, and staffing needed by schools and uses this information to calculate the base per-pupil funding. We encourage the State to explore alternative ways of determining the base per-pupil funding amount that do not rely solely on school districts where students perform well on standardized tests.

The State should replace the outdated “successful school districts” model that forms the base of the formula with a methodology that takes into account an updated, comprehensive view of education and better reflects the needs of students, including high-needs students in large urban districts.

2. Add per-pupil weights for students in temporary housing and students in the foster system.

During the 2022–23 school year, more than 155,000 students in New York State experienced homelessness, a number that has grown significantly since the Foundation Aid formula was first developed.⁵ In New York City, for example, the number of K–12 students living in temporary housing increased by more than 70% between 2009–10 (the first year for which data are publicly available) and 2022–23, even as overall enrollment declined. In addition, at least 8,179 students Statewide spent time in the foster system.⁶ Both populations have unique educational needs and face

⁴ All opt-out rates are for the New York State grades 3–8 English Language Arts exam. Olivia Ildfonso and North Arrow, *A Decade of New York's Opt-Out Movement* (April 7, 2024), <https://storymaps.arcgis.com/stories/efb5bcd31d3344b498d8313a64a64f98>; Alex Zimmerman, “New York City’s Test Opt-Out Rate Doubled in the Wake of the Pandemic,” *Chalkbeat New York* (April 26, 2024), <https://www.chalkbeat.org/newyork/2024/04/26/nyc-opt-out-rate-doubled-in-the-wake-of-the-pandemic/>.

⁵ The New York State Technical and Educational Assistance Center for Homeless Students (NYS-TEACHS), Data on Student Homelessness, available at <https://www.nysteachs.org/data-on-student-homelessness>.

⁶ NYSED reports a point-in-time, rather than a cumulative, count of the number of students in foster care; the total number of students who were in foster care *at any point* during the 2022–23 school year was almost certainly higher. NY State Public School Enrollment (2022–23), <https://data.nysed.gov/enrollment.php?year=2023&state=yes>.



tremendous obstacles to success in school. The Foundation Aid formula should recognize that districts need additional resources to provide a sound basic education to such students, much as they require extra resources to adequately meet the needs of students with disabilities, ELLs, and students in poverty.

Both students in temporary housing and students in the foster system have experienced the trauma of losing the place they call home, whether due to housing instability—often compounded by domestic violence, which has historically been a primary driver of homelessness in New York—or because they have been removed from their family by the foster system. While school can serve as a safe haven and an important source of stability amidst such upheaval, students who enter the shelter system or are placed in foster care often end up living far from the school they originally attended. In New York City, for example, only 30% of children in foster care remained in their community of origin in 2022–23 and only 58% of families were initially placed in a shelter in the same borough as their youngest child's school.⁷ Students who are placed far from their schools must either endure a long daily commute or change schools mid-year; the latter means adjusting to new teachers, peers, curricula, and routines at the same time as they are coping with the trauma of housing loss or separation from their family. In New York City, one in every five students in foster care transferred schools mid-year in 2022–23, while students in shelter transferred schools at more than four times the rate of their permanently housed peers.⁸

Outcomes for these populations reflect the State's failure to provide them with a sound basic education. In 2023, students in temporary housing in New York State dropped out of high school at triple the rate of their permanently housed peers, while only 69% graduated in four years (as compared to 87% of students in permanent housing). Similarly, New York State students in foster care had a four-year graduation rate of just 51%, while 18% dropped out.⁹

Adding per-pupil weights for students in temporary housing and students in foster care would help ensure districts receive the funding necessary to provide targeted support. For example, half of New York City students in temporary housing and 49% of students in foster care were chronically absent in 2022–23, meaning they missed at least one out of every ten school days—and thus had fewer opportunities to learn. NYCPS currently has 100 school social workers specifically dedicated to supporting students who are homeless, but more than three out of four students who spent time in shelter during the 2022–23 school year attended a school that did *not* have this type of targeted support. At present, the Foundation Aid formula does not provide the extra funding necessary to

⁷ NYC Mayor's Office of Operations, Fiscal 2024 Preliminary Mayor's Management Report (pp. 210, 218), available at <https://dmmr.nyc.gov/>.

⁸ Data provided to Advocates for Children by NYCPS. Of students in foster care, 15.3% transferred schools one time and 5% transferred two or more times; 18% of students in shelter transferred schools at least once, compared to 4.3% of permanently housed students.

⁹ NYSED NY State Graduation Rate Data, 4-Year Outcome as of August 2023, <https://data.nysed.gov/gradrate.php?year=2023&state=yes>.



scale up promising initiatives or hire non-instructional staff to meet the needs of students who are homeless or in foster care.

The State should add a weight to the Pupil Need Index for students in temporary housing and students in foster care.

3. Reexamine the existing poverty weight to ensure the needs of students from low-income communities are accurately represented.

Beyond adding a weight for students in temporary housing and students in foster care, the State should reexamine the way it currently identifies students eligible for the poverty weight. Merely updating the number of students eligible for the Foundation Aid formula poverty weight under the two current factors—the number of students eligible for free or reduced-price lunch and Census data—would not be sufficient to accurately capture the number of students from low-income backgrounds. The State should explore alternative, more robust measures of poverty and economic disadvantage, including considering differentiated weights for different concentrations of poverty.

The State should not merely update the Census data and number of students eligible for free or reduced-price lunch, but should instead reexamine the methodology used to determine eligibility for the poverty weight.

4. Increase the weights for students with disabilities and ELLs to ensure they reflect the cost of providing legally required and high-quality classes, services, and supports and are adequate to address the wide spectrum of student needs.

Students with disabilities

More than 440,000 students in New York State¹⁰—and one in five students in New York City—had an Individualized Education Program (IEP) in 2023–24.¹¹ While the Foundation Aid formula includes a weight for students with disabilities, it is not adequate to cover the rising costs associated with special education. The special education population looks different today than it did when the formula was first developed. For example, between 2012 and 2021 there was a 76% increase in the proportion of students with disabilities in New York State who had a classification of autism.¹² While NYCPS has developed some promising specialized programs for students on the autism spectrum, these programs only have the capacity to serve a small fraction of all the students who

¹⁰ NYSED Preliminary District Level BEDS Day Enrollment Data by Grade 2023–24, available at <https://www.p12.nysed.gov/irs/statistics/enroll-n-staff/home.html>.

¹¹ Excludes students attending charter schools. NYCPS Demographic Snapshot, available at <https://infohub.nyced.org/reports/students-and-schools/school-quality/information-and-data-overview#jump-to-heading-2>.

¹² U.S. Department of Education, *45th Annual Report to Congress on the Implementation of the Individuals with Disabilities Education Act, 2023* (March 2024, p. 140), <https://sites.ed.gov/idea/files/45th-arc-for-idea.pdf>.



could benefit from them, and AFC often works with families of students with autism who have been unable to access effective instruction and support within the public system.

In fact, AFC regularly hears from families whose children are not even receiving the instruction and services required by their IEPs. City data show that as of April 2024, seven months into the most recent school year, more than 14,600 New York City students were not fully receiving their special education program (Special Education Teacher Support Services [SETSS], an Integrated Co-Teaching [ICT] class, or a self-contained special education class). More than 6,200 NYCPS students who needed occupational therapy—8.8% of all students who had this IEP recommendation—were still waiting for this service to begin, and 6,615 students whose IEPs mandated speech therapy—including 16.7% of all those who needed bilingual speech therapy—had not yet had a full session of this service.¹³

Rather than saving money, the failure to provide students with their mandated services in a timely manner often leads to snowballing costs. In addition to expenses associated with a larger number of due process claims, students who miss out on the opportunity to receive support early on often require more intensive—and expensive—services later in their educational career. For example, AFC has worked with numerous families of middle and high school students with dyslexia who are still non-readers and thus require intensive one-on-one tutoring or a specialized private school placement—costs that could have been avoided had these students received evidence-based instruction and intervention *before* they fell significantly behind their peers.

To meet the needs of students with disabilities, districts must be able to recruit and retain special education teachers and service providers—which means offering competitive salaries. In New York City, low reimbursement rates for contracted providers have contributed to staff shortages. For example, while rates for private speech therapy in New York City can run as high as \$300 an hour, the voucher provided to families when NYCPS is unable to find a speech therapist to meet a student's IEP mandates at school offers independent providers a maximum of \$45 per 30-minute session of individual monolingual speech therapy—far below market rate.¹⁴ Salaries are likewise low relative to the high cost of living in New York as compared to other parts of the country. For example, in 2023, the median annual salary for a school psychologist in New York State (\$98,960) or the New York-Newark-Jersey City metropolitan area (\$102,710) was less than the median salary

¹³ NYCPS School-Age Special Education Data Report – June 2024, <https://infohub.nyced.org/reports/government-reports/special-education-reports>.

¹⁴ Office of New York City Comptroller Brad Lander, *Course Correction: Expanding and strengthening special education services improves student outcomes and reduces costly due process claims* (August 2023), <https://comptroller.nyc.gov/reports/course-correction/>.

for a school psychologist in Dayton, Ohio (\$103,150),¹⁵ though rent for a one-bedroom apartment in New York City was approximately triple that of a one-bedroom apartment in Dayton.¹⁶

In addition, the Foundation Aid formula currently does not provide any additional funding for certain students with disabilities who have less intensive needs and then includes a uniform weight for *all other* students with IEPs, despite the fact that the students with disabilities eligible for the weight have a wide spectrum of needs. Meanwhile, the costs of providing different types of special education programs are not uniform across all students with disabilities. One child may need part-time SETSS and related services, for example, while a child with a more significant disability may require a small classroom and the support of a one-to-one paraprofessional full time. In addition to increasing the weight for all students with disabilities for the reasons described above, the State should consider differentiated weights by program to better account for this diversity.

English Language Learners (ELLs)

In 2023–24, more than 247,000 students in New York State, including 16% of all students in New York City, were learning English as a new language.¹⁷ Current ELLs consistently trail their non-ELL peers on a range of academic indicators. For example, New York State's ELLs dropped out of high school at more than 4.5 times the rate of non-ELLs in 2023, while only 57% of ELLs who entered ninth grade in 2019 graduated in four years, compared to 89% of non-ELLs.¹⁸ Similarly, according to the 2023 state tests, only 11% of New York City ELLs in grades 3–8 are reading proficiently, more than forty percentage points below the proficiency rate for never-ELLs (56%); 21% of ELLs are performing on grade level in math, compared to 53% of never-ELLs.¹⁹ At the same time, however, ever-ELLs—those who exited ELL services after acquiring English proficiency—out-score their never-ELL peers: in 2023, 69% were proficient in reading and 70% proficient in math. The success of such students clearly shows that ELLs can thrive when they receive appropriate instruction and support.

Past research suggests that ELLs educated in bilingual programs have better long-term academic outcomes than those who receive English-only instruction.²⁰ While parents have the right to choose

¹⁵ U.S. Bureau of Labor Statistics, Occupational Employment and Wage Statistics, <https://data.bls.gov/oes/#/home>.

¹⁶ The estimated median rent for a one-bedroom apartment in the New York City metro area is \$2,625, compared to \$852 in Dayton. U.S. Department of Housing and Urban Development, Office of Policy Development and Research, FY 2024 50th Percentile Rents: Data by Area, available at <https://www.huduser.gov/portal/datasets/50per.html>.

¹⁷ NYSED Preliminary BEDS Day Enrollment Data; NYCPS Demographic Snapshot.

¹⁸ NYSED Graduation Rate Data.

¹⁹ Excludes students attending charter schools. NYCPS English Language Arts and Math State Test Results 2013 to 2023, available at <https://infohub.nyced.org/reports/academics/test-results>.

²⁰ Ilana M. Umansky and Sean F. Reardon, “Reclassification Patterns Among Latino English Learner Students in Bilingual, Dual Immersion, and English Immersion Classrooms,” *American Educational Research Journal* 51, no. 5 (October 2014): 879–912, <https://doi.org/10.3102/0002831214545110>; Rachel A. Valentino and Sean F. Reardon, “Effectiveness of Four Instructional Programs Designed to Serve English Learners: Variation by Ethnicity and Initial



the type of ELL program their child attends, in our experience working with families in New York City, this right often exists in name only due to the shortage of transitional bilingual education (TBE) and dual language (DL) bilingual education programs. According to NYCPS, the majority of the City's ELLs received only English as a New Language (ENL) services in 2023–24; fewer than one in five (19%) were served in a TBE or DL program.²¹ The need for high-quality programs has only grown in recent years with the enrollment of roughly 40,000 recently arrived immigrant students in temporary housing. Getting new programs off the ground requires hiring bilingual teachers and staff, and as with special education, the City must be able to offer competitive salaries to be able to attract such educators.

In addition, the State should explore differentiated weights that account for different levels of student need and programs. In 2022–23, more than 8,000 ELLs in New York City were Students with Inconsistent/Interrupted Formal Education (SIFE).²² By definition, SIFE are performing multiple years below grade level and have complex academic and social-emotional needs. They may lack literacy skills in their home language, have large gaps in their content knowledge due to interruptions in their schooling prior to arrival in the U.S., be unfamiliar with school culture and routines, or have significant psychological and emotional needs due to traumatic migration experiences. There is a dearth of programs able to provide the support that SIFE and other older immigrant youth need to both learn English and meet high school graduation requirements before they age out of eligibility; as a result, such students are often inappropriately pushed to enroll in GED programs rather than traditional high schools or end up dropping out of school despite their desire to continue their education. While NYCPS serves roughly 70% of all SIFE in New York State,²³ the Foundation Aid formula allocates *no* additional funding to help schools meet these students' intensive educational needs. The formula instead treats all ELLs as a monolith; the weight is the same for a 16-year-old who just arrived in the country and has not attended school for five years as it is for a U.S.-born first grader with intermediate English proficiency.

The State should increase the weights for students with disabilities and English Language Learners to reflect the actual costs of serving these student populations today, including considering differentiation based on program.

English Proficiency,” *Educational Evaluation and Policy Analysis* 37, no. 4 (December 2015): 612–637, <https://doi.org/10.3102/0162373715573310>.

²¹ NYCPS Division of Multilingual Learners, *2023–2024 ELL Demographics: At-a-Glance*, <https://infohub.nyced.org/docs/default-source/default-document-library/2023-24-ell-demographics-at-a-glance.pdf>.

²² NYSED English Language Learners Database (2022–23), available at <https://data.nysed.gov/downloads.php>.

²³ *Ibid.*



5. Include funding for 3- and 4-year-old students in pre-kindergarten.

Numerous studies have demonstrated the long-term benefits of high-quality preschool, and in a 2021 decision, *Maisto v. State*, a New York Appellate Court recognized the absence of pre-K for “at-risk” students as contributing to the deprivation of their constitutional right to a sound basic education.²⁴ Over the past decade, New York State has dramatically expanded access to early learning opportunities. During the 2023–24 school year, 98,000 children were enrolled in 3-K or Pre-K for All in New York City alone, up from 55,700 children in 2013–14.²⁵ In other words, NYCPS added 40,000 young students—a population larger than the entirety of the Buffalo City School District. The Foundation Aid formula, however, only provides funding for students in grades K–12. While the State has provided funding to help cover the cost of NYC’s Pre-K program, it has not contributed any funding toward the cost of NYC’s 3-K program.

In the years since the Foundation Aid formula was developed, the popular understanding of education has rightly evolved to encompass the early childhood years. The exclusion of 3-K and Pre-K students from the formula is a holdover from an earlier era in which a child’s school career was typically thought to begin at age five or six. The State itself has already updated its language in recognition of the shift to a unified P–12 system; the Board of Regents, for example, now has a “Committee on P–12 Education” rather than a “Committee on Elementary, Middle, Secondary and Continuing Education,” as it did the early 2000s. The Foundation Aid formula similarly requires updating to reflect today’s understanding of what constitutes a sound basic education.

The State should provide per-pupil Foundation Aid funding for all three- and four-year-old students attending pre-kindergarten.

6. Include funding for students with disabilities through the school year in which they turn 22 years old.

NYSED recently affirmed that school districts have a legal obligation to provide special education programs and services to students with disabilities until their 22nd birthday if they have not yet earned a high school diploma. Previously, districts were only serving students through their 21st birthday, and the Foundation Aid formula thus only includes funding for students through the end of the school year in which they turn 21. Given the need for school districts to comport with *A.R. v. Connecticut Board of Education* and provide some students with disabilities with an additional year of service, the Foundation Aid formula should be updated to cover 21-year-old students with disabilities who have not yet graduated, as recommended by NYSED.

The State should provide per-pupil Foundation Aid funding for students with disabilities enrolled in school through the school year in which they turn 22 years old.

²⁴ See *Maisto v. New York*, 196 A.D.3d 104 (N.Y. App. Div. 2021).

²⁵ NYCPS Demographic Snapshot.



7. Update the Regional Cost Index (RCI) to better reflect the rising costs of salaries and services.

The Regional Cost Index included in the Foundation Aid formula is supposed to account for variations in operating costs among different regions in New York State. However, the values for RCI have not been updated since the formula was first implemented more than 15 years ago, while costs for salaries and services have increased to varying extents across the State. In New York City, living expenses have risen considerably since 2006, leading to the need for increased salaries to recruit and retain teachers, administrators, and other staff, as well as increased costs for goods, services, and contracts. The State has already acknowledged the need for a higher RCI for NYC in other state education formulas. For example, while the RCI for NYC and Long Island has been set at 1.425 in the Foundation Aid formula since 2006, the regional cost factor for NYC in the State Building Aid formula is 1.7256.²⁶

The State should update the Regional Cost Index to better reflect the growing costs of salaries and services in different parts of the State.

8. Ensure the formula accounts for and funds the State's new class size requirements for New York City.

New York State's 2022 class size law has changed education standards for New York City, requiring NYCPS to make substantial reductions to the maximum number of students in classes—a change that comes with substantial costs. The New York City Comptroller's office has estimated that NYCPS will need between \$374.2 million and \$422.5 million in FY 2026, between \$920.7 million and \$1.02 billion in FY 2027, and between \$1.50 billion and \$1.65 billion for full implementation in Fiscal Year 2028 in order to hire the teachers needed to reduce class size in line with the state law.²⁷ Similarly, the New York City Independent Budget Office (IBO) has estimated that NYCPS will need between \$1.6 and \$1.9 billion annually to achieve full compliance with the law by the 2028 deadline, given the significant hiring needs associated with reducing class size.²⁸ These cost estimates do not include the additional billions of dollars in capital funding needed to build new schools to comply with the class size law. Yet, the State has allocated no additional funding to help NYCPS meet this legislative mandate. Given that the State's new requirements for class size in NYC have changed the costs associated with educating NYC students, the State must ensure that the Foundation Aid formula accounts for these additional costs.

²⁶ NYSED Regional Cost Factors, Cost Factors for Contracts Signed Between July 1, 2023 and June 30, 2024, <https://www.p12.nysed.gov/facplan/Reports/2023-2024RegionalCostFactors.html>.

²⁷ Office of New York City Comptroller Brad Lander, Comments on New York City's Fiscal Year 2025 Adopted Budget (August 2024, p. 43), https://comptroller.nyc.gov/wp-content/uploads/documents/Comments_on-NYCs_FY-2025-Adopted-Budget-Report-08_14_2024.pdf.

²⁸ New York City Independent Budget Office, *How Would the New Limits to Class Sizes Affect New York City Schools?* (July 2023, p. 2), <https://www.ibo.nyc.ny.us/iboreports/how-would-the-new-limits-to-class-sizes-affect-new-york-city-schools-july-2023.pdf>.



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Protecting every child's right to learn

The State should provide the resources needed to ensure NYCPS can comply with the State's 2022 class size reduction law.

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Thank you for the opportunity to submit comments on the Foundation Aid formula. If you have any questions, please feel free to contact Randi Levine, AFC's Policy Director, at rlvine@advocatesforchildren.org.