



Coalition for Equitable Education Funding

News Release

For immediate release

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Final State Budget Shortchanges NYC Schools

May 9, 2025 (New York, NY) — *In response to the passage of the education budget bill with changes to the Foundation Aid formula, the [Coalition for Equitable Education Funding](#)—comprised of more than 120 organizations—released the following statement:*

Last year's state budget funded a study to recommend changes to the Foundation Aid per pupil funding formula—a formula that is more than 15 years old, includes outdated and incomplete measures of student need, and has not evolved to account for growing costs, particularly in large urban districts. Since that time, the Coalition for Equitable Education Funding has [called on the State](#) to develop an equitable formula that meets the needs of today's students and schools with a particular focus on the students who need the most support to succeed in school.

Unfortunately, the budget passed yesterday takes a big step backwards. Far from helping New York City schools better meet student needs, the changes to the Foundation Aid formula will result in NYC schools getting hundreds of millions of dollars less than they would have received had the State made no changes to the formula at all.

For the past few months, we have been sounding the alarm that Governor Hochul's proposed changes to the Foundation Aid formula would result in NYC schools receiving nearly \$350 million less than they would without these changes. This shortfall is due to the Governor's proposed update to the poverty weight, which relies on the grossly inadequate federal poverty guidelines with no adjustments for local cost of living.

While the Senate and Assembly budgets had both proposed updating the formula's Regional Cost Index (RCI), which is supposed to account for variations in costs in different parts of the State, but hasn't been updated since 2006, the final budget includes an RCI update for Westchester only—despite the affordability crisis facing New York City families. While the Assembly budget proposed increasing the per pupil weight for English Language Learners (ELLs) from .5 to .65, the final budget includes a weight of only .53, restoring roughly a mere \$30 million to NYC schools—not nearly enough to offset the \$350 million shortfall.

We are deeply disappointed that the State has approved changes to the Foundation Aid formula that shortchange New York City students. We thank the parents, students, and elected officials who joined with us this budget season and look forward to working together to ensure our students get the resources they need to thrive.