



Coalition for Equitable Education Funding

Governor Hochul's proposed changes to the Foundation Aid formula would result in New York City schools getting nearly \$350 million less than they would without these changes.

Updates to the State's outdated per-pupil funding formula are sorely needed. However, it is critical that such updates fully capture the needs of today's students and account for the enormous variation in the cost of living across New York State. The Governor's Executive Budget fails to meet this goal—and would shortchange New York City schools as a result.

WHAT'S GOOD

The Executive Budget proposal would provide a funding weight to a broader group of students who are “economically disadvantaged,” instead of giving it only to students found eligible for free or reduced-price lunch. This change will more accurately capture the number of students from low-income families and will drive resources to districts like New York City.

WHAT'S CAUSE FOR CONCERN

The Governor's proposed change to the formula's separate poverty weight relies on the grossly inadequate federal poverty guidelines, which make no adjustments for the local cost of living and currently stand at *just \$32,150 for a family of four*. It is much more difficult to make ends meet on \$32,150 in the five boroughs than elsewhere in the State, but the Governor's proposal would treat all students the same.



More than **146,000** NYC students experienced homelessness last year



44% of NYC families with children had trouble affording food in 2023

The Legislature must ensure the Foundation Aid formula is updated in a way that accurately captures the significant needs of NYC students—and does not result in our schools receiving *less* money to serve low-income students than they otherwise would. For example, the State should:

- **Include an update to the Regional Cost Index (RCI)**, which is supposed to account for differences in costs in different parts of the State but has not been updated since 2006. The New York State Board of Regents and the Rockefeller Institute recommended updating the RCI, but this important change was left out of the Executive Budget.
- **Add a weight for students in temporary housing and students in foster care**, who have unique educational needs that are currently not considered in the formula.
- **Consider additional ways of measuring poverty**, such as using differentiated weights for different concentrations of poverty, as recommended by the Rockefeller Institute, and adding a cost-of-living adjustment or a higher poverty threshold for certain communities.

WHAT'S MISSING

While the Executive Budget only includes changes related to the weights for low-income students and students in poverty, the State should make the following additional changes to the Foundation Aid formula to help ensure schools can meet the needs of all students:

- **Include funding for students in 3-K and Pre-K**, as well as students with disabilities through the school year they turn 22.
- **Provide resources to help implement the State's new class size requirements** for New York City.
- **Increase the weights for students with disabilities and English Language Learners (ELLs)** to ensure they reflect the true cost of providing legally required classes and services.
- **Replace the outdated "successful school district model"** that forms the base of the formula.

Finally, ongoing review of the formula is needed to ensure it incorporates adequate, up-to-date measures of student need and reflects the actual cost of providing a sound basic education to all students, including those who need the most support.

* * *

For more information about the Coalition for Equitable Education Funding (formerly the Emergency Coalition to Save Education Programs) and the above recommendations, please visit <https://advocatesforchildren.org/coalition-for-equitable-education-funding/> or contact May DePierro, Policy Associate at Advocates for Children of New York, at mdepierro@afcny.org.