New York State 2024-25 Executive & One House Proposals for Public Education & Child Care

Foundation Aid

| | Executive Proposal | AQE Priorities | Senate | Assembly |
|--|--|---|--|--|
| Total Proposed School Aid Increase | \$825 million increase | \$1.3 billion increase. | \$1.2 billion increase on school aid, adding \$747 million. | \$1.1 billion increase on school aid adding \$ 750 million. |
| | | This is a decrease in expected school aid of \$500 million. | | |
| Foundation Aid | \$507 million increase. This is a reduction from the projected increase published in the November 2023 financial plan. The executive budget does not provide funding for the Foundation Aid study. | \$928 million increase in Foundation Aid to meet current legal requirements. \$1 million to SED to engage experts and public in studying and updating the formula | Rejects the Executive proposals on Foundation Aid | Rejects the Executive proposals on Foundation Aid changes |
| Foundation Aid Formula and Aid Changes | The executive budget includes a change in the calculation of the inflation factor, proposing use of a ten-year average of the Consumer Price Index instead of the one-year prior, which is currently used. This amounts to a decrease in this factor from 3.8% to 2.4% The executive budget eliminates the save harmless provision. | The Foundation Aid formula needs to be updated to reflect up-to-date poverty and student need data from school districts statewide. This process must include an opportunity for meaningful input by school finance experts as well as parents, educators, and all stakeholders. In addition, the process must use a new methodology to determine the base per student amount on which the formula is built, such that it takes into consideration new learning standards and students' need as they continue to emerge from the pandemic. The executive proposal to change the CPI and the save harmless provision must be rejected | Rejects the Executive proposals on Foundation Aid changes, including changing how inflation factors in the formula, rejects the save-harmless and provides a 3% increase to all school districts. Adds \$1 million for SED to conduct a study on the Foundation Aid formula | Rejects the Executive proposals on Foundation Aid changes, including changing how inflation factors in the formula, rejects the save-harmless and provides a 3% increase to all school districts. Adds \$1 million for SED to conduct a study on the Foundation Aid formula |

Other public education

| | Executive Proposal | AQE Priorities | Senate Proposal | Assembly Proposal |
|--|--|--|---|---|
| Funding immediate student needs in the FY25 budget to bridge any gap in the services provided by our public education system with the expiring federal dollars | The executive includes NO extra funding to bridge any gap districts may face from the expiring federal funds | The state must provide at least \$2 billion so that students do not face any gap in services, programming and staff from the expiring federal funds. | No new funding | No new funding |
| Community Schools | No separate funding for community schools. This maintains the \$250 million set aside within the Foundation Aid formula. | Community schools funding must be separate from the Foundation Aid funding, not a set-aside. | Adds \$105 million for community schools through a separate formula | Does not include additional funding for community schools |

| Pre-K | \$100 million for the Universal Pre-Kindergarten program. This is a continuation of the funding provided in the enacted budget for FY 2024 using funding that was unused. Eliminates the "supplement not supplant" provision, allowing districts to combine funding through access to their statewide full day pre-K program allocation. | No increase for full-day pre-K or update to the per child rate to ensure that early adopters are not locked into a lower rate Focus on increasing rates for school districts that were early adopters of Universal Pre-K who continue to have programs that have to fund from local tax revenue. Currently, some school districts continue to receive \$5,400 from the state per child for full-day pre-K, an amount that is inadequate to cover the cost of any quality program. In addition, school districts that contract with community-based organizations to administer the pre-K program, do not provide an adequate amount for teachers to be paid a thriving wage, condemning the teachers that work for these CBOs to wages that do not cover the basics | Increases pre-K funding by \$150 million and adds language increasing the minimum rates for the UPK program. Increases the minimum per child funding for the UPK program which is based on formula, from \$5,400 to \$6,700 per child. | Increases Universal Prekindergarten funding by an additional \$125 million for Universal Prekindergarten, which includes: • \$62.5 million through the Statewide Universal Full Day Prekindergarten grant, which funds pupils at \$10,000 per pupil; and • \$62.5 million used to increase the minimum per pupil funding distributed via formula from \$5,400 to \$7,000 per pupil. |
|--|---|--|---|---|
| Mayoral Accountability (Mayoral Control for NYC schools) | The executive budget recommends extending mayoral control for four years. | No extension of Mayoral control without a plan to phase it out | Rejects the executive proposal | Rejects the executive proposal |

Child care

| | Executive Proposal | AQE Priorities | Senate Proposal | Assembly Proposal |
|------------------|--|--|---|---|
| Total Investment | The executive budget proposes no changes or new funding to: • the subsidy program in terms of eligibility or expansion of eligibility to include all children regardless of immigration status • copays • workforce stabilization grants • infrastructure or capital funding • subsidy reimbursement rates for legally-exempt | Invest \$1.5 billion in the child care system to increase compensation of the workforce and expand access to all families. | The Senate proposal allocates \$1.7 billion to the child care assistance program, adding approximately \$550 million. | The Senate proposal allocates \$1.7 billion to the child care assistance program, adding approximately \$550 million. |

| Support for the early childhood workforce | Investing in the workforce: | Investing in the workforce: | Investing in the workforce: |
|---|--|-----------------------------|--|
| CHIUNOOU WORKTORCE | Create a permanent state child care fund to increase child care worker compensation. This fund should be robustly resourced and sufficient to offer all child care workers compensation parity with similar positions in the public school system. All members of the child care workforce who work in licensed, regulated programs should be eligible to receive compensation supplements from this fund (\$1.2 billion); and Increase rates for legally-exempt child care providers to 75% of the family child care rate and to 85% for providers who are eligible for the enhanced rate as a means of raising compensation for these providers, and require that the enhanced rate is made readily available to interested legally-exempt providers in all Local Social Services Districts (\$50 million). | | Provides \$500 million, an increase of \$220 million over the Executive proposal, for Child Care Provider Wage Enhancements. No language added to establish this money as a permanent fund. |

Other workforce support:

Establish a health insurance premium support program for child care workers as their income rises above Medicaid eligibility levels.

Make child care educators categorically eligible for child care assistance and eliminate the state subsidy rule prohibiting parents from teaching their own children.

Pay child care assistance (subsidies) to child care providers based on enrollment or capacity, not attendance, statewide.

Pay child care assistance (subsidies) to child care providers prospectively (at the beginning of the month, as is the practice with private pay families), not as a reimbursement.

Pay all child care providers at the established market rate, even when that rate exceeds their private pay price (A.2019 (Clark)/S.3070 (Ramos)).

| Access for all families | The executive budget reallocates | Access for all families: | Access for all families: |
|-------------------------|--|---|--|
| | \$25 million for the employer tax credit, which obligates employers to create or expand child care for their employees (for children under age 3). | End the practice of denying New York children child care assistance due to immigration status by offering statefunded child care assistance to immigrant children barred by federal law from participating in the New York's Child Care Assistance Program (CCAP) (\$50 million). Expanding affordability: | Added \$10 million for the Facilitated Enrollment in NYC (\$5m) and outside NYC (\$5m) to cover children without immigration status. \$12 million carveout from NYC Child Care Block Grant allocation for the facilitated enrollment program for families earning up to 85% SMI |
| | | Expand access to care for children with special needs by dedicating state funds to provide supplemental payments to child care programs who care for children with special needs (\$50 million). | |
| | | Prohibit requiring parents or caretakers to earn a minimum wage or work a minimum number of hours to be eligible for child care assistance (\$50 million). (A.10288 (Clark)/S.4924(Ramos)). | |

Barriers for families and providers

Removing some barriers in accessing child care assistance:

End New York's long-standing and inequitable rule of tying child care access to parents' exact hours of work, which makes it difficult for many working parents, including parents working in the gig economy or in retail with fluctuating schedules. This law (S.5327A (Brisport)/ A.4986A (Hevesi)) was passed overwhelmingly by the Legislature in 2023, then vetoed by the Governor for fiscal reasons (\$70 million).

Take steps to increase capacity for non-traditional hour care by (1) requiring the payment of an enhanced reimbursement rate of 15% statewide for non-traditional hour care; and (2) commencing a pilot program to provide a monthly per-child supplement for non-traditional hour care and start-up grant program for providers seeking to offer non-traditional hour care (\$100 million). (A.1374 (Clark)/S.4079 (Brisport)).

Making applications easier for families:

Enact presumptive eligibility statewide with child care assistance costs covered by federal and state funds (not solely Local Social Service Districts funds), so families do not need to wait for paperwork processing to begin receiving assistance (\$30 million). (A.4099 (Clark)/ S.4667 (Brouk)).

Removing some barriers in accessing child care assistance:

Amend the requirements related to the eligibility of child care assistance to provide that applicants who meet the eligibility criteria for child care assistance via the block grant for child care shall be eligible for a full-time child care slot regardless of the hours the child's caretaker is working or the reason the caretaker requires child care (S.8152).

Establishes differential payment rates from ten to fifteen percent for child care providers who provide care to children experiencing homelessness, who provide care during nontraditional hours, or who provide care in circumstances deemed appropriate by the local district (amended version of S.4079).

Removing some barriers in accessing child care assistance:

Require local social services districts to provide child care assistance for additional or different hours than a parent or caretaker spends at work, training, or educational activity.

Includes a new proposal to require local social services districts to establish differential payment rates for child care services at 15% higher than the actual cost of care or the market rate, whichever is less, when care is provided during non-traditional hours or for children experiencing homelessness.

| Additional priorities | Reappropriates (no new funding) |
|-----------------------|------------------------------------|
| | \$50m for capital projects for |
| | which programs can apply |
| | through the Office of Children and |
| | Families. |

Fund CCR&R Infant Toddler Mental Health and Equity Initiatives, where culturally responsive child care that addresses the mental health needs of our youngest children is accessible to all children and families.

Enact legislation requiring New York State's Council on Children and Families or another appropriate body to work with State agencies, providers, advocates, and parents to study the effects of Pre-K expansion on the child care sector across New York State and make recommendations to ensure these two essential systems are aligned and well-coordinated, and the members of the workforce in both sectors are equitably compensated.

No funding for a cost estimation model determining the actual cost of care.

Includes a new proposal to require the Office of Children and Family Services to utilize a cost estimation model to determine the actual cost child care providers incur when providing care.