

New York State 2026-27 Executive Proposal for Public Education & Child Care

Foundation Aid

	Executive Proposal	AQE Priorities	Senate	Assembly
Total Proposed School Aid Increase	\$1.6 billion increase	AQE supports the increase of \$1.1 billion as the State Aid Proposal of the Board of Regents recommends.	Provides a school aid increase approximately \$1B over the Executive Budget.	Provides a school aid increase of \$905.6M over the Executive Budget.
Foundation Aid	\$779.5 million increase as expected under current law	\$996.1 million increase in Foundation Aid to meet current legal requirements	Provides a Foundation Aid increase of \$285.3M above the Executive Budget.	Provides a Foundation Aid increase of \$630.6M above the Executive Budget.
Foundation Aid Formula and Aid Changes	The executive budget includes no changes to the Foundation Aid formula. The executive also provides a minimum year-to-year increase of 1.0 percent for all school districts	<p>The Foundation Aid formula needs to be updated to reflect up-to-date poverty and student need data from school districts statewide.</p> <p>The executive did not include changes to the regional cost index, changes that accurately categorize school districts to reflect the cost of doing business and pay people accordingly.</p> <p>Adding a weight for students experiencing homelessness or housing instability and an increase in the weight for English Language Learners.</p>	<p>Establishes a 2% minimum increase for Foundation Aid.</p> <p>Includes a new weight (0.12) for students experiencing homelessness or in foster care.</p> <p>Increases the English Language Learner weight in the Pupil Needs Index from 0.53 to 0.6.</p> <p>Indicates intent to review proposals to update the Regional Cost Index.</p>	<p>Establishes a 2% minimum increase for Foundation Aid.</p> <p>Includes a new weight (0.65) in the extraordinary needs count for students experiencing homelessness or in foster care.</p> <p>Increases the English Language Learner weight in the Pupil Needs Index from 0.53 to 0.6.</p> <p>Removes the cap on the Pupil Needs Index.</p>

Other public education

	Executive Proposal	AQE Priorities	Senate	Assembly
Community Schools	No change or additional investments	Community schools funding must be increased by \$100 million	Provides an additional \$105M for Community Schools in categorical funding through the Community Schools Act.	Provides an additional \$100M for Community Schools, separate from the Foundation Aid set-aside.
Pre-K	<p>The executive budget adds \$561 million in pre-k services across the state.</p> <p>The \$561m will be put towards: increasing rates to \$10,000 or selected Foundation Aid per pupil, whichever is more, for all school districts for all 4 year-olds across the state, an increase of \$431 million.</p> <p>Directs \$205 million (of the 431m) to New York City's 3K program to fill in gaps for universal access.</p>	<p>Raise every school district's per pupil rate to \$10,000 or index it to each district's K-12 Foundation Aid rate, so that funding automatically keeps pace with costs and inflation in high- and average-needs districts.</p> <p>Require a minimum local contribution by wealthy districts.</p> <p>For more information click HERE.</p>	<p>Accepts the Executive Budget proposal for statewide universal pre-K.</p> <p>Allow school districts to receive transportation aid for universal pre-K school bus transportation costs.</p>	<p>Accepts the Executive Budget proposal for statewide universal pre-K.</p> <p>Establishes a single apportionment for universal pre-K that combines funding for 4-year-olds and 3-year-olds, with an additional \$20M for districts that already operate 3- year-old pre-K programs.</p> <p>Requires funding of the larger amount of the selected foundation aid per pupil or \$10,000 per child.</p> <p>Establishes a goal of universal full-day pre-K access for all eligible 4-year-olds by the 2028-2029 school year.</p>

Other education	Provides a \$395M increase in funding for universal school meals program.	Accepts the Executive Budget's \$395M increase in funding for universal school meals program. Makes NYC eligible for charter school transition aid to assist with charter school payments.	Accepts the Executive Budget's \$395M increase in funding for universal school meals program.
------------------------	---	---	---

New York State Child Care for All

	Executive Proposal	AQE Priorities	Senate	Assembly
Support for the early childhood workforce	The executive budget proposes no new funding for the child care workforce in the form of supplemental wages or continuing the workforce retention grants.	<p>Invest \$1.2 billion in Workforce Compensation:</p> <p>Create a permanent workforce compensation fund as the bill carried by Senator Brisport and Assemblymember Hevesi outlines (S.5533/A.492-A). Increase compensation for every member of the child care workforce so they can remain in this critical profession. This is an issue of racial, economic, gender, and immigrant justice, as most child care educators are women of color and immigrants, yet they are paid poverty wages despite their essential work.</p>	Provides \$500M for a Child Care Worker Retention Grant Program. Does not provide expansions to the Empire State Child Credit.	Requires the state to publish data on provider costs. Does not provide expansions to the Empire State Child Credit.

Access for all families

The executive budget allocates \$1.2 billion to the Child Care Assistance Program (CCAP) which provides subsidies to all eligible families with children 0-13 across the state. This addition is estimated to clear the waiting lists statewide.

Allocates \$60 million to a pilot program for Dutchess, Monroe, and Broome counties to jointly provide universal child care.

Provides \$73 million to begin a 2-Care program in select high need neighborhoods in New York city to serve 2,000 additional children.

Support the state's Child Care Assistance Program (CCAP) with a \$2.3 billion increase:

Increase state funding for the CCAP to address growing enrollment and prevent service gaps, especially in counties facing funding crises. Currently, 30 counties statewide are facing shortfalls

Bridge to Universal child care (\$150 million):

1. In communities with a high percentage of low income families, the state should apply the community eligibility standards to access CCAP, in the same way that they replaced Free and Reduced priced lunch.
2. Cap the copayments of families with income over the threshold

Provides \$34M for pilot child care programs serving children ages 0-3 outside NYC.

Provides \$2.2M in child care subsidies to families below 85% of the state median income.

Provides \$10M for Facilitated Enrollment Pilot Programs that excludes immigrant children up to 400% FPL (\$5M in NYC, \$5, rest of state.

Accepts the Executive proposal for contract-based child care programs for 2-year-olds in NYC.

Provides \$18.7M to eliminate the minimum earnings requirement for families to access CCAP.

Includes language that would not limit access to supplemental CCAP investments in FY2026 for counties outside of NYC.

Provides \$10M for Facilitated Enrollment Pilot Programs that excludes immigrant children up to 400% FPL (\$5M in NYC, \$5, rest of state.

Accepts the Executive proposal for contract-based child care programs for 2-year-olds in NYC.

Other Child Care Investments	Allocates \$1.5 million for the creation of the Office of Child Care and Early Education. The new office will coordinate the implementation of universal child care, continued investments in 3K, the launch of 2-Care, and workforce supports.	Directs the state to calculate the true cost of providing child care through a cost estimation model that includes salaries, benefits, enrollment rates, and facility costs.
-------------------------------------	---	--

Revenues

	Executive Proposal	AQE Priorities	Senate	Assembly
Personal Income Tax Changes		Make income taxes more progressive. S.1622-Jackson, A.1281-Meeks would add 10 new tax brackets. This would raise over \$21B annually, primarily coming from the top 5% of earners.	Proposes several revenue measures primarily targeting the state's highest earners. These include a 0.5% increase in personal income tax rates for income earned in the top two tax brackets (above \$5M and above \$25M), higher real estate transfer taxes on high-value NYC properties, authorization for Buffalo and Albany to adopt real estate transfer taxes, elimination of certain luxury sales tax exemptions (including luxury boats and high-value bullion purchases), and a tax on non-essential helicopter flights in NYC.	Temporarily increases the state's high-income surcharge to fund a middle-class tax cut (~1% cut for taxpayers with incomes below \$323,200, shifting a larger share of the tax burden toward top earners. Authorizes NYC to adopt a graduated mansion tax on residential property sales above \$500,000, with rates rising by sale price and reaching up to 0.5325% on properties above \$25M.

Corporate Tax Changes		<p>Raise corporate taxes on the most profitable corporations. S.953-Hoylman/A.1971-Kelles, would increase taxes on companies earning over \$2.5M in profits. This would raise \$7B annually.</p>	<p>Proposes several revenue measures targeting the most profitable corporations and highest-earning businesses. These include extending higher Article 9-A corporate tax rates for firms with income above \$5M, allowing NYC to increase business taxes on high-earning firms, ending certain fossil fuel industry tax breaks, modifying the pass-through entity tax credit, and allowing municipalities to levy property taxes on some businesses operating on tax-exempt land.</p>	<p>Proposes changes to corporate taxation by adjusting how multinational corporate income is included in NYS' corporate tax calculation.</p>
Capital Gains Tax Changes		<p>Implement a capital gains tax (S.1439-Rivera, A.676-Kim), adding a state-level surcharge on capital gains income (selling stocks and other investments) in excess of \$500,000 per year. This would raise \$12B annually.</p>		
Estate/Inheritance Tax Changes		<p>Update the current inheritance tax system (S.914-Brisport, A.2049-Solages) taxing inheritances in excess of \$250,000. This would raise \$4B annually.</p>		

We encourage those who want a deeper breakdown of the Senate and Assembly's revenue measures and their fiscal impacts to once again review analysis from our partners at IONY and FPI.