



EDUCATION



The Executive Budget reflects Governor Hochul’s commitment to education, supporting students, teachers, and schools with essential resources for a bright future. Following historic increases in School Aid over the last three years, the Executive Budget maintains the State’s key investments in education and increases annual School Aid by \$825 million (2.4 percent), for a record total of \$35.3 billion. Additionally, the Executive Budget includes the Governor’s “Back to Basics” reading plan to ensure that school districts statewide utilize evidence-based best practices in their reading instruction.

ABOUT NEW YORK STATE SCHOOLS

- New York State’s 673 major school districts currently educate approximately 2.2 million children in kindergarten through 12th grade.
- Public education in New York State represents a significant commitment of State and local resources. With total State, local, and Federal spending levels exceeding \$82 billion in the 2021-22 school year (SY 2022), education is both the largest area of State spending and the largest component of local property taxes.
- New York State has ranked first nationally in school district spending per pupil for 17 straight years, a reflection of the State’s longstanding commitment to provide all students with the opportunity to excel as learners, workers, and citizens.
- With this Executive Budget, School Aid increases will total approximately \$13 billion over 10 years – a 57 percent increase over that period. On a per pupil basis, School Aid will have increased by 5.7 percent per year on average.
- Foundation Aid alone will have increased by \$6.1 billion, or 33 percent, since the State’s 2021 commitment to fully fund the formula by SY 2024 – an increase of 7.4 percent per year on average.

BUILDING A STRONG FOUNDATION BY GOING BACK TO BASICS

Ensuring Evidence-Based Best Practices in Reading Instruction. Governor Hochul’s “Back to Basics” reading plan takes statewide action to ensure that every school district utilizes instructional best practices grounded in the science of reading. The Executive Budget requires the State Education Department (SED) to promulgate instructional best practices in reading instruction. By September 2025, districts must certify to SED that their reading curriculum and instructional strategies align with these best practices. This proposal maintains districts’ autonomy to update their curriculums while ensuring that students receive effective reading instruction. To promote adoption of these best practices, the Executive Budget invests \$10 million to support training through the New York State United Teachers (NYSUT) Education and Learning Trust for 20,000 elementary school teachers and teaching assistants across the State.

EXECUTIVE BUDGET SCHOOL AID				
SCHOOL YEAR BASIS (\$ IN MILLIONS)	2023-24	2024-25	\$ CHANGE	% CHANGE
FOUNDATION AID	\$23,999	\$24,506	\$507	2.1%
EXPENSE-BASED AIDS	\$9,928	\$10,245	\$318	3.2%
FORMULA-BASED AIDS (AID ON THE RUN)	\$33,927	\$34,751	\$825	2.4%
CATEGORICAL AIDS	\$309	\$309	\$0	0.1%
COMPETITIVE GRANTS	\$196	\$196	\$0	0.0%
SUFPK EXPANSION (FY 2024)	\$50	\$50	\$0	N/A
TOTAL SCHOOL AID	\$34,481	\$35,306	\$825	2.4%

PROPOSED FY 2025 EXECUTIVE BUDGET ACTIONS

Overall School Aid Increase. The Executive Budget provides \$35.3 billion in total School Aid for SY 2025, the highest level of State aid in history. This investment represents an \$825 million (2.4 percent) year-to-year increase, including a \$507 million Foundation Aid increase and a \$318 million increase in all other School Aid programs, including expense-based aids, categorical aids, and competitive grants.

Foundation Aid. Foundation Aid is the State’s main education operating aid formula. It is focused on allocating State funds equitably to all school districts, especially high-need districts, based on student need, community wealth, and regional cost differences. Following three years of historic growth to fully phase in the formula, the Executive Budget provides a \$507 million (2.1 percent) increase in Foundation Aid for SY 2025. This increase is driven largely by the formula’s inflation factor, which the Executive Budget sets at 2.4 percent, representing the average annual change in the Consumer Price Index (CPI) over the last 10 calendar years (2014-2023), excluding the highest and lowest years. Through a wealth-based “Transition Adjustment,” the Executive Budget also allows districts to retain \$207 million of Foundation Aid in SY 2025 in excess of their respective full funding targets under the formula, moderating the impact of enrollment declines. Every school district receives at least as much Foundation Aid as its full funding target as calculated under the Executive proposal.

Expense-Based Aids. The Executive Budget fully funds the current statutory formulas that reimburse a portion of certain school district expenses, such as school construction, pupil transportation, shared services through boards of cooperative educational services (BOCES), prekindergarten programs, and the educational costs of certain students with disabilities. In total, these aid categories are projected to increase by \$318 million (3.2 percent).

OTHER P-12 EDUCATION

The Executive Budget provides funding for new and recurring initiatives outside of traditional School Aid to bolster the school system in New York State.

Nonpublic School Programs. Approximately 370,000 students attend roughly 1,700 nonpublic schools statewide. The Executive Budget provides over \$239 million in aid to reimburse nonpublic schools’ costs for State-mandated activities, a \$44 million (23 percent) year-to-year increase, to fully fund estimated aid payable in SY 2025 and address actual and anticipated funding shortfalls for SY 2023 and SY 2024 aid. The Budget also continues \$73 million in annual funding for science, technology, engineering, and math (STEM) instruction and \$45 million for health and safety capital projects, including critical repair and maintenance of nonpublic schools’ facilities.

Charter Schools. Approximately 182,000 students attend 343 charter schools in New York State. Charter schools receive tuition payments made by school districts, funded through State and local sources;

these tuition rates are established for each district based on the average annual growth in the district's spending. Charter school students are included in the pupil counts used to calculate each district's School Aid. The State also provides additional aid to districts with charter school students through the supplemental tuition and facilities aid reimbursement programs. The Executive Budget continues this additional State support, providing a total of \$185 million for charter school supplemental tuition and \$120 million for charter school facilities aid.

Preschool and Summer School Special Education Programs. Approximately 80,000 preschool-age children with disabilities receive special education services year-round and 50,000 school-age students with disabilities receive summer services. Services are delivered by private providers and special act school districts, as well as BOCES and school districts (primarily for summer programs). Counties and school districts pay for the cost of services in the first instance and are partially reimbursed by the State. The Executive Budget fully funds the State share of costs for both programs, continuing \$1.0 billion to reimburse counties for the cost of preschool special education services and providing \$404 million, a \$36.5 million (10 percent) year-to-year increase, to reimburse school districts for the cost of summer school services.

Special Education Tuition Rate-Setting Reform. Funding for preschool and school-age special education providers is determined through a rate-setting methodology administered by SED. These providers serve approximately 80,000 preschool children year-round, 50,000 school-age students during the summer, and 14,000 school-age students during the school year. As requested by SED, the Executive Budget provides an additional \$1.4 million for SED to study and design a new special education tuition rate-setting methodology in order to streamline and improve the timeliness of tuition rates for providers, bringing total available project funding to \$3.9 million. The Executive Budget also extends the deadline for SED to present its recommendations from July 1, 2025 to July 1, 2027.

School Food Programs. Approximately 5,000 New York State schools currently participate in the national

school lunch and breakfast programs, serving approximately 2.8 million public and nonpublic school students statewide. The Executive Budget provides over \$200 million in State funding for these programs, an \$11 million (5.8 percent) year-to-year increase. The Budget continues the FY 2024 State-funded initiative to incentivize qualifying public and nonpublic schools with significant proportions of low-income students to participate in the Federal Community Eligibility Provision program, allowing all students in those schools to eat breakfast and lunch at no charge regardless of their families' income. This initiative will enable up to 90 percent of New York State's students to eat for free.

OTHER BUDGET ACTIONS

Supplemental Assistance Grants. The Executive Budget includes \$100 million of Supplemental Assistance Grants to provide additional aid to school districts for SY 2025.

New York City School Governance. The Executive Budget provides a four-year extension of the current system of governance of New York City public schools, which is currently scheduled to expire on June 30, 2024.

Support for Libraries. The Executive Budget supports public libraries by providing \$102.1 million of Library Aid, a \$2.5 million increase over FY 2024 Enacted Budget levels, and \$34 million for Library Construction to fund various capital projects. In addition, the Executive Budget appropriates \$3 million to ensure continued access to the New York Online Virtual Electronic Library (NOVELny), a free online library of magazines, newspapers, maps, charts, research, and reference books available to all New Yorkers.

Capital Investments in State-Owned Schools. The Executive Budget provides \$27.6 million for capital improvements to the five State-owned schools. This includes \$20.1 million for the three State-owned schools on Native American reservations (the Onondaga School, the St. Regis Mohawk School, and the Tuscarora School), as well as \$4.5 million for the School for the Blind at Batavia and \$3 million

for the State School for the Deaf at Rome. This capital funding will modernize classrooms and HVAC systems, among other school facility upgrades. With this funding, Governor Hochul will have invested a total of \$95.9 million in these five schools' facilities over three years.

SCHOOL AID DEFINITIONS

The terms commonly used to discuss School Aid are presented below. Their estimated values in SY 2025 under the Executive Budget are provided in parentheses.

- **Competitive Grants (\$196 million):** Additional support for schools, generally awarded through competitive RFPs.
 - **School Aid (\$35.3 billion):** The sum of formula-based aids, categorical aids, and competitive grants.
- **Formula-Based Aids (\$34.8 billion):** The categories of General Support for Public Schools (GSPS) that appear on the School Aid run published by SED along with the Executive Budget and Enacted Budget, including the following:
 - **Foundation Aid (\$24.5 billion):** The State's main formula for unrestricted operating aid to school districts, intended mainly to support districts' instructional costs. It is the largest aid category within School Aid.
 - **Expense-Based Aids (\$10.2 billion):** All categories of GSPS that appear on the School Aid run other than Foundation Aid. These aids largely reimburse a certain percentage of districts' costs in the prior school year. The main expense-based aids are Building Aid (\$3.3 billion), Transportation Aid (\$2.5 billion), BOCES Aid (\$1.3 billion), and Universal Prekindergarten/Statewide Universal Full-Day Prekindergarten (\$1.2 billion).
 - **Categorical Aids (\$309 million):** All categories of GSPS that do not appear on the School Aid run. The main categorical aids are Employment Preparation Education (\$96 million), Native American Education (\$69 million), and Education of Students in OMH/OPWDD Facilities (\$49 million).