



**TESTIMONY OF
THE UNITED FEDERATION OF TEACHERS
PRESIDENT MICHAEL MULGREW**

**BEFORE THE
NEW YORK STATE SENATE & ASSEMBLY
COMMITTEES ON FINANCE, WAYS & MEANS, AND EDUCATION**

REGARDING THE PROPOSED FY22 EXECUTIVE BUDGET

JANUARY 28, 2021

Good morning. My name is Michael Mulgrew, and I am the president of the United Federation of Teachers (UFT). I want to thank both the Senate and the Assembly for this opportunity to discuss the proposed FY22 Executive Budget and share our perspective on several key initiatives. Joining me today is Cassie Prugh, assistant to the president and political director of the UFT; Andy Pallotta, president of the New York State United Teachers (NYSUT), and Alithia Rodriguez-Rolon, NYSUT's director of legislation.

On behalf of my members, I want to recognize Majority Leader Andrea Stewart-Cousins and Speaker Carl Heastie for their strong leadership. I also want to recognize the support, guidance and commitment of their colleagues Education Chairs Shelley Mayer and Michael Benedetto, Finance Chair Liz Kreuger, and Ways & Means Chair Helene Weinstein. We are looking forward to partnering with all of you in the months ahead.

I know it has been a very challenging year for all of us. Many of us have lost loved ones to COVID-19, unemployment remains high, food pantry lines go around city blocks, and an estimated 1.2 million households statewide are at risk of eviction. Meanwhile, our students and educators continue to brave through the challenges posed by remote instruction, which have not been easy, but I am proud to say they continue to persevere.

Supplement, Not Supplant State School Aid

Before I share with you information on the incredible work of our New York City (NYC) educators and students during this difficult time of remote and hybrid instruction, I'd like to start by directly addressing the proposed education budget. I will be honest and clear: I am very concerned about this proposed education budget. I fear that if we do not get this right, our public schools will suffer tremendously throughout the recovery.

This year's FY22 Executive Budget indicates that the state does not intend to make up for the cut in state school aid to NYC public schools. Looking back to the FY20 Enacted Budget, before the COVID-19 pandemic, the NYC share of state school aid was \$11.4B. Then, due to the economic collapse that came with the public health crisis, in Spring 2020 the state's school aid contribution was cut by \$720M to \$10.6B in the FY21 Enacted Budget, with that exact amount supplanted using federal funding from the Coronavirus Aid, Relief, and Economic Securities (CARES) Act.

Let's turn back to the current executive budget. This budget proposes \$10.7B in state school aid for New York City public schools, using \$736M from the December Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act to make up for cuts stemming from a proposed consolidation of expense-based aid and a local district funding adjustment to STAR. If you combine the 2020-2021 school aid reductions with the proposed reductions in the current Executive Budget, the state has reduced its contribution to NYC schools by \$1.5B over two years.

To make up for these cuts, the state has used federal relief funding to supplant school aid, or make up for the gap. During this extraordinary time of need, our state cannot abandon our school district. The state should, at the very minimum, avoid the FY22 proposed \$736M cuts to the share of NYC school aid, and instead work to set the FY22 proposed school aid share for NYC to \$11.4B, last seen before the start of the pandemic. A return to an \$11.4B state share of school aid with the supplemental funding from the CRRSA Act would fund our school district at \$13.5B, a real and meaningful increase in school aid.

Our students and their families are suffering; we have to prepare for academic remediation; we have to plan for added social and emotional support in our school. We cannot plan appropriately without the proper support from our state. I urge you to work with us in finding ways to generate new sources of revenue that can help make up for the aid reduction our school district will suffer under this current Executive Budget.

Generate Revenue

I understand times are difficult and the former federal administration was detrimental to our state. I am, however, grateful that we now have new leadership in the White House and in the U.S. Senate with the tremendous potential to provide us with the relief funding our state and local governments and our local school district desperately need.

However, I am also keenly aware that even before the public health and economic crises, the share of state funding for our public schools was at an all-time low. In fact, I reported to this legislative body last year that the state's share of the 2019-2020 NYC education budget was at its lowest in 30 years; and now during the 2020-2021 school year, it makes up roughly only 36% of the full budget, significantly lower than when it hovered close to 50% before 2009.

We cannot continue to balance our state budget on the backs of our students, especially during these challenging times. Students will need extensive academic remediation, and they will need significant and sustained social and emotional support.

To create new revenue streams, we continue to advocate for four simple revenue generators that can add billions in funding to our state coffers. These are taxing proposals that will primarily target the wealthiest residents of our state who have experienced an increase in income and net worth during this pandemic, while the working class suffers.

1. Implement a new billionaire's wealth tax to generate \$5.5B in new revenue. New York City remains the home of more billionaires than any other city in the country, with 141 billionaires sitting on \$600 billion in personal wealth.
2. Increase the ultra-millionaire's tax on those earning more than \$5M, \$10M, and \$100M per year. The number of millionaires in New York has increased 73% since the idea was first adopted in 2009, and there are no signs of millionaires leaving New York. The truth is New York makes millionaires; it doesn't chase them out. An estimated additional \$2.5-\$4.5B could be generated with this increase.
3. Enact a "pied-a-terre" luxury real estate tax that would serve as a progressive tax on absentee owners of New York City luxury condos and vacation homes for the rich worth \$5 million or more to generate \$650M in new revenue. Even during our toughest financial times, such as the 1970s, the ultra-wealthy have known that investing in real estate in New York City is always a good investment.

4. Change the corporate tax rate to match what was levied on corporations and real estate prior to federal tax cuts in 2017. This would add a surtax of 14% to the New York corporate income tax and a surtax of 5-7% on businesses receiving the Trump tax deduction. This would generate an additional \$9B in revenue.

We are living a K-shaped recovery, with millionaires and billionaires having bounced back better than ever. Corporate America is thriving and its executives' personal wealth continues to expand. Meanwhile, our students and their families are suffering food shortages, evictions, and unemployment. It's time for everyone to pay their fair share.

UFT Programs Fill the Gap

Now I want to turn the focus to the amazing work of three of our UFT programs, which are only possible through your support.

UFT Teacher Center

I want to thank you all for your continued support of the UFT Teacher Center program, but share with you that I am very concerned about the FY22 Executive Budget's proposal to completely defund Teacher Centers.

As you know, the UFT Teacher Center program is our professional development program for educators provided by educators. With 115 school-based sites across the five boroughs, the UFT Teacher Center provided more than 121,000 hours of professional learning to more than 234,000 participants during the 2019-2020 school year. A survey conducted showed that 96% of participating educators reported significant gains in effectiveness.

Last year, the UFT Teacher Center stepped up to the challenge when we went into full remote instruction on March 15. The program set up a tech hotline to support educators across the city with their technology issues and the devices at school sites were distributed to students and educators to alleviate the device shortage we experienced.

Since then, the UFT Teacher Center has provided many professional learning institutes over the summer and fall and continues to do so. Our classes fill up as fast as we open them. For example, courses on "All About G-Suite" and "English Language Acquisition" each registered more than 1,000 participants in just two days. We are also collaborating with Apple so teachers can enhance the technology skills they need for teaching and learning.

In addition to providing support for educators, in December 2020 our UFT Teacher Center staff launched a three-part series of free Saturday Student Academies that served as engaging remote enrichment for students from preschool to high school. Five thousand families registered for activities, held on consecutive Saturday mornings, such as virtual field trips to see holiday celebrations around the world and opportunities to virtually explore career choices linked to students' interests and dreams. We plan to have additional sessions in the spring.

We urge you to restore funding for Teacher Centers to the 2008-09 level of \$40M. We plan to expand professional learning that advances educator skills for remote and blended instruction, help teachers integrate standards-based content with newly learned digital tools, expand offerings for paraprofessionals across the city, and a lot more.

United Community Schools

Our United Community Schools (UCS) program could not have been better equipped to manage the difficulties created by the public health and economic crises. Operating out of 32 schools in New York City and one school in the Albany school district, our UCS schools serve more than 20,000 students. They have fed 6,000 families this year and have conducted 1,500 virtual counseling and wellness check-ins with students and caregivers.

UCS school staff are experienced in overcoming poverty and other barriers to learning so low-income students, English language learners, student with special needs, and students living in temporary housing and their families can flourish.

As a lifeline for students and their families during this difficult time, UCS continues to provide academic supports and programs, food nutrition to families in need, vital mental health and medical services for students, and job training and employment opportunities for families and community members.

Since the start of the pandemic, UCS shifted to also begin to provide robust remote academic programs; access to Wi-Fi, laptops, and tablets; attendance monitoring and check-ins; virtual counseling session; virtual check-ins with parents and caregivers; and online teaching strategies to assist staff.

We ask that the Legislature consider a \$4M support for UCS this year. Our priorities for the upcoming school year will be to continue feeding and supporting families in need, increasing access to mental health services, providing online access and devices to families, adding more UCS social workers, and using technology to reach more students and families.

Positive Learning Collaborative

For nearly a decade, the Positive Learning Collaborative (PLC) has been using restorative practices to significantly decrease suspensions and major incidents in schools while increasing academic performance and satisfaction in New York City classrooms. The PLC works to transform school culture to heal from the impact of trauma, stress, and inequity particularly evident during this public health crisis.

After nearly a decade of programming in our 25 PLC schools, we have seen a 46% reduction in suspensions, a 40% decrease in major incidents, a 53% improvement in school culture, and three times more gains in ELA scores than the average city school.

The PLC is composed of an expert team of clinicians and public-school educators including social workers, psychologists, behavior specialists, teachers and counselors. We have a multi-tiered integrated model of best practices in the areas of therapeutic crisis intervention for schools, positive behavior interventions and supports, social and emotional learning, restorative justice, and mindfulness and wellness. Our goal is to support adults so adults can support students through one-on-one coaching, data tracking, workshops and training, and support groups and restorative circles.

Since the start of the COVID-19 pandemic, the reach and impact of the PLC has increased significantly. The virtual connectivity driven by the pandemic enables the PLC to reach more parents, observe more classrooms, and coach more educators in real time. The model was created to meet the individual needs of each school community. This flexibility makes the program well-suited to address today's challenges.

Since going virtual, we have been able to expand our reach beyond the current 25 PLC schools by offering many of our workshops to school communities in their respective neighboring areas. We have noticed that workshop and support group attendance is at an all-time high. We can now observe, assess, and support more classrooms, and we are providing real-time support and coaching when issues arise.

As a first-time commitment and at this time of need, we seek \$2M in funding from the Legislature to support the PLC. We want to provide school communities with greater access to expert clinicians and educators; help parents cope with stress, grief, and trauma through on-going support groups; ensure all administrators and educators understand racial disparities and implement anti-racist policies and accountability systems; help educators and school staff

manage personal anxiety and give them the tools to support their students through these extreme challenges; and more.

Hold Charter Schools Accountable

We must keep the charter school cap in place and avoid bringing back “zombie charters.” An existing loophole in the law already allows for a single charter to operate three schools. Through years of expansion requests, a charter originally permitted to operate as an elementary school can expand up to grade 12 to run an elementary, middle, and high school. Estimates from the city show that reviving all zombies in NYC could cost the city an additional \$160M.

Instead our focus needs to be on making sure charter schools agree to a basic level of accountability for how they treat all students and how they use taxpayer dollars. We need to reintroduce, pass and sign into law S.4237/A.8030 from 2019-2020, sponsored by Senator Brad Hoylman and Chair Michael Benedetto, to require transparency and accountability from charter schools, and we need to reintroduce, pass and sign into law S.5950/A.8029 from 2019-2020, sponsored by Chairs Shelley Mayer and Michael Benedetto, to limit charter grade level expansions.

I also want to turn your attention to a very alarming proposal in the FY22 Executive Budget. The proposal seeks to eliminate the state reimbursement to New York City for the cost of charter school rental assistance; in other words, shifting the entire charter school rental assistance cost to the New York City Department of Education, which is believed would add a permanent cost of \$250M over the course of the next three years. We absolutely cannot allow this to happen. Instead, we believe the Legislature should consider completely repealing the charter school facilities aid by passing and signing into law S.1098, sponsored by New York City Education Committee Chair John Liu, which would reduce the cost for both the state and the city. We will continue to argue that our public taxpayer dollars should not be siphoned off to private real estate owners.

PROVIDING AFFORDABLE CHILD CARE

Our union has long championed the important work of New York City’s 6,000 home-based child care providers, whose high-quality services allow many thousands of New Yorkers the peace of mind that they are leaving their children in a safe and nurturing place while they go to work.

Unfortunately, I must report that due to the economic impact of the COVID-19 crisis, the child care system as a whole is at risk of collapsing. With record high unemployment, a substantial

group of families are either no longer able to afford child care or no longer require child care as one or both parents are at home for the foreseeable future. Still other families have one or both parents working from home (or older children learning remotely), further depressing the demand for day care providers.

At the same time, the stress and cost of operating as a child care provider has exploded in the era of COVID-19. Essential supplies, including personal protective equipment, or PPE, have been both scarce and costly. Additionally, enrollment has decreased as providers have had to adjust for mandated social distancing requirements, while child care rates have not increased, leaving providers without adequate funding for operating costs and staff salaries.

Unfortunately, providers cannot afford to provide stable, consistent employment at wages that would enable them to retain experienced workers. Even minimum wage is difficult for them, never mind a living wage or a competitive wage. They are also having trouble paying workers compensation and liability insurance, as well as meeting other daily expenses.

We urge that appropriate funds be dedicated to financially support our child care providers and ask the state to fully fund federal mandates. We also ask the state to work to ensure that the many providers who applied for federal CARES Act grants receive their funding to enable them to remain open.

CLOSING THOUGHTS

I understand the budget challenges we face this year are not easy to tackle, but our collective work can help us avoid decisions that may have negative consequences for our students. By working together, we secured the CARES and CRRSA Acts to support our public schools, and now we need to continue our push for an additional round of relief funding to close the estimated \$15B budget gap our state is confronting.

The current FY 22 Executive Budget's school aid proposal truly reflects abandonment by the state; we absolutely cannot permit reductions in state school aid, especially not during these extraordinarily challenging times for our educators, our students, and their families. My hope is that you will consider the solutions I have presented today and find ways to fight against these cuts.

As we work together this year, I can assure you that our UFT members will continue to focus on what's important: educating the next generation of New Yorkers. We are grateful for your

support and continued commitment to providing each and every child in our state a robust education.

Thank you.

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