



TESTIMONY

Senate Education Committee

Public Hearing

On

Reforming The State's Education Foundation Aid Formula

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December 3, 2019

Dear Senator Mayer and Committee Members:

Thank you for this opportunity to present testimony. I hope that it will assist you in your effort to establish an effective and equitable state education aid formula. The statewide roundtable discussions have seemingly focused on a call to fully fund, rather than reform the state aid formula; the supposition being that if we simply apply a sufficient amount of funding, any flaws in the formula will be overcome. In short, the state's financial condition may prevent this approach and even if it were to temporarily succeed, we would soon find ourselves back at the need to accurately reflect a community's fiscal capacity and supplement the divide between that capacity and the state's constitutional responsibility to provide each child (irrespective of location) a sound, basic education. The state spends a tremendous amount in total on public education, but it relies overmuch on local tax contributions to accomplish its educational duty. This results in what is widely recognized as the worst educational funding system in the nation and fosters an incredible disparity in results between communities.

Without reform of the formula, the state will not be able to assess what is educationally needed within any given school district and thus, what it must provide. Continuing to base aid on outdated information, inadequate response to overriding social influences and political factors will perpetuate vast and intolerable variations in the opportunities our state provides our children. The task is difficult, but not insurmountable. Simply use timely rather than outdated financial information, adjust for the increased costs of overcoming the learning deficits created by poverty and the need for English language instruction, provide sufficient resources so that all schools may employ needed social workers and counselors, as well as a curriculum that allows all students to receive a diploma that makes them competitive in the workplace or post-secondary education.

As a result of the following factors, this effort takes on additional importance in our rural schools. While the rest of our state grows, the population of our rural areas swiftly dwindles. Businesses, services and families have all left our state seeking a better life. The fact that people now engage in an exodus from our state, rather than seek it out in order to prosper is anathema to our history and our credo. **Rural residents who remain are doing the hard work of staying. Why are they being ignored?**

STRANDED, STARVING...IGNORED? Year after year goes by and yet another state spending proposal fails to provide the leadership of restarting a workable, equitable and realistic state aid formula for our schools; as well as underfunding the current outdated formula. The result is that our neediest schools continue to receive less than they should from the state, while also being severely limited in their ability to raise local revenue. **The state's failure is reprehensible, allowing children to be relegated to a lifetime of economic struggle, simply because they come from a rural community.** We need a formula that accurately reflects the amount a community can afford to contribute and base state aid on that amount; not on what it used to get, not on how politically important the community is or isn't, but on the difference between what a

community can pay and what the court has said constitutes a sound basic education for children. Its tough work, but New York State has smart and dedicated leaders. In recent years, you have made public education a priority and we truly appreciate your support.

Don't allow this year's State Budget to once again ignore this difficult, but vital work. Here's why your work is so timely and vital:

Generally speaking, New York State

1. **Provides after school programs and other out of classroom learning opportunities for its students...but not for rural children.** Lack of transportation aid and the need for local communities to pay costs up front (and await state reimbursement) make them inaccessible to rural schools and their students.
2. **Provides preschool and its learning advantages...but not for rural children (for the same reasons listed above.)**
3. **Provides a broad curriculum that allows students to be competitive in college and in the workplace...but not for rural children.** Lack of local funding forces rural schools to stick to the state mandated curriculum-and only the state mandated curriculum. That hurts rural children who want to attend college or compete in the workplace.
4. **Provides Community Schools and support services like adequate guidance, psychologists, internships, extracurricular activity transportation and broadband access to support digital learning...but not for rural children.** Community schools may well be the salvation of rural education, but so far, the state isn't investing in a way in which rural schools can participate.
5. **Provides sufficient certified teachers in all subject areas, ensuring high quality educational programming...but not for rural children.** Our rural schools are experiencing a teacher shortage-both in initially recruiting qualified teachers and in retaining them.
6. **Assesses the ability of a community to contribute to the education of its children and then provides sufficient aid to ensure a sound, basic education for every student...but not for rural children.** Under the current state aid distribution scheme, many rural schools are much more impoverished in reality than is recognized by the state. The Great Recession destroyed the rural economy, a fact that hasn't yet been recognized in compensating state aid.

New York State's rural schools

1. **Raise virtually no local revenue under the tax levy cap.** They have little local tax base and the cap percentage is too low to allow local revenue to sustain the educational needs of children. Rural residents couldn't afford significant increases even if their schools were allowed a higher levy increase.
2. **Have not recovered from years of lost aid.** Consequently, while their graduation rates are admirably high, the education they are able to provide does not ensure that their students are competitive in either college or the workplace.

3. **Are masters of innovation.** Using shared services in higher percentages than any other entity anywhere, our rural schools lead our state in overcoming severe fiscal constraints by partnering with neighboring districts, BOCES, local businesses and community colleges in an attempt to combat severe underfunding. Even when applying this skill so broadly, our rural schools struggle. We cannot expect them to do even more of this to get by when businesses have closed, employment and population have plummeted and the state aid proposed for this year wouldn't even maintain existing programs.
4. **Are embroiled in a volatile social environment.** Higher unemployment, loss of tax base and population, lack of local health care facilities, the impact of the opioid epidemic, unmet mental health and other social needs all combine to make rural residents in general and rural students in particular feel isolated and abandoned by their state and federal governments. They want to grow up and remain in their home communities, but they are being forced out in record numbers. The recent national election illustrated the tremendous frustration felt in rural communities. **Rural New York was once able to bail out its metropolitan sisters. Now it cannot sustain itself and is looking for the same kind of assistance previously provided to other New Yorkers in similarly dire need.**

WHAT WOULD HELP?

SUFFICIENT STATE AID: For rural schools to begin to gain ground in meeting the educational needs of its children, the state needs to provide an additional \$2 billion in aid to public education, focusing on districts with high rates of students in poverty, high numbers of English Language Learners and narrow curricula that do not provide a competitive education. After setting aside reimbursable aids that largely go to high wealth districts that can afford to expend funds, paying for existing and necessary programs and services, setting aside hundreds of millions for specific new state initiatives and dividing state aid by regional "shares", there has traditionally been little ability to address the severe and unique needs of our rural schools. This practice cannot continue if New York State is to sustain itself economically, socially or politically.

A LEGITIMATE FORMULA: The state has done little to update or improve the now long outdated education aid formula. In addition to a sufficient allocation of state aid, this year's State Budget must include a new, transparent, sustainable, predictable, but most critically, workable Foundation Aid Formula. New York State has done everything with its Foundation Aid Formula except to legitimately use it. We can no longer afford to freeze, ignore, cut or corrupt this formula. It must be updated to recognize changes in community and student poverty, increases in student needs such as language, transience, health and substance abuse issues. In short, it must accurately gauge a community's ability to contribute to the education of its children and then provide the remainder of aid needed to support the education of those children.

IMPROVING THE LOCAL PROPERTY TAX LEVY CAP: We must remove inequities in the current cap. For instance, no school district should ever face a negative tax cap and the cap should actually be a 2% cap (as advertised) and not the negligible increase that the consumer inflation

rate has allowed in recent years. Rural school districts don't raise enough under the current structure to provide for their students. The "cap" should be on the local school budget itself, not on the tax levy to avoid further inequities in providing educational resources for our children.

DEVELOPING FINANCIAL SUPPORT FOR RURAL COMMUNITY SCHOOLS: The Community Schools model takes advantage of the available space created by Excel Aid funding and the loss of student enrollment. School space should be further maximized to provide afterschool, weekend and summer programming. Other uses might include mental, physical health care, dental or vision programs for either students or the community. Rural schools have two primary assets: Caring people and space. The Community Schools Model makes use of these assets to provide a better future for rural children and their families. Funds for community schools should not compete with other vital, flexible school funding.

SUPPORTING ADDITIONAL PRE-K, INCLUDING TRANSPORTATION AID AND "UP FRONT" FUNDING: While the state claims to support "Universal Pre-K", in fact, it is far from universally provided. Rural school districts have a difficult time securing the funds necessary to begin these programs. Currently, they must "front" the money and await state reimbursement in the following year. This keeps many districts from providing this vital service. Others are unable to operate the program as a result of the lack of state aid for transportation (which is essential for rural parents.)

FOCUSING STATE ATTENTION ON STUDENT MENTAL HEALTH AND SUBSTANCE ABUSE ISSUES: For several years now, superintendents have identified student mental health as their most pressing issue. Mental health issues and substance abuse are wreaking havoc on rural school funding and rural student learning; often with tragic results. The increased pressures of joblessness, or underemployment and transience in search of work are creating a "Grapes of Wrath" like scenario for rural children. IN NEW YORK STATE! At the very least, increased mental health services are needed to help them cope with circumstances we find hard to envision.

Fortunately, the problem of adequately and appropriately funding our schools is not insurmountable. Rural schools make up nearly half of all districts in the state. How they fare in the state budgeting process will largely be up to the willingness of its state leaders to fight for all of the children in our state. How we treat our rural schools and rural communities will define New York State's future. On behalf of those districts, the job of the Rural Schools Association will be to provide you the information you need to assess the ramifications of proposals, reactions and compromises. We stand with you in the effort to address serious issues affecting the funding of public education. Thank you for your leadership in this vital effort.

Respectfully submitted,

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