

## 2006-07 Executive Budget Proposal — K-12 Education

### OVERALL SCHOOL AID INCREASE OF \$634 MILLION—

- ✓ Increase of \$259 million in traditional school aid.
  - \$275.32 million increase in computerized aid.
  - \$16.52 million cuts in grant programs.
- ✓ Increase of \$375 million in Sound Basic Education Aid.
- ✓ Largest overall increase ever proposed by a Governor.

### SOUND BASIC EDUCATION AID—

- ✓ Provides \$700 million in funding, an increase of \$375 million.
- ✓ Additional funding is placed in a reserve account that will be allocated by the Division of the Budget.
- ✓ Proceeds from the Video Lottery Terminals (VLTs) are used to support the \$700 million in funding for the Sound Basic Education Aid.
  - \$230 million in “one-time revenues is used to supplement the VLT revenues for 2006-07”.

### FLEX AID —

- ✓ Freezes funding for Flex Aid (unrestricted operating aid).
- ✓ Districts that cap their spending increases will receive a 2% increase in Flex Aid beginning in 2007-08.

### EDUCATION TAX CREDIT —

- ✓ Creates a \$500 refundable income tax credit to be used for tutoring, after-school programs, and “other education expenses.”
- ✓ Available to families with incomes below \$90,000 that live in school districts with under-performing schools.
- ✓ Estimated cost of the tax credit will be \$400 million per year.

### STAR —

- ✓ Provides \$3.4 billion for the cost of the existing STAR program.
- ✓ Provides an additional \$72 million for the STAR program to increase the STAR exemption for seniors from \$50,000 to \$56,800 to reflect increases in the cost of living and provides for an automatic increase in the future.
- ✓ Creates a new \$530 million STAR Plus program that will provide \$400 rebate checks to homeowners residing in school districts that adopt a spending cap.

### EDUCATIONAL ACCOUNTABILITY—

- ✓ Enact various changes to school budget voting procedures:
  - Eliminates budget revotes
  - Extends voting hours
  - Requires bond resolution votes to occur on the statewide voting day
  - Involves county board of elections in the supervision of the election

### TEACHER PROGRAMS —

- ✓ Continues Teacher Support Aid at the current level of \$67.48 million.
- ✓ Increases the funding for the Teachers of Tomorrow program by \$5 million to \$25 million. The increase is used to “provide recruitment incentives and tuition reimbursement to expand the pool of math and science teachers entering the teaching profession by means of alternative certification.”
- ✓ Reduces funding for Teacher Centers from \$31 million to \$10.33 million.
- ✓ Reduces funding for Teacher Mentor-Intern Program from \$6.0 million to \$2.0 million.

**BOCES —**

- ✓ Provides \$536.25 million for BOCES Aid, a decrease of \$10.12 million.
- ✓ Eliminates BOCES Aid for “educational services that exceed the costs of comparable services provided by individual school districts”.
- ✓ Requires BOCES to demonstrate savings by making comparisons with existing state contract prices for “telecommunications and other services”.

**BUILDING AID —**

- ✓ Provides \$1.597 billion for Building Aid, an increase of \$76.56 million.
- ✓ Promotes efficiency by allowing school districts to access Dormitory Authority for technical and advisory services.
- ✓ Provides all school districts with an exemption for the Wicks Law.
- ✓ Building Aid formula changes would simplify reimbursement and provide reasonable and realistic allowances for construction costs and student-based space needs.
- ✓ Aligns Building Aid payments for New York City with payments for school construction projects elsewhere in the state.

**PRIVATE EXCESS COST AID —**

- ✓ Provides \$120.07 million for Private Excess Cost Aid, a reduction of \$97.96 million.
- ✓ The average state aid ratio used in calculating aid for private special education programs would be reduced from 85% to 49%.

**PUBLIC EXCESS COST AID —**

- ✓ Provides \$2.528 billion for Public Excess Cost Aid, an increase of \$131.29 million.

**TRANSPORTATION AID —**

- ✓ Provides \$1.3 billion for Transportation Aid, an increase of \$90.0 million.

**TAX LIMITATION —**

- ✓ Provides \$182.7 million in Tax Limitation Aid, an increase of \$47.7 million.

**EARLY GRADE CLASS SIZE REDUCTION —**

- ✓ Continued at last year’s level of \$139.39 million.

**UNIVERSAL PREK —**

- ✓ Continued at last year’s level of \$201.99 million.

**CHARTER SCHOOLS —**

- ✓ Increases the charter school cap from 100 to 250.
- ✓ Continues \$6 million in funding for Charter School Stimulus Fund.
- ✓ Provides that new charter schools authorized by the New York City Chancellor will be considered conversion charter schools and therefore will not count against the statutory limit.
- ✓ Expands the entities authorized to grant charters to include not-for-profit organizations approved by the SUNY Board of Trustees.
- ✓ Provides charter schools with building aid to reimburse for 49 percent of the allowable costs of school construction and leases.
- ✓ Allows charter schools to access the Dormitory Authority for financing and construction management.

**REVIEW OF STATE TESTING ADMINISTRATION —**

- ✓ Creates a new independent “panel of experts” to provide guidance and recommendations to strengthen administration of the Regents’ testing program.