

New York State Educational Conference Board



Oppose Shifting \$70 Million in Special Education Costs to School Districts

The Executive Budget proposes restructuring how summer special education services for school-age students are funded, with the effect that \$70 million in costs would be shifted from the state to school districts, including \$40 million in added local costs for New York City.

Under current law, the state reimburses all school districts for 80 percent of the state-approved cost of these services. Actual costs districts incur are greater than what the state approves, so the share of costs actually reimbursed by the state is well less than 80 percent.

Under the Executive Budget, the state reimbursement rate would be adjusted by district wealth and would range from a minimum of 25 percent to a maximum of 90 percent. A district with wealth per pupil equal to the state average would see its share of costs grow from 20 percent to 51 percent.

In total, 95 percent of districts would have their costs rise, including 114 districts which would qualify for only the minimum state reimbursement – these districts would see their share of costs more than triple, going from 20 percent to 75 percent.

For school districts subject to annual budget votes, this would be a new cost to be absorbed within their property tax cap. With so few districts attempting to over-ride the cap, the likelihood is that most would need to reduce funding for other activities in order to accommodate this new state-mandated cost. Big 5 dependent districts would also need to find ways to absorb the cost.

The public school groups comprising the Educational Conference Board strongly urge the Legislature to reject to proposal to shift these special education costs on to school districts.

POTENTIAL IMPACT OF PROPOSED SPECIAL EDUCATION COST SHIFT BY REGION				
	Change in Local Share of Costs		% of Districts Gaining/Losing Under Proposal	
	Current Local Cost Share (20%)	Estimated Average Local Cost Share Under Proposal	% of Districts Gaining	% of Districts Losing
Long Island	20%	59%	3%	97%
New York City	20%	54%	0%	100%
Lower Hudson Valley	20%	67%	0%	100%
Mid-Hudson Valley	20%	47%	0%	100%
Capital Region	20%	46%	1%	99%
Mohawk Valley	20%	33%	10%	90%
Central New York	20%	33%	5%	95%
North Country	20%	40%	13%	87%
Southern Tier	20%	33%	1%	99%
Finger Lakes	20%	33%	4%	96%
Western New York	20%	31%	15%	85%

SOURCE: Coalition on analysis of State Education Department School Aid data

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John Yagielski, Chair – chair@newyorkecb.org