

School Business Officials association calls for \$1.9B school aid increase

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ALBANY-The New York State Association of School Business Officials is calling for a \$1.9 billion increase in school aid in the 2017-18 state budget.

The association also is calling for changes to the Foundation Aid formula, fully phasing in the formula over a three-year period, and the implementation of changes to the state tax cap, according to the report.

"With the complete phase out of the Gap Elimination Adjustment in 2016, New York State took an important first step toward providing adequate school funding," NYSASBO executive director Michael Borges said in a news release. "This year, we are calling on the state to finish what they started last year by fully funding the Foundation Aid formula. Together with timely adjustments to several reimbursement rates, a fully funded Foundation Aid formula will ensure that our students receive an adequate and equitable education at a cost taxpayers can afford."

School districts will likely face a 1.08 percent state cap on allowed increases of property tax levy in the 2017-18 school year, according to data reported in the first nine months of 2016 by the national Bureau of Labor Statistics. The rate is driven below the normal two percent by the minimal rate of inflation, based on the previous year's data. The cap is officially set in January.

If so, it will be a slight increase over the 0.12 percent cap in 2016-17.

The association is also calling for the state to [implement legislative changes](#) that were passed in 2015 allowing for further flexibility under the cap-the changes were left up to the state Department of Taxation and Finance, which has not issued the regulations.

Last budget season the state Legislature focused on fully phasing out the GEA, a formula that distributed cuts to districts during the recession as the state struggled with revenue shortfalls.

With the GEA out of the way, advocates, including NYSASBO, are focusing on fully phasing in the Foundation Aid formula, which more equitably distributes aid based on a number of factors including student need and regional cost differences. The formula was never fully run due to the recession.

Schools are owed approximately \$3.8 billion in anticipated Foundation Aid, according to the association, which is recommending a three-year phase-in of approximately \$1.19 billion. The group also is [calling for changes](#) to the nearly decade-old formula, which would amount to an additional approximately \$33.3 million a year over the three-year phase in.

The group also included \$235 million in save harmless, so districts negatively impacted by the changes to the formula would not see a loss in aid.

NYSASBO is seeking an additional \$25 million in state support for increases for Career and Technical Education and \$25 million to support a farm-to-school initiative, according to the report.

The association is recommending that the state to pay the \$320 million owed to districts in prior-year adjustments, meaning aid claims that were approved or adjusted after the close of the claim year.

The state typically appropriates \$18 million a year to pay prior year aid claims, at which rate, a claim approved today would take approximately 18 years to be paid, according to NYSASBO. The group is recommending paying the total \$320 over a three year period-\$107 million in the 2017-18 budget.

The 2016-17 budget included a nearly \$1.5 billion increase in aid, for a total budget of more than \$24.2 billion.

The association, with its total asks, is calling for a \$26.29 billion K-12 education budget for 2017-18.

View the report and recommendations here: <http://bit.ly/2g10CpH>.

To view online:

<http://www.politico.com/states/new-york/albany/story/2016/11/school-business-officials-call-for-19-billion-school-aid-increase-107269>

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