

# ADVOCACY ALERT



**Governor David Paterson has unveiled plans for mid-year budget cuts to close the state's current year budget deficit, now estimated at \$3 billion. This is the first installment of a two-year \$5 billion Deficit Reduction Plan.**

**The plan would cut School Aid by a total of \$686 million for the 2009-10 school year, or 3 percent. The cut would amount to 4.5 percent of undisbursed aid payments and disproportionately impact high needs/low wealth districts!**

Additional reductions are proposed for higher education and categorical program expenditures such as extended school day, targeted Pre-K, summer special education, nonpublic school aid, school breakfast/lunch reimbursement, Timothy's Law, etc.

School Aid reduction would be structured progressively based on local fiscal capacity, student need, and residential tax effort. Reductions will range from 3% to 9% of a school district's state aid allotment. However, in application, 9% of (less) state aid to an affluent district translates to much fewer dollars than 3% of (high) state aid for a poor district. As such, the hardest hit school districts will continue to be those that are most dependent on state aid, our high needs/low wealth districts.

This past May, in response to revenue shortfalls causing a recurrent reduction in promised state aid, pared down school budgets were adopted by tax payers and tax levies were set. Based on these locally approved budgets, difficult decisions were made on staffing, class size and educational program; services were contracted; equipment, supplies and textbooks were purchased. In the face of mid-year aid cuts, with schools districts now well into annual spending allocations, there will be little recourse for many but to cut direct classroom support in order to offset this poorly timed aid reduction.

The governor's plan is harmful to all school districts, especially our most vulnerable. While we recognize the difficulty the state faces with continued revenue losses, the governor's plan seems to ignore the operational realities of school districts and the educational attainment goals of our state. Ironically, his course of action could necessitate cuts to critical expenditure areas that Washington intended to spare by providing federal stimulus funds. Most importantly, while there may be some districts with reserves to dip into or better local ability to offset additional aid cuts, those districts most dependent on state aid will experience a 'dollar' loss so high there will be no way to compensate without seriously damaging ability to provide access to quality educational programming, unraveling any recent gains.

**The governor's proposal must be approved by the State Legislature. Legislative leaders will be holding meetings beginning Wednesday, October 21<sup>st</sup>. We will be monitoring Assembly and Senate member's consideration of this ill-timed proposal.**

**Please watch for important information and be ready to *Take Action!***

**New York State**

**PTA**

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