



EDUCATION



The Executive Budget reflects Governor Hochul’s commitment to education by supporting students, teachers, and schools with essential resources for a bright future. Following historic increases in School Aid over the last three years, the Executive Budget maintains key investments and increases annual School Aid by \$1.7 billion (4.7 percent), for a record total of \$37.4 billion, while beginning the process of updating the Foundation Aid formula. The Budget also includes the Governor’s plans to foster better learning opportunities for all students through the adoption of a Universal Free School Meals program, the creation of the College in High School Opportunity Fund, and the Distraction-Free Schools initiative.

New York State’s 673 major school districts currently educate approximately 2.3 million children in kindergarten through 12th grade.

Public education in New York State represents a significant commitment of state and local resources. With state, local, and Federal spending levels totaling \$85 billion in the 2022-23 school year (SY 2023), lower education is both the largest area of State spending and the largest component of local property taxes.

New York State has ranked first nationally in school district spending per pupil for 18 consecutive years; a reflection of the State’s longstanding commitment to provide all students with the opportunity to excel as learners, workers, and citizens.

With this Executive Budget, Governor Hochul will have increased School Aid by approximately \$8.1 billion (28 percent) over four years, including fully funding Foundation Aid for the first time ever. Foundation Aid alone will have increased by \$6.6 billion, or 33 percent – an average increase of 7.4 percent per year.

FOSTERING BETTER EDUCATIONAL OPPORTUNITIES

Universal Free School Meals. The Executive Budget provides \$340 million for school meals, a \$160 million (89 percent) year-to-year increase, and requires all school districts, charter schools, and nonpublic

schools that participate in the national school lunch and breakfast program to provide free breakfast and lunch meals to all students regardless of their families’ income, thereby reducing costs for families and ensuring that no student goes hungry at school. Under the Universal Free School Meals program, the State will pay the student’s share of costs for all meals served to students not already receiving free meals.

This proposal builds upon the Community Eligibility Provision (CEP) subsidy program adopted in the FY 2024 Enacted Budget. The CEP subsidy program provides State funds to incentivize qualifying low-income schools to participate in the federal CEP program, which enables all students in such schools to eat breakfast and lunch at no charge regardless of their family’s income, by subsidizing any remaining local share of costs for all schools participating in such program. Through the CEP subsidy program, 90 percent of New York State’s 2.75 million students currently receive free meals.

The Universal Free School Meals program will continue to subsidize the local share of costs for all schools participating in the CEP program and also pay any student share of costs for meals served in schools that are not eligible to participate in the CEP program based on current federal rules. This will enable the remaining 10 percent of students in New York State who are not already receiving free meals to eat for free.

Launch the College in High School Opportunity Fund. Offering college-level courses to high school students can expose them to a world of new academic and professional opportunities. The FY 2026 Executive Budget provides \$64.6 million for the College in High School Opportunity Fund, including \$52.4 million for Smart Scholars, Smart Transfer, and Pathways in Technology Early College High School programs, and \$12.2 million to provide new ongoing, per-credit funding for College in High School programs. This program will focus on providing support for economically disadvantaged students to achieve college credits and will be free for participating students in qualified programs.

Create Distraction-Free Schools. In response to listening sessions across the state, Governor Hochul

proposes to restrict the use of smartphones and other internet-enabled devices on school grounds during school hours in order to ensure a distraction-free learning environment. This policy aims to improve student outcomes by addressing the negative impacts of smartphone use on children’s mental health and academic performance. The Executive Budget provides \$13.5 million to aid in the implementation of distraction-free school policies.

economically disadvantaged data to better reflect the current population of low-income students.

The Executive Budget also modifies the formula to provide additional aid to low-wealth school districts and to ensure that each district receives at least a 2 percent annual increase in aid, providing a total increase of \$1.5 billion (5.9 percent) in Foundation Aid for SY 2026.

SUMMARY OF SCHOOL AID SPENDING

EXECUTIVE BUDGET SCHOOL AID				
School Year Basis (\$ in Millions)	2024-25	2025-26	\$ Change	% Change
Foundation Aid	\$24,927	\$26,391	\$1,464	5.9%
Expense-Based Aids	\$10,281	\$10,511	\$230	2.2%
Formula-Based Aids (Aid on the Run)	\$35,208	\$36,902	\$1,694	4.8%
Categorical Aids	\$319	\$313	(\$6)	(1.9%)
College in High School Opportunity Fund	\$58	\$65	\$6	10.9%
Other Competitive Grants	\$86	\$86	\$0	0.0%
Total School Aid	\$35,671	\$37,365	\$1,694	4.7%

PROPOSED FY 2026 EXECUTIVE BUDGET ACTIONS

Overall School Aid Increase. The Executive Budget provides \$37.4 billion in total School Aid for SY 2026, the highest level of State aid in history. This investment represents a \$1.7 billion (4.7 percent) year-to-year increase, including a \$1.5 billion (5.9 percent) Foundation Aid increase and a \$230 million (2.1 percent) increase in all other School Aid programs, including expense-based aids, categorical aids, and competitive grants.

Foundation Aid. Created in 2007, Foundation Aid is the State’s main education operating aid formula. It is focused on allocating State funds equitably to all school districts, especially high-need districts, based on student need, community wealth, and regional cost differences. The FY 2026 Executive Budget begins the process of reforming the Foundation Aid formula by updating the formula’s two measures of the percentage of low-income students in a school district, consistent with the recommendations of the Rockefeller Institute of Government and the Board of Regents. The outdated 2000 Census poverty rate is replaced with the most recent Census Small Area Income and Poverty Estimates data, while unreliable free- and reduced-price lunch data is replaced with

Expense-Based Aids. The Executive Budget fully funds the current statutory formulas that reimburse a portion of certain school district expenses, such as school construction, pupil transportation, shared services through boards of cooperative educational services (BOCES), prekindergarten programs, and the educational costs of certain students with disabilities. In total, these aid categories are projected to increase by \$230 million (2.2 percent).

OTHER P-12 EDUCATION

The Executive Budget provides funding for new and recurring initiatives outside of traditional School Aid to bolster the school system in New York State.

Nonpublic School Programs. Approximately 370,000 students attend roughly 1,600 nonpublic schools statewide. The Executive Budget provides \$228.4 million in aid to reimburse nonpublic schools’ costs for State-mandated activities, a \$10.3 million (4.7 percent) year-to-year increase, to fund aid payable in SY 2026. The Budget also provides \$85.5 million for science, technology, engineering, and math instruction, a \$10 million (13.2 percent) year-to-year increase. Further, the Budget continues \$70 million for health and safety capital projects, including critical repair and

maintenance of nonpublic schools' facilities, and \$5 million for art and music instruction.

Charter Schools. Approximately 186,000 students attend 351 charter schools in New York State. Charter schools receive tuition payments made by school districts, funded through State and local sources; these tuition rates are established for each district based on the average annual growth in the district's spending. Charter school students are included in the pupil counts used to calculate each district's School Aid. The State also provides additional aid to districts with charter school students through the supplemental tuition and facilities aid reimbursement programs. The Executive Budget continues this additional State support, providing a total of \$190 million for charter school supplemental tuition and \$145 million for charter school facilities aid.

Preschool and Summer School Special Education Programs. Approximately 80,000 preschool-age children with disabilities receive special education services year-round and 50,000 school-age students with disabilities receive summer services. Services are delivered by private providers and special act school districts, as well as BOCES and school districts (primarily for summer programs). Counties and school districts pay for the cost of services in the first instance and are partially reimbursed by the State. The Executive Budget fully funds the State share of costs for both programs, providing \$1.1 billion to reimburse counties for the cost of preschool special education services, a \$57 million (5.5 percent) year-to-year increase, and \$413 million to reimburse school districts for the cost of summer school services, a \$9 million (2.2 percent) year-to-year increase.

OTHER BUDGET ACTIONS

Support for Libraries. The Executive Budget supports public libraries by providing \$104.6 million of Library Aid, equal to the SY 2026 statutory funding amount. This is a \$0.7 million increase over FY 2025 Enacted Budget levels. The Executive Budget also provides \$34 million for Library Construction to fund various capital projects. In addition, the Executive Budget continues a \$3 million appropriation to ensure continued access to the New York Online Virtual Electronic Library, a free online library of magazines,

newspapers, maps, charts, research, and reference books available to all New Yorkers.

Capital Investments in State-Owned Schools. The Executive Budget provides \$27.6 million for capital improvements to the five State-owned schools. This includes \$20.1 million for the three State-owned schools on Native American reservations (the Onondaga School, the St. Regis Mohawk School, and the Tuscarora School), as well as \$4.5 million for the State School for the Blind at Batavia and \$3 million for the State School for the Deaf at Rome. This capital funding will modernize HVAC systems and support school facility upgrades and necessary maintenance costs. With this funding, Governor Hochul will have invested a total of \$123.4 million in these five schools' facilities over four years.

SCHOOL AID DEFINITIONS

The terms commonly used to discuss School Aid are presented below. Their estimated values in SY 2026 under the Executive Budget are provided in parentheses.

Formula-Based Aids (\$36.9 billion): The categories of General Support for Public Schools (GSPS) that appear on the School Aid run published by SED along with the Executive Budget and Enacted Budget, including the following:

- **Foundation Aid (\$26.4 billion):** The State's main formula for unrestricted operating aid to school districts, intended mainly to support districts' instructional costs. It is the largest aid category within School Aid.
- **Expense-Based Aids (\$10.5 billion):** All categories of GSPS that appear on the School Aid run other than Foundation Aid. These aids largely reimburse a certain percentage of districts' costs in the prior school year. The main expense-based aids are Building Aid (\$3.3 billion), Transportation Aid (\$2.7 billion), BOCES Aid (\$1.3 billion), and Universal Prekindergarten/Statewide Universal Full-Day Prekindergarten (\$1.2 billion).

Categorical Aids (\$313 million): All categories of GSPS that do not appear on the School Aid run. The main categorical aids are Employment Preparation

Education (\$96 million), Native American Education (\$62 million), and Education of Students in OMH/OPWDD Facilities (\$49 million).

College in High School Opportunity Fund (\$65M):

Additional support for college in high school programs, including Pathways in Technology Early College High Schools and Smart Scholars Early College High Schools.

Other Competitive Grants (\$86 million): Additional support for schools, generally awarded through competitive RFPs. Examples include School-Wide Extended Learning and Master Teachers.

School Aid (\$37.4 billion): The sum of formula-based aids, categorical aids, college in high school funds, and other competitive grants.