



To the Assembly Standing Committee on Education On School Infrastructure and Facilities October 19, 2017

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Testimony of Andrew Pallotta President New York State United Teachers To the Assembly Standing Committee on Education Catherine T. Nolan, Chair On School Infrastructure and Facilities October 19, 2017

Chairperson Nolan, honorable members of the Assembly Standing Committee on Education and distinguished staff, I am Andrew Pallotta, President of New York State United Teachers (NYSUT). NYSUT represents more than 600,000 teachers, school-related professionals, academic and professional faculty in higher education, professionals in education, in health care and retirees statewide.

I want to thank you for the opportunity to testify today on the issue of School Infrastructure and Facilities.

Typically the word infrastructure conjures up images of roads, bridges, sewers and dams. But key pieces of any community's infrastructure are the school buildings within its borders.

Today, I would like to focus on three issues: addressing aging infrastructure and overcrowding in large urban school districts; bringing much needed changes to the property tax cap that would be beneficial to BOCES districts throughout the state; and finding a solution to the problem school districts are having with their Final Cost Reports on capital projects.

Aging Infrastructure and Overcrowding

New York is home to a number of aging school buildings, some are over 100-years old and are still in use. These buildings have educated generations of New Yorkers, but there are serious infrastructure challenges to be met.

NYSUT's members work every day in schools to educate, assist and set our students on a course towards great things. Today you will hear from a variety of experts and professionals that have devoted their careers to the running and upkeep of our school facilities. As the occupants of school buildings, our members who work as both teachers and school-related professionals will tell you that targeted quality-of-life improvements and facility enhancements such as fixing a bathroom stall, a broken classroom heater or a blinking overhead light can make an immediate difference. Something as simple as repairing leaks and replacing water-damaged ceiling tiles, or repairing a broken water fountain can make both kids and employees feel that you care about education and where it takes place. There is a direct relationship between the condition of a building and how safe and nurturing the school's environment feels.

Providing a quality education is not just about ensuring teachers are given a solid curriculum and classroom resources. The buildings themselves have to be safe and provide a comfortable and nurturing environment where any one of us would want to work and send our kids. Students and educators deserve classrooms with ample lighting, properly functioning ventilation systems and up-to-date technology. They also deserve classrooms that can accommodate small class sizes and be free from overcrowding.

On the issue of overcrowding and building capacity in large urban school districts, any new residential construction can create an influx of students, particularly in the five boroughs of New York City. NYSUT and our United Federation of Teachers affiliate, understand how difficult it is to locate sites for new schools in New York City and we urge greater collaboration for determining locations for additional seats in our New York City schools.

In upstate cities, like Schenectady, Utica, and Buffalo, a recent influx of refugee students is adding pressure to a system in need of additional capital funding to ameliorate a back-log of deferred maintenance, a lack of adequate space and a need for technological classroom upgrades.

Moreover, we expect additional students from Puerto Rico to enroll in our schools due to the devastation from hurricane Maria.

In the City of New York, notwithstanding a concerted effort to ease overcrowding in schools, the problem remains. A prime example is New York City school children being educated in trailers.

Another example, Francis Lewis High School in Queens, has been overcrowded for at least 11 consecutive years due to the lack of space and the popularity of the school's programs, which has resulted in increased enrollment.

In Staten Island, large class sizes at Tottenville High School have also been a serious problem for at least six consecutive years.

As we know, large class sizes can dramatically impact the quality of education for our children. We want every child to attend an excellent neighborhood public school and children need schools with breathing space and appropriately-sized classrooms.

It is patently obvious that our school districts need additional capital funding to address these issues.

BOCES

Next, I would like to discuss the problems BOCES are facing with respect to funding capital projects. BOCES facilities serve approximately 100,000 students in over 600 buildings. BOCES programs and services are an important part of the communities they serve and are an engine of economic growth. They provide many courses of study including: career and technical education (CTE) programs, adult English as a second language courses and high school equivalency (HSE) courses.

Critical capital upgrades and improvements are desperately needed for BOCES buildings, but projects are being delayed or halted. Each component district must approve and contribute to a BOCES capital project and because these expenditures are within the tax cap, districts are faced with the tough decision of whether or not they can contribute to a needed BOCES capital project or pierce their tax cap levy. With the enactment of the property tax cap law in 2011, school districts were allowed to exclude bonding for capital projects. However, a similar exclusion for BOCES capital project bonding was not included.

Unfortunately, because of this apparent oversight within the property tax cap statute, many component districts cannot participate and as a result, the improvements and upgrades to BOCES buildings and facilities are simply not happening.

According to BOCES District Superintendents we have spoken with, the majority of projects that are impacted are those that require critical capital maintenance or upgrades to old, outdated and deteriorating buildings. The remaining balance of projects is needed to modernize career and technical education (CTE) programs.

BOCES hosts over 35,500 students in its CTE programs. With the expansion of CTE programs being offered in the state, BOCES facilities should be properly equipped with modern technology that will enable them to provide training programs that our existing and emerging industries require. While automotive and culinary programs are still in high demand, BOCES is seeing growth in health care careers, health informatics, advanced manufacturing, agri-business and information technology. Not only do BOCES require an exemption from the tax cap for its capital projects to build these classrooms, they also require funding to retool them to meet the needs of our state's evolving economy.

Another pressing issue is the disservice done to students with special education needs that can only be met by a BOCES program. Because of the tax cap limitations for BOCES, which are not shared by school districts, BOCES programs are confined and limited by space and cannot grow and build as required to meet the needs of students with higher, more intense special education needs. Some BOCES programs even have a waiting list for these special education students. It is another important reason that BOCES be able to make needed capital upgrades in a timely manner.

Chapter 20 of the Laws of 2015, bestowed the authority upon the commissioner of taxation and finance to change the rules and regulations, regarding the exclusion of BOCES capital expenditures from the tax cap. To date, the commissioner has not promulgated any rules or regulations to effectuate this change.

The state should maintain equity, fairness and consistency within the education law to allow BOCES to maintain and improve educational facilities, classrooms and equipment in order to provide students with the tools they need to get the best possible educational outcomes. We should ensure that students who participate in BOCES programs and services have the safest possible learning environment.

NYSUT thanks the Legislature for passing A.5965 (Galef)/S.4283 (Murphy) this legislative session, which amends the education law to statutorily clarify that BOCES capital expenditures are exempt from the tax cap. We hope this legislation is signed into law.

Final Cost Reports

I would also like to point out the issue surrounding penalties related to a school districts' Final Cost Report for capital projects.

Currently, if a school district makes a ministerial error on, or does not submit its Final Cost Report in a timely fashion, the district is in jeopardy of losing all of its building aid from the state. This system of oversight is antiquated and unduly punitive and has caused problems in both high- and low-wealth districts.

In the end, the current system hurts students. If a district runs into problems with its Final Cost Report, it could be forced to slash programming and resources from our children because of the harsh penalty in law. I believe this was not the intent of the Legislature.

Furthermore, the current penalty of clawing-back state aid, stemming from either a mistake in or a late submission of a district's Final Cost Report has a much greater impact on low-wealth, under-resourced school districts. These districts are not equipped to absorb the impact these penalties have on programming and resources for students. For low-wealth districts, facing the loss of state building aid is potentially catastrophic, as they would not be able to levy the taxes required to absorb the fiscal hit to their budget.

Currently, there are seven school districts, throughout the state that have been identified as having their state aid subjected to recovery for problems associated with their Final Cost Reports.

The school districts are: North Syracuse; Panama (Chautauqua County); Mt. Morris (Livingston County); Spackenkill (Dutchess County); Chester (Orange County); Sayville (Suffolk County); and Roscoe (Sullivan County).

The North Syracuse school district is in jeopardy of losing nearly \$30 million in state aid, or 21 percent of its annual school budget. The Chester and Panama school districts are facing relatively larger recoveries in terms of the percentage of their overall budget. In the case of Chester, the state building aid penalty is equal to 97 percent of its entire annual school budget.

Typically, low-wealth districts take on school building capital projects only because of the promise of state building aid. Without the state's assistance, these districts would never be able to afford these projects on their own.

Each legislative session, the Legislature finds that it must deal with a number of bills that normalize and validate the Final Cost Reports in order to save districts from losing their state aid, thereby protecting student academic programs and services.

Surely there is a better, more efficient way to oversee building aid projects by school districts without sacrificing the health and safety of those that work and learn in our schools while still maintaining strict fiscal controls.

NYSUT urges the elimination of any fiscal penalty to a school district stemming from ministerial errors associated with Final Cost Reports.

Conclusion

In conclusion, there is nothing more important than investments in our students and their futures, including providing safe, healthy conducive spaces for them to learn and grow. NYSUT hopes that this is the beginning of a concerted, long-term discussion with the Legislature and other educational partners regarding the funding and condition of infrastructure for our schools. Such discussions can and will lead to important legislative proposals and results that focus on ensuring New York State is providing the best possible environments for our students to learn.

Again, thank you for the opportunity to testify before you today.