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THE MORNING AFTER AS FOG LIFTS, RURAL SCHOOLS WIN

The morning after state leaders reached a “framework agreement” on major issues, details are spelling good news for rural school districts.

CHARTER SCHOOL IMPACT ON RURAL SCHOOLS: What was originally reported as an increase in upstate school charter schools is being revealed as authority to simply allow New York City to apply for charters that are vacant under the existing cap. New York City was approaching its maximum number of charters under existing law but they will now be allowed to increase their numbers by applying for charters that would have otherwise been allotted to suburban and upstate areas. That’s great news for rural schools that would have otherwise seen an increase in applications from charter schools in their areas. Instead of having more charters allowed in rural areas, additional New York City applications under the existing cap may well reduce the chance of a charter school being located within a rural school district. Since charter schools in New York State get their funding from the public school districts surrounding them, this is a dramatic improvement in the state’s approach. As a result, the approach fulfills one of your Rural Schools Association’s top legislative priorities.

PRIVATE AND PAROCHIAL EDUCATION TUITION TAX CREDIT: RSA’s legislative priority goal was to prevent the creation of a new and potentially devastating construct that could be used in future years to divert badly needed funds away from our schools. Some of the details of how \$250 million in state funds will be distributed to private and parochial schools in lieu of the proposed tuition tax credit are now emerging. State funds will be provided to pay off prior year claims for mandated attendance and other programs. The funds will be paid over a two year period. RSA is pleased that the legislature and governor have created a construct based on paying prior year claims; something that can be used in the future to argue that public schools should also have their prior year aid claims paid promptly. Recognizing that the state’s political goal was to direct state funding to private schools in order to claim the state has done its part to stabilize private and parochial schools in a legitimate way, RSA is less concerned about distribution equity and transparency in this instance, alone. RSA is encouraged (knowing that some form of compromise was required) that they chose to acknowledge the obligation to address the cost of a major state mandate. This has application beyond this specific issue and can be used to argue the need for other payments for required public school programs and functions. On behalf of rural school districts (that would have been subjected to the inequity of not having the benefit of a large base of private donors) RSA applauds the efforts of all of us that formed and worked within the coalition needed to turn back this onerous proposal.

PROPERTY TAX CAP: While the property tax cap was extended another four years, (a foregone conclusion) the legislature listened to RSA (and others') fervent call for needed revisions. From now on, money spent by a school district on BOCES capital expenses will be exempted under the cap, similar to the exemption for local district capital expenditures. In addition (addressing one of the most bizarre aspects of the tax cap's application) payments in lieu of taxes will no longer result in districts having a negative cap number. Currently it is possible with PILOTs to have a district budget failure be the best available option, since the PILOT might otherwise cause a budget passed under the cap to be less than no increase at all. These new changes will be accomplished through state regulations and administered by the Division of the Budget.

STANDARDIZED TESTING: Finally, the session ending agreement calls for increased transparency in the way the state conducts standardized testing. The State Education Department will be required to release more information about the nature and purpose of its tests.

**Rest assured that your Rural Schools Association will
keep you up to date as additional details develop.**



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