

# 2025-26 Enacted Budget for Aid to Education

## 2025-26 Enacted Budget for State Aid to Public Schools

The New York State Legislature and Governor reached an agreement on the 2025-26 State Budget. The Enacted Budget provides for a total of \$37.10 billion in computerized aids, an increase over current year aids of \$1.75 billion, or 4.94%.

District specific data is available on the SED State Aid Unit website at [www.stateaid.nysed.gov](http://www.stateaid.nysed.gov). The aid runs for your district are available through your district specific page in the area where the Combined Aids are traditionally reported. Please remember that the 2025-26 aid estimates are based on the 2024-25 school year estimates of expenditures and pupil data submitted with your aid claim and last updated this past winter (January 15<sup>th</sup>). Therefore, it is important to review for accuracy the backup data provided on this web page.

### Comparison of 2024-25 Current Year Aid to the 2025-26 Enacted Budget's Projected Aid

<u>Projected State Aid</u>	<u>2024-25 Current Year Aid</u> <u>5/6/25</u>	<u>2025-26 SA252-6</u> <u>5/6/25</u>	<u>\$ Δ</u>	<u>% Δ</u>
FOUNDATION AID	24,929,387,296	26,355,967,313	1,426,580,017	5.72%
CHARTER SCHOOL TRANSITIONAL	51,628,788	84,416,343	32,787,555	63.51%
HIGH TAX AID	223,298,324	223,298,324	0	0.00%
SUMMER TRANSPORTATION AID	4,999,789	4,999,678	(111)	0.00%
TRANSPORTATION AID W/O SUMMER	2,542,107,830	2,682,138,463	140,030,633	5.51%
BUILDING AID	3,551,142,629	3,445,912,447	(105,230,182)	-2.96%
BUILDING REORG INCENTIVE AID	11,594,232	7,401,015	(4,193,217)	-36.17%
OPERATING REORG INCENTIVE AID	2,365,933	4,941,429	2,575,496	108.86%
NON-CMPNT COMPUTER ADMIN AID	32,222,068	33,478,806	1,256,738	3.90%
NON-CMPNT CAREER EDN AID	153,732,899	202,047,250	48,314,351	31.43%
NON-CMPNT ACADEMIC IMPROVMT AID	56,399,589	69,397,661	12,998,072	23.05%
BOCES AID	1,310,139,267	1,336,118,351	25,979,084	1.98%
PUBLIC EC HIGH COST AID	657,016,950	639,592,470	(17,424,480)	-2.65%
PRIVATE EXCESS COST AID	484,313,462	521,500,755	37,187,293	7.68%
SOFTWARE AID	41,943,760	42,233,103	289,343	0.69%
LIBRARY MATERIALS AID	17,182,194	17,620,713	438,519	2.55%
TEXTBOOK AID	162,345,210	163,388,947	1,043,737	0.64%
HARDWARE & TECHNOLOGY AID	33,942,767	34,845,219	902,452	2.66%
FULL DAY K CONVERSION AID	0	0	0	0.00%
UNIV PREKINDERGARTEN AID	1,066,884,253	1,210,986,413	144,102,160	13.51%
SUPPLEMENTAL PUB EXCESS COST	4,313,167	4,313,167	0	0.00%
ACADEMIC ENHANCEMENT AID	28,271,832	28,271,832	0	0.00%
TOTAL AID	35,365,232,239	37,112,869,699	1,747,637,460	4.94%

The following is a summary of the major elements of the 2025-26 Enacted Budget for State Aid to public schools.



# 2025-26 Enacted Budget for Aid to Education

## Foundation Aid

**Foundation Aid** – \$26.35 billion, an increase over 2024-25 statewide Foundation Aid of \$1.426 billion or 5.72%. 2025-26 Foundation Aid is equal to the greater of (A) Total Foundation Aid or (B) The product of 1.02 multiplied by the 2024-25 Foundation Aid Base.

- A. Total Foundation Aid equals the product of a district's Selected Foundation Aid per Pupil and the Selected TAFPU.

**295 Districts (43.83% of Districts)**

- B. 2024-25 Foundation Aid Base (FAB) equals Foundation Aid claimed for 2024-25.

**378 Districts (56.17% of Districts)**

### Foundation Aid Notes:

- The Enacted Budget includes the Foundation Aid changes proposed under the Executive Budget which replaces the Census Count and Lunch Count used for the Extraordinary Need Count that is factored into the Extraordinary Needs percent.
  - Small Area Income and Poverty Estimates (SAIPE) replaced Census Poverty data
    - SAIPE reflects the number of students within the district of age five through seventeen whose family income is below the poverty level based on US Census Bureau data from the 2021, 2022, and 2023 calendar years.
  - Economically Disadvantaged data replaced Free and Reduced Priced Lunch (FRPL) data
    - Economically Disadvantaged pupils include all K-12 students and students in ungraded programs who participate or come from family that participate in, economic assistance programs (e.g., FRPL, SSI, SNAP, Foster Care, Refugee Assistance, Earned Income Tax Credit, and HEAP).
- The Enacted Budget uses a 2.9% Inflation Factor. This amount is less than the 3.1% used in the Executive Proposal.
- The Enacted Budget includes the Executive Proposal's increase to the maximum Foundation Aid State Sharing Ratio from 0.91 to 0.93.
- One of the four ratios which are factored into (the greatest of the of the four gets selected) the Foundation Aid State Sharing Ratio (FASSR) for the Local Share calculation is revised under the Enacted Budget. This factor decreases from .640 to .616.
- The Regional Cost Index (RCI) for districts located in Westchester County is increased under the Enacted Budget by .037 from 1.314 to 1.351.



# 2025-26 Enacted Budget for Aid to Education

## Other Aid Categories

**Full Day K Conversion Aid** – \$0; this aid category does not have a budgeted amount for 2025-26.

**Universal Prekindergarten Aid** – Projects a state total of \$1.21 billion (increase of \$144.10 million).

**BOCES Aid** – \$1.34 billion (increase of \$25.98 million). The Excess Salary threshold for BOCES employees to increase by \$10,000 each year beginning with the 2026-27 school year through the 2028-29 school year. The final Excess Salary threshold of \$60,000 will be applicable for all future years. See “New Legislation in the 2025-26 Enacted Budget” for additional details on the formula changes.

**Special Services Aid** – \$304.92 million (increase of \$62.57 million). See “New Legislation in the 2025-26 Enacted Budget” for additional details on the formula changes.

**Public Excess High Cost Aid** – \$639.59 million (decrease of \$17.43 million); no formula changes enacted.

**Private Excess Cost Aid** – \$521.5 million (increase of \$37.19 million); no formula changes enacted.

**Textbook, Software, Library and Computer Hardware Aid** – \$258.09 million (increase of approximately \$2.67 million); all aids continued as under current law.

- Textbook - \$58.25 per pupil
- Software - \$14.98 per pupil
- Library - \$6.25 per pupil
- Computer Hardware - \$24.20 per pupil x current year RWADA aid ratio

**Transportation Aid** – \$2.68 billion (increase of \$140.03 million); see “New Legislation in the 2025-26 Enacted Budget” for the formula changes.

**Building Aid/ Reorganization Incentive Building Aid** – \$3.45 billion (decrease of \$109.42 million); no formula changes enacted.

### Building Aid Notes:

- Building Aid projections for 2025-26 do not include aid on “Chapter 97 Potential Expenditures”. These are total aidable expenditures, based on an assumed amortization schedule, for projects that fall under Chapter 97 of the Laws of 2011 with a Commissioner’s approval date of at least 18 months but without early aid start, and for which the district has submitted the SA-139 form, but not the Final Cost Report and/or Final Certificate of Substantial Completion.





# 2025-26 Enacted Budget for Aid to Education

## Other Aid Categories (continued)

- Projects with an Early Aid Start (EAS) will continue to be aided as they currently are.
- If you have any further questions, SED has provided some information on their website to assist districts in understanding this change.  
[https://stateaid.nysed.gov/build/html\\_docs/Building\\_Aid\\_Estimates\\_Chapter\\_97.html](https://stateaid.nysed.gov/build/html_docs/Building_Aid_Estimates_Chapter_97.html)

**Operating Reorganization Incentive Aid** – \$4.94 million (increase of approximately \$2.58 million); see “New Legislation in the 2025-26 Enacted Budget” for the formula changes.

**Charter School Transitional Aid** – \$84.42 million (increase of \$32.79 million); see “New Legislation in the 2025-26 Enacted Budget” for the formula changes.

**Reimbursement of Supplemental Basic Tuition Payments to Charter Schools** – \$190 million (\$5 million increase); reimburses districts for payments made in the 2024-25 school year.

### Charter School Basic Tuition Calculation:

*Lesser of:*

A. Base Year Basic Tuition × Base Year AOE Growth Factor\*

or

B.  $\frac{\text{Total General Fund Expenditures (year prior to base year)}}{\text{Estimated Public Enrollment (year prior to base year)}}$

Base Year = 2024-25

\*For years starting 3 years prior to base year, ending with year prior (2023-24) to the base year.

**Academic Enhancement Aid** – \$28.27 million; frozen at 2024-25 amounts.

**High Tax Aid** – \$223.30 million; frozen at 2024-25 amounts (represents the greater of the 2009-10 Enacted Budget amount in SA091-0 or the 2013-14 Executive Budget Proposal amount in BT131-4).

**Supplemental Public Excess Cost Aid** – \$4.31 million; frozen at 2024-25 amounts for the 2025-26 school year; no formula changes enacted (represents 2008-09 Base Year Aid/SA091-0 amounts).



# 2025-26 Enacted Budget for Aid to Education

## Other Aid Categories (continued)

**Community Schools Aid Set-aside** – \$250 million (no change from 2024-25). Each school district shall set aside from its total 2025-26 Foundation Aid an amount equal to the 2024-25 Community Schools Set-aside.

Each district shall use the amount of 2025-26 Community Schools Set-Aside to support the transformation of school buildings into community hubs to deliver co-located or school-linked academic, health, mental health, nutrition, counseling, legal and/or other services to students and their families.

**Contract for Excellence** – The Enacted Budget will require that any district that filed a Contract for Excellence in the 2024-25 school year continue to do so for the 2025-26 school year, unless all schools in the district are in good standing.

## New/Other Legislation with Fiscal Impact

**Universal Free School Meals** – Schools participating in the national school lunch or national school breakfast program must serve meals to students at no cost to the students. The 2025-26 Enacted Budget includes \$160 million in additional funds bringing the total funds for this program to \$340 million.

**Retiree Income Waiver** – The Enacted Budget provides a two-year extension to authorize public sector retirees to work for a public school district and/or BOCES without a Section 211 waiver and without reduction in their retirement benefits, regardless of the amount earned. This provision will remain in effect until June 30, 2027.

**School Tax Relief** – For 2025-26, outside of traditional formula-based School Aid, the School Tax Relief (STAR) reimbursement payments to school districts under current law are projected to total approximately \$1.4 billion (\$175.39 million decrease).

**Ban on Internet-Enabled Devices During School Hours** – The Enacted Budget appropriates \$13.5 million for services and expenses for districts to ensure compliance with this requirement.

**Potential Mid-Year Cuts** – The 2025-26 Enacted Budget includes language which authorizes the NYS Director of Budget to withhold appropriated funds outlined under the Aid to Localities Bill to mitigate any State Budget deficit that may occur during the fiscal year. This action will occur if General Fund deficit is equal to or greater than \$2 billion. Financial plan updates typically published on a quarterly basis or at any point during the final quarter of the state fiscal year will be reviewed to determine whether the deficit exceeds this threshold.



# 2025-26 Enacted Budget for Aid to Education

## New/Other Legislation with Fiscal Impact (continued)

**Zero Emission Buses** – An additional \$100 million included in budget for bus purchases and infrastructure.

- **Extensions for Zero Emission Bus Purchases** - The 2025-26 Enacted Budget includes language which allows districts to apply for extensions towards compliance for the Zero Emission Bus requirement which requires all bus purchases to be zero emission by 2027. Districts can apply for up to a maximum of two extensions which will last up to 24 months for each extension.
- **Independent Range Estimate Requirement from Sellers of Zero Emission Buses** – Any entity that sells a zero-emission school bus to a district or contractor must provide an independent third-party range estimate to provide information on the estimated range on different weather conditions, the average level of battery degradation per thousand miles traveled, and whether the buses being sold are stored outside or inside a garage.

## Proposed Legislation Rejected in the 2025-26 Enacted Budget

**Prior Year Claims** – The 2025-26 Enacted Budget did not include the proposed changes to limit the certification of school district aid claims which payment were first made prior to the 2024-25 school year to no later than the end of the school year. The Governor's Proposal would have prohibited the Commissioner of Education from making payments on aid claims other than those claims that districts were entitled to within the Governor's Proposal Database and eliminate prior year claims made for payments prior to the 2024-25 year to no later than June 30, 2025.

The 2025-26 Enacted Budget does not provide funding for payments from the prior year claims queue.

**Database Freeze** – The 2025-26 Enacted Budget did not include the proposed changes to freeze payments on a permanent basis to a maximum payment of those included in the school aid runs supporting the Executive Budget Proposal based on the November database.

