



NEW YORK CITY LAW DEPARTMENT  
OFFICE OF THE CORPORATION COUNSEL

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Press Release

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*For Immediate Release*

**CITY FILES PLAN FOR PROVIDING A “SOUND BASIC EDUCATION”  
FOR ALL ITS STUDENTS WITH SPECIAL REFEREES  
IN CAMPAIGN FOR FISCAL EQUITY CASE**

***CITY ARGUES THAT STATE SHOULD BE DIRECTED TO PROVIDE THE CITY  
WITH AN ADDITIONAL \$5.3 BILLION IN ANNUAL OPERATING AID AND \$6.5 BILLION FOR CAPITAL NEEDS  
TO PROVIDE A SOUND BASIC EDUCATION***

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New York, August 25, 2004 – The New York City Corporation Counsel's Office today filed the “Plan of the City of New York to Provide a Sound Basic Education to All Its Students” with the Special Referees in the case *Campaign for Fiscal Equity v. State of New York*. The City's Plan reflects a consolidation of the Mayor's proposed CFE Educational Operating Plan, first announced on March 31, 2004, and the New York City Department of Education's Five-Year Capital Plan.

In June 2003, the New York State Court of Appeals directed the Governor and the State Legislature to develop a “sound basic education” plan for New York City's schoolchildren. After more than a year of negotiations and proposals, the State failed to agree on an appropriate course of action. As a result, Manhattan Supreme Court Justice Leland DeGrasse, who has been presiding over the case for many years, recently appointed two former judges and a law professor – E. Leo Milonas, William C. Thompson, Sr., and John Feerick – as Special Referees to determine the steps the State needs to take to comply with the State Constitution's guarantee of a sound basic education. (Reporter clarification: William C. Thompson, Sr., is the father of New York City Comptroller William C. Thompson, Jr., and should not be confused with the Comptroller.) Pursuant to an Order entered by the Referees – or Special Masters – in the case, the City is participating in the case in an Amicus or “Friend-of-the-Court” capacity.

The City's Plan calls for the State to provide increasing amounts in school operating aid to the City, reaching \$5.3 billion annually by 2008-2009. The Plan highlights four major educational initiatives to provide a sound basic education:

- **Leadership, Teacher Quality and Parent Engagement**, including principal and teacher recruitment and training programs, and career ladder, incentive and performance pay programs (\$830 million).
  - **Early Grade Interventions and Academic Enhancements**, including an expansion of Pre-K and kindergarten programs, targeted class size reduction in grades K-3 and academic interventions for struggling students (\$1.90 billion).
  - **Secondary School Reform**, including new small secondary schools and charters schools, restructuring of large middle and high schools, and enhanced academic, youth development and safety supports (\$2.05 billion).
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- **Additional Supports for Special Education and English Language Learner Students**, including specialized academic and support services (\$514 million).

The City's Plan also calls on the State to fund 50 percent of the City Department of Education's \$13.1 billion Five-Year Capital Plan. The Capital Plan provides for investments in three major categories:

- \$4.55 billion for the restructuring of over 600 struggling schools, the creation of 200 new small partnership and charter schools, and specialized capital investments, such as science labs and technology to ensure that students can receive a sound basic education.
- \$4.21 billion to build 90 new school buildings, thereby alleviating overcrowding, reducing class size to 20 in the critical K-3 years, and enabling schools to end their reliance on transportable classroom units.
- \$4.36 billion for critical capital improvements to existing school buildings.

The City's Plan makes clear that the additional \$5.3 billion annual operating aid and the \$6.5 capital investment should be new State funding and should not come about as a result of decreasing State aid to the City in other areas or by requiring the City to raise taxes.

The Plan highlights the unprecedented new level of accountability resulting from Mayoral control of the City's schools over the last two years. Specifically, the Mayor and Chancellor have reorganized the management of the Department to focus squarely on instruction, redirected millions of dollars from bureaucracies to the classroom, provided new levels of principal autonomy and accountability at the school level, and promoted high standards for all students through an enhanced system of interim assessments, City-wide testing and a new promotion policy. The Plan sets out how the Mayor and Chancellor will continue to be held fully accountable for the improved performance of the school system. That accountability includes showing where the additional dollars will be spent and making public, on a school and system-wide basis, the educational progress that is being achieved. The Plan emphasizes that any accountability remedy should not include additional regulatory requirements or organization at the State level, because doing so would diffuse accountability and layer the process at the expense of clear accountability.

The Plan also highlights the importance of providing the Chancellor with the ability to encourage the best teachers and principals to work at the schools with the greatest educational needs by rewarding them for doing so.

"The City has asked the Special Referees, as they fashion their recommendation of the remedy the Court should order, to give substantial consideration to the views of Mayor Bloomberg and Schools Chancellor Joel Klein," noted New York City Corporation Counsel Michael A. Cardozo. "They have the immense responsibility of running the New York City school system and ensuring that its schoolchildren receive the best possible education – and they have demonstrated their accountability in this regard."

Reporters seeking a copy of the Plan can contact the Law Department's Media & Communications Office.

The New York City Law Department is one of the oldest, largest and most dynamic law offices in the world, ranking among the top three largest law offices in New York City and the top three largest public law offices in the country. Tracing its roots back to the 1600's, the Department's 650-plus lawyers handle more than 100,000 cases and transactions each year in 17 separate legal divisions. The Corporation Counsel heads the Law Department and acts as legal counsel for the Mayor, elected officials, the City and all its agencies. The Department's attorneys represent the City on a vast array of civil litigation, legislative and legal issues and in the criminal prosecution of juveniles. Its web site can be accessed through the City government home page at [www.nyc.gov](http://www.nyc.gov) or via direct link at [www.nyc.gov/html/law/home.html](http://www.nyc.gov/html/law/home.html).

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