

Bond Case Briefs

Municipal Finance Law Since 1971

CHARTER SCHOOL FUNDING - NEW YORK

Brown ex rel. Stevens v. State

Supreme Court, Appellate Division, Fourth Department, New York - October 7, 2016 - N.Y.S.3d - 2016 WL 5857364 - 2016 N.Y. Slip Op. 06566

Students and advocacy group commenced action against State of New York, challenging validity of charter school funding scheme under New York State Constitution.

The Supreme Court, Erie County, denied State's motion to dismiss in part. State appealed.

The Supreme Court, Appellate Division, held that:

- Advocacy group for charter schools had capacity to sue;
- Member charter schools did not have standing to sue to challenge constitutionality of charter school funding legislation;
- State of New York did not challenge standing of infant students;
- Students had standing;
- Education Article could not serve as basis for challenging constitutionality of facilities funding to charter schools;
- Students were not denied equal protection by difference in facilities funding between traditional public schools and charter schools; and
- Failure to plead discriminatory intent was fatal to disparate impact equal protection cause of action.

Advocacy group for charter schools had capacity to sue to challenge constitutionality of charter school funding legislation on behalf of its member charter schools if its member charter schools had such capacity. Although charter schools were political subdivisions of state, charter schools benefited from broad exemption.

Member charter schools did not have standing to sue to challenge constitutionality of charter school funding legislation, since Education Article did not protect schools; it protected students' constitutional right to sound basic education.

State of New York did not challenge standing of infant students under Education Article to sue to challenge constitutionality of charter school funding legislation on claim that students' allegations were vague, conclusory, and failed to establish injury in fact. Those allegations challenged merits of case, not standing.

Infant students had standing under Education Article to assert cause of action against State of New York to challenge constitutionality of charter school funding legislation.

Education Article could not serve as basis for challenging constitutionality of facilities funding to charter schools, since there was no meaningful way to apply requirements for claim under Article in context of charter school funding challenge.

Infant students were not denied equal protection by difference in facilities funding between traditional public schools and charter schools, since traditional public and charter schools were not similarly situated, and any disparity in school funding scheme was supported by rational basis.

Failure to plead discriminatory intent was fatal to disparate impact equal protection cause of action alleging that failure of State of New York to provide charter schools with facilities funding impacted racial and ethnic minorities more severely.