

NASSAU-SUFFOLK SCHOOL BOARDS ASSOCIATION

INVITED TESTIMONY

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**New York State Assembly Public Hearing
2011-12 Executive Budget**

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**Suffolk County Legislative
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Assemblyman Conte and Members of the NYS Assembly Republican Delegation –

On behalf of the Nassau-Suffolk School Boards Association, I thank you for the opportunity to comment on Governor Cuomo's 2011-12 Executive Budget proposals.

In this third year of frozen or decreased state aid, Long Island boards of education are engaging in triage as they strive to fulfill their elected responsibility to protect both the fiscal and educational integrity of their communities' schools.

Board members recognize that decisions made to address this year's economic reality will have a profound and long-term impact for the school districts and Long Island as a region. They are mindful that the public deserves every assurance that cost-cutting measures and/or tax increases are integral parts of sound economic preservation and recovery strategies.

One would expect the same from a State government upon which the New York State Constitution decrees responsibility to "provide for the maintenance and support of a system of free common schools wherein all the children of this state may be educated".

Thus far this shared responsibility seems to have eluded Governor Cuomo. With three weeks until the state budget deadline and five weeks until school budgets must be finalized, what has been advanced thus far are exercises in misrepresentation and sound-bite solutions divorced from serious considerations of applicability and potential consequences.

If demeaning board of education members, defaming school superintendents and vilifying teachers is the new protocol for determining school aid, then I must admit that school boards are vastly outgunned and outspent. While Governor Cuomo travels the state promoting his budget in privately funded, invitation-only media events, our members are openly engaged in chipping away at the core of the school systems their communities have strived to build and sustain.

At the outset, let's be perfectly clear as to the long-held position of the Nassau-Suffolk School Boards Association....one that has been reiterated at these hearings year after year.....indeed so often that it has become a mantra: "Long Islanders are asked to carry an extraordinary and unfair local tax property tax burden".

Explanations as to the causes abound. Over time some have become generally accepted and others remain issues of contention.

New York State's over-dependence on the local property tax to fund its public schools has, not surprisingly, been identified as the major factor in driving up the local tax burden.

Our State ranks among the lowest in the nation in percentage of state share of funding public education. This year, Long Island's state aid as a share of expenses may sink to an historic low, dropping from 32.2% in 1989-90 to a projected 21.0% in 2011-12. There are but a handful of Long Island school districts that have regained the percentage of expense aid they received in 1989-90. During this 21-year span, property taxes and

budget cuts, along with a brief infusion of federal funding, have backfilled the drop in state support.

The solution as presented by the Governor and seemingly endorsed by the Legislature is not just “blame the victim”, but “punish the victim”....reduce even further the state’s rightful share of funding its public education systems and then prevent citizens from coming to the rescue to protect their local public schools.

The right of a community to determine its educational priorities through its locally elected board of education MUST be respected.

The Cuomo/Senate tax cap would leave boards of education with the accountability for preserving the fiscal and educational integrity of their communities’ schools, but would strip them of the ability to fulfill that responsibility.

In imposing its super-majority requirement, the Cuomo/Senate tax cap would wrest local decision making from the voters and turn it over to a minority of dissidents. In a slap at democracy and in direct contradiction to the spirit of the Voting Rights Act, the Cuomo/Senate Tax Cap would assign greater or lesser value to each individual’s vote. A supporter of increasing local school support beyond the State’s imposed limit would be assigned a vote worth two-thirds. An opponent of increasing school support would be assigned a vote worth full value.

When pollsters measure support for a cap on property taxes, it should come as no surprise that a majority of respondents voice support. However, when asked whether caps should result in cuts to education, the tide turns.

Last May, Long Islanders took part in the most official of polls – the ANNUAL SCHOOL BUDGET VOTE. May 2010 saw an increase in voter turnout of nearly 5000 over the previous year. The options put before them were clear. They were provided with the ability to turn down the proposed school budgets and opt for what was the equivalent of the current Cuomo/Senate Tax Cap....120% of the CPI, which last year was “0”.

Voters faced the reality of the tax cap and rejected it overwhelmingly. It is significant that in these toughest of economic times and for the first time in recent memory, not a single Long Island school district is operating under a contingency budget.

While the average budget increase was 2.39%, the average tax levy increase was 3.56%. If the Cuomo/Senate Tax Cap had been in effect last May, only 9 Long Island would have escaped the requirement for a super-majority approval.

Soon you should be receiving from each of the school districts in your electoral district a fact sheet on the short and long-term impact of this year’s state aid cuts coupled with a proposed tax cap. I urge you to look very carefully at the projections. These schools are YOUR RESPONSIBILITY and it will be your actions that determine their future.

Whether it be in Year 1 of the cap or in ensuing years, staff layoffs are inevitable. They are occurring now and were part of school budgets last year. Given the small piece of

discretionary spending left to boards, cuts in personnel will be the sole option in many districts.

While the uninformed may view massive public sector layoffs as a worthwhile tradeoff for a possible lowering of taxes, the answer is not that simple.

School districts comprise one of the largest industries on Long Island. They employ approximately 78,000 persons and represent 9.2 percent of Long Island's Gross Regional product. In turn, these public sector jobs support an additional 53,000 jobs. The ripple effect in spending in the local economy from these workers' salaries is a reported \$17 billion.

Coupled with stagnant school revenues, Year 1 of the Cuomo/Senate Tax Cap could easily result in the elimination of 3000 jobs and an indirect loss of an additional 2600 support jobs.

Need I go any further? It does not take an economist to comprehend the negative impact massive reductions in employment will have on local businesses, real property values, sales and income tax revenues and the still fragile Long Island economy.

If, as they go about making tough budget decisions, local boards of education are mindful of the schools' role in this region's economic viability of Long Island, why then is this issue ignored by our Governor and Legislature?

Please send a message to the governor. The campaign is over. It's time to leave the simplistic rhetoric and provide the public with a detailed five-year projection as to the fiscal consequences of his tax cap. It's time to provide meaningful mandate relief. It's time that the state took responsibility for its inadequate funding of Long Island's schools and worked with school leaders to address corrective measures.

If we leave with just one impression from today's hearings, it should be that Long Island and its future are in jeopardy if short-sighted decisions made in Albany are allowed to destroy the educational systems our communities have struggled to build and sustain.