

Take Action

Long Island!

How Long Island Compares to the
Rest of the State and the Nation



Imagine If Long Island Was Its
Own State

Something to Think About...

- If Long Island were a state...we would be ranked #1 in the nation in High School Completion Rate:
 1. Long Island
 2. Wisconsin
 3. Vermont
 4. N. Dakota/Minnesota
 5. Iowa
- If Long Island were a state...we would be ranked #1 in the nation in Intel Semifinalists
- 54 Long Island high schools ranked in the top 7% of high schools in the nation by *The Washington Post*

Something to Think About...

- 21 Long Island high schools rank among the Top 300 Best Schools in America
- 50% of Long Island graduates earn a Regents Diploma with Advanced Designation, compared to 27 % for the rest of New York State

If Long Island Were a State...

If Long Island were a state, it would rank 3rd in the number of Siemens Science Competition Semifinalists, behind California and Texas. However, a comparison of the number of high school students puts the rankings in perspective:

2013 Siemens Science Competition Semifinalists

State	Semifinalists	9-12 Enrollment
California	51	1,995,610
Texas	46	1,349,106
Long Island	36	148,075

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The Tax Cap & Its Consequences

Part 1

TAX LEVY CAP FACTS

- **Took effect in 2012. Remains in effect until June 15, 2016. (Fate tied to law regulating rent control.)**
- **Maximum tax *levy* increase of previous year's tax levy with a few exceptions. Allowable exemptions in the law can also increase the maximum tax levy cap**
- **Example: If the cost of living goes up 1.4%, then the tax levy can only increase by 1.4%.**
- **The 5 big cities are exempt from the law.
NYC/Buffalo/Rochester/Syracuse/Yonkers**

TAX LEVY CAP FACTS-continued

- **Voter approval is still needed on school budgets. If the budget is defeated twice, the district may not increase the tax levy from the previous year.**
- **This year's Tax Levy Cap is 1.46 NOT 2% due to CPI**
- **If a District chooses to try to go over cap, it would need 60% voter approval**

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Lessons from Massachusetts for
States Adopting a
Property Tax Cap

Costs don't go down

- **A tax cap doesn't make government services cost less:**
 - Does not prevent costs beyond local control from rising much faster than cap allows;
 - Does not hold down cost of heating buildings, buying materials, operating school buses when price of oil skyrockets;
 - Other services cut to fit expenditures under the cap.

Overblown claims

- **Claims that caps will produce large savings through “efficiencies” are overblown.**
 - Fewer efficiencies gained from squeezing than proponents suggest;
 - One person’s savings may be the loss of critical services for another;
 - Reductions in basic school services bring deterioration in quality of life — particularly in communities that cannot routinely override it.

Timing matters

- **Tax caps can be particularly harmful if adopted during a weak economy:**
 - Proposition 2 ½ took effect during a period of extraordinary economic growth — the “Massachusetts Miracle.”
 - State revenues were rising, which allowed state to boost aid to compensate for constrained property taxes;
 - Construction was expanding, which allowed communities to raise their property tax revenue by more than 2.5 percent per year.

Disproportionate harm

- **Without effectively targeted state aid, low-income communities fall even further behind:**
 - Massachusetts has a highly targeted system of school aid;
 - Influx of state aid has shielded low-income communities somewhat;
 - When state aid has receded as a result of economic downturns or state policy decisions, poorest communities make the largest budget cuts.

Overrides?

- **Wealthier communities might override a tax cap more frequently than poorer ones:**
 - Contributes to a growing spending gap between local governments in high-income communities and other communities, despite a progressive system of state aid;
 - Very likely to occur in other states that implement a cap.

Squeezed in the middle

- **Middle-income communities might end up bearing the brunt of a cap:**
 - In Massachusetts, budgets in middle-income communities grew more slowly than budgets in either low-income or high-income communities because they did not receive as much state aid as the former, or override Proposition 2 ½ as often as the latter.

Tax Cap Comparison, NY vs MA

Element/Condition	Massachusetts	New York
CAP FUNCTIONS		
Failed Vote/No Vote	2.5% Increase	0.0% Increase
Simple Majority	Can Exceed Cap	2.0% Increase
Supermajority override (=60%)	None Needed	Can Exceed Cap
ECONOMIC CONDITIONS		
10 Year Enrollment Trend	-21%	-3.6%
State Aid History	CPI +8.6%/Year*	CPI-Only
State Economic Growth	"Massachusetts Miracle"	Uncertain
STUDENT CONDITIONS		
Students in Poverty	28%	44%

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State Aid And Gap Elimination Adjustment
Impact on NYS Districts

PART II

Gap Elimination Adjustment (GEA)

- GEA= state budget formula that *automatically* reduces the amount of aid each district receives
- Introduced in 2009-10 to partially reduce its own \$10 billion budget deficit
- Has been used over the past three years to reduce state aid to schools by **\$6.35 billion**

Gap Elimination Adjustment (GEA)

- **Fact #1**
 - **GEA has reduced state aid to LI districts by nearly \$1 billion over the past three years**
 - **Further reduces LI's disproportionately low share of aid**
- **Fact #2**
 - **Elimination of the GEA for the 2013-2014 school year would have reduced LI's current school tax levy by 4%**
 - **GEA increases dependence on local property taxes to fund our schools**

GEA impact on Massapequa

- What NYS has deducted from state aid due to GEA:
 - 2009/2010- \$3,341,934
 - 2010/2011- \$3,514,653
 - 2011/2012- \$4,349,147
 - 2012/2013- \$3,691,438
 - 2013/2014- \$3,427,624
 - 2014/2015- \$3,341,934
 - **Total- \$20,338,989**

State Aid vs. Enrollment

- IF our share of aid matched our share of enrollment:
 - **Nassau would receive \$1.5 billion**
 - **Suffolk would receive \$1.9 billion**
 - **Long Island would receive \$3.5 billion**
- Right now Nassau gets \$4,309 per student. If our aid share matched our enrollment, the new amount would be \$7,881 per child
 - **83% increase**
- **Expenses per pupil that rely on property taxes could be reduced by \$3, 572**

Tax Cap Connection

- While state aid is being reduced across Long Island, local districts no longer have the ability to approach its community to help sustain programs through school budget votes.
- This once again highlights undemocratic nature of requiring a supermajority vote & loss of local control.

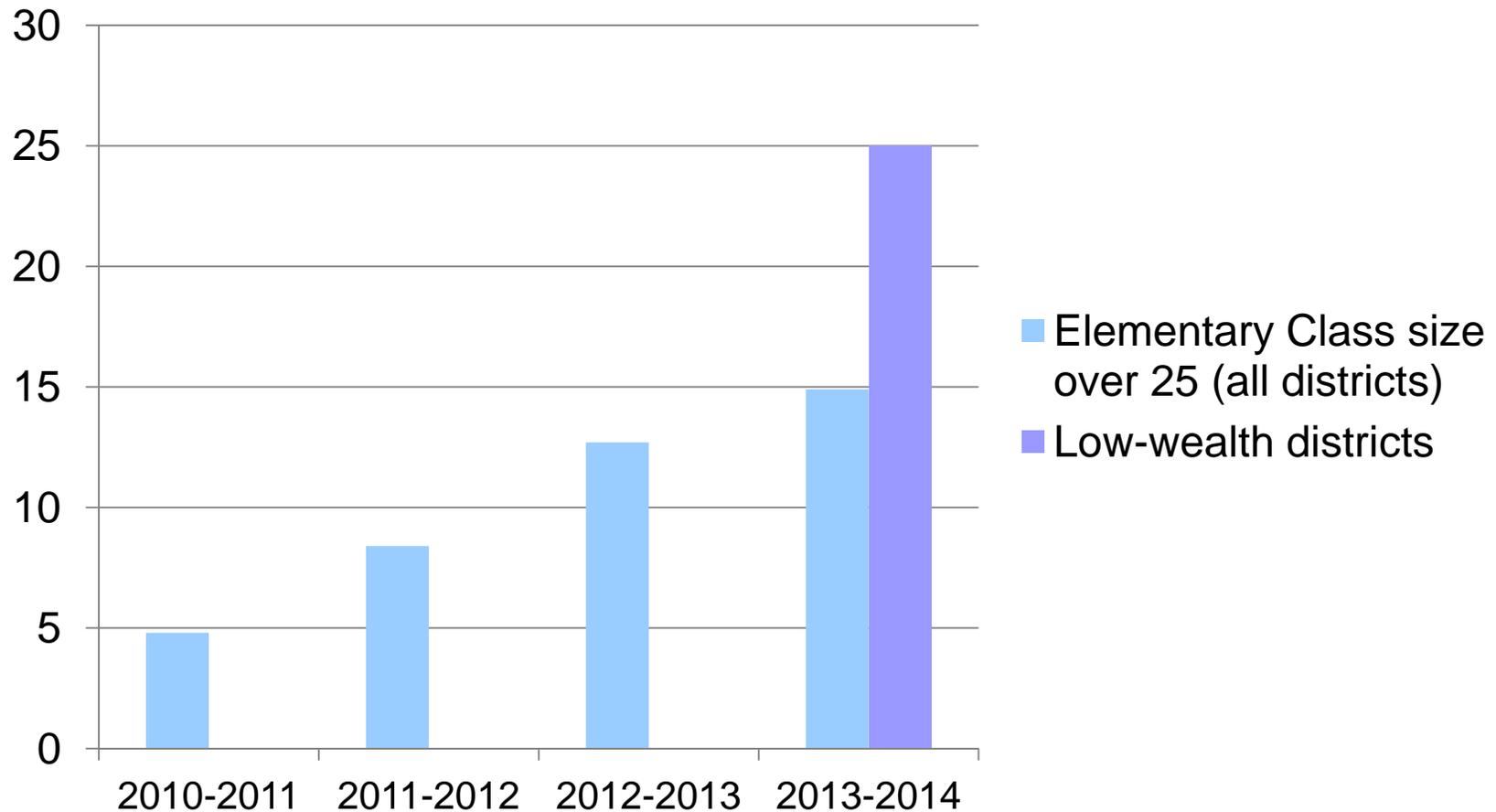
What is being lost across NYS?

- Gifted and Talented Program
- Computer Literacy in 6th Grade
- World Language in 6th Grade
- Librarians in Elementary Schools
- Many Elective Classes in HS (eg. Economics, Business)
- Athletic Teams and Assistant Coaches
- Supervision for Athletic Events
- Athletic Teams Cut
- LEAD Teachers (acting as Assistant Principals) in Elementary Schools
- Department Chairs
- Teachers, Assistants, Aides, Custodians, Grounds, Secretaries

Cuts to Programs Statewide

- Middle School Sports
- MS & HS Musicals
- SES (Summer Elementary School)
- MS Clubs: Art, Drama, Robotics
- District Band, Chorus, and Orchestra
- Instrumental Music to 3rd and 4th grade students
- ELEM Clubs
- Sat Night Alive, Fitness Center, BB Shootout
- BOCES (Cultural Arts)

Impact of Tax Cap on Class Size



Here in Massapequa...

- The Good News
 - Strong financial standing
 - Healthy reserves
 - Decreased enrollment
 - Bargaining units agreeing to zero to minimal increases
 - Saving in utilities, lighting, transportation

More on here in Massapequa...

- The not so good but can get worse news
 - Increase in class size (still within District policy)
 - Cuts in staff that would not have happened if not for Tax Cap
 - Trimmed in areas that were under utilized such as elementary summer school
 - Limited class trips
 - Cut late busing

Massapequa's future...

- The Bad News
 - If Tax Cap remains in place as is, the “trimming” will not be enough
 - More cuts to staff
 - Reserves will be drained
 - Cuts that directly impact the classroom will have to be made as is occurring in other districts across the state
 - Class-size will continue to increase
 - Extra-curricular programs will be impacted
 - Non-mandated programs will be impacted

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What Can We DO?

Resolutions

Part III

You can *Take Action!*

- Attend your local BOE meetings to learn what is being cut and ask if it is because of the Tax Cap;
- Ask your District to provide a list of what has been cut out or cut back due to the tax cap and high stakes testing;
- Share this information with neighbors, family, organizations of which you are a member including health clubs, house of worship, book clubs, community organizations;
- Contact your local representative and tell them that you are opposed to the 2% tax cap. Possible alternatives to suggest are:
 - simple majority vote
 - exempt costs that are beyond a school district's control (fuel cost, health insurance, non-funded mandates)
 - Allow for reserves to be created for NYSTRS (Pension Fund) costs
 - Allowance for increased enrollment

You can *Take Action!*

- JOIN *TALI*: info@TakeActionLI.org
- CALL/WRITE to the Governor and your legislators – Find contact info on our website:
www.TakeActionLI.org
- TALK with your neighbors/friends/colleagues!
- First-to-Worst video: [Click here!](#)

The Result...

TAX CAP

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www.TakeActionLI.org

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