New York State United Teachers (NYSUT) • NYS AFL-CIO Civil Service Employee Association (CSEA) American Federation of State, County, Municipal Employees (AFSCME)

NYS Council of School Superintendents (NYSCOSS)

NYS Parent Teacher Association (NYSPTA)

NYS School Board Association (NYSSBA) • Riverhead School District School Board

Alliance for Quality Education • Diane Ravitch The Network for Public Education

Reinvent Albany • Citizen Action of New York • Economic Liberties Project
Fiscal Policy Institute • Good Jobs First • New York State Council of Churches
New Yorkers for Fiscal Fairness • NYS Labor-Religion Coalition
Strong Economy for All Coalition

January 31, 2024

VIA EMAIL

Andrea Stewart-Cousins Carl E. Heastie

Majority Leader Speaker

New York State Senate New York State Assembly

Re: Support for S89/A351 – Prevents IDAs from abating tax revenue that would otherwise go to schools

Dear Majority Leader Stewart-Cousins and Speaker Heastie,

We write to express our strong support for a bill introduced in both houses, <u>S89 (Ryan) / A351 (Bronson)</u>, which prohibits Industrial Development Authorities from abating property taxes that would otherwise fund public schools.

Shockingly, New York's schools lose \$1.8 billion a year of potential revenue from IDA tax abatements. Compounding the harm, the diversion of school funding by local IDAs has been shown to have a clearly disproportionate impact on students of color.

An in-depth analysis of New York's local tax data by national watchdog group <u>Good Jobs</u>
<u>First</u> shows specifically where and how the state's IDAs diverted at least \$1.8 billion in potential revenue from public schools in FY 2021 alone. **Their research also clearly shows that New York's IDA tax abatements take away more education funding from students of color than other students.**

According to the FY 2021 data compiled by Good Jobs First, in that one year, New York's IDA tax abatements cost an average of \$541 per pupil. However, the data shows a very

wide range of impacts on school funding. For example, West Genesee schools, which are 85% white, lost \$3 per student that year, but over in Peekskill, where 90% of students are of color and three fourths qualify for free lunches, the IDA diverted \$5,000 per pupil. Similarly, the IDA diverted \$5 per student per year in Hoosick Falls, which is almost all-white, compared to \$2,000 per student for Uniondale, whose schools overwhelmingly serve students of color.

We believe unelected IDAs should not be able to abate potential sources of school funding when schools are already having a difficult time meeting the needs of students in this post-COVID era and the state is assuming big budget deficits.

New York is better than this. States like Florida, Alabama and Louisiana have already passed laws that prevent unelected local development agencies from abating tax revenue that would otherwise fund public schools. The best investment of New York's public tax dollars is in public education, not corporate giveaways, which is why we support \$\frac{889}{(Ryan)} / \text{A351 (Bronson)}\$.

Sincerely,

New York State United Teachers (NYSUT) NYS AFL-CIO Civil Service Employee Association (CSEA) American Federation of State, County, Municipal Employees (AFSCME)

NYS Council of School Superintendents (NYSCOSS) NYS Parent Teacher Association (NYSPTA) NYS School Board Association (NYSSBA) Riverhead School District School Board

Alliance for Quality Education
Diane Ravitch
The Network for Public Education

Reinvent Albany
Citizen Action of New York
Economic Liberties Project
Fiscal Policy Institute
Good Jobs First
New York State Council of Churches
New Yorkers for Fiscal Fairness
NYS Labor-Religion Coalition
Strong Economy for All Coalition