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Contacts

Ron Deutsch, NYFF, 518-469-6769

Anna Gronewold, NYSUT, 402-213-4104

John Kaehny, Reinvent Albany, 917-388-9087

**Massive Statewide Push to Stop IDAs from Diverting \$1.8B a Year  
from New York's Public Schools**

**Albany, New York** — Two dozen major unions, education associations, school funding advocates, and government watchdog groups gathered today in the State Capitol to call for the passage of state legislation stopping local Industrial Development Authorities (IDAs) from diverting tax revenue that would otherwise go to schools.

A landmark [analysis](#) by national subsidy watchdog Good Jobs First shows New York's public schools lost at least \$1.8 billion in local tax revenue in fiscal year 2021 because of tax abatements granted by local Industrial Development Agencies (IDAs). The comprehensive assessment also showed a disparate impact on schools with a higher proportion of students of color.

The assembled groups strongly urged the Senate and Assembly to pass bills introduced by Senator Sean Ryan and Assemblymember Harry Bronson ([S89/A351](#)) that prohibits IDAs from abating property tax revenue that would otherwise go to schools. The groups noted the perversity of IDA's diverting tax revenue from public schools – a public investment with proven societal benefits – and giving it away as totally discredited corporate subsidies to the likes of Amazon, Costco, and other tremendously profitable companies.

[See the letter](#) to legislative leaders from NYS AFL-CIO, NYSUT, CSEA, AFSCME, NYS Council of School Superintendents, NYS Parent Teacher Association, NYS School Board Association, Riverhead School District School Board and Faculty Association President, Diane Ravitch, the Network for Public Education, Reinvent Albany, New York State Council of Churches, NYS Labor-Religion Coalition, Strong Economy for All Coalition, Citizen Action of New York, Alliance for Quality Education, Economic Liberties Project, Good Jobs First, New Yorkers for Fiscal Fairness, and the Fiscal Policy Institute.

“Preventing IDAs from abating taxes that should be going to schools would be a game-changer for public education in New York. Every year at budget time, we are faced with a choice – we can either accept that our schools will be underfunded, or we can use

taxpayer dollars to fill the budget gaps created by these corporate handouts. It's time we recognize that school funding is too important to be used as a bargaining chip. We need to stop this endless game of budgetary Whac-A-Mole and tell IDAs that everyone needs to pay their fair share from now on," said **Senator Sean Ryan**.

**Assemblymember Harry B. Bronson** said, "Public education is key to opening opportunities which is why I have fought so hard to secure funding for our schools and for our children. When we enable corporations to avoid property taxes that are meant to fund our schools, we're saying that enriching shareholders matters more than NYS students and teachers. The common refrain in support of IDAs is that they stimulate business growth, but any supposed benefit is on the backs of our students. The harm IDAs do to our already underfunded districts is immense, and I am proud to stand with Senator Ryan to sponsor legislation to end this unfair practice and demand better oversight."

"These tax breaks allow for private companies to come in and create demands on our school systems while avoiding the financial responsibility of supporting our students and educators," said **NYSUT President Melinda Person**. "Our students deserve everything they've been promised, including the \$1.8 billion per year that these tax abatements are currently taking from them."

**New York State AFL-CIO President Mario Cilento** said, "The Union Movement has long called for better oversight of IDA tax giveaways. Prohibiting IDAs from abating tax revenue that would otherwise fund our schools is a good starting point. So many of our schools already lack the necessary resources to recruit and retain staff including teachers, custodians, bus drivers, and many others to meet the growing needs of students. The school tax cap starves school districts of necessary resources and IDA tax abatements further deny districts much-needed potential funding."

**John Kaehny, Executive Director of Reinvent Albany** said, "We urge the Senate and Assembly to pass Senator Ryan and Assemblymember Bronson's bill and end this bad chapter in New York's history. IDAs should not be allowed to nullify taxes, that's something legislatures do, let alone waste \$1.8 billion a year that should be going to schools. There are zero independent economic development experts in the United States who believe an IDA subsidy is a better use of tax dollars than funding public schools."

**Gregory Wallace, Riverhead Central Faculty Association President** said, "IDA abatements have cost the Riverhead Central School District nearly \$15 million over the past decade. This bill will be a welcome reprieve for this district's students and taxpayers."

“The working residents of Riverhead have had no say in whether or not these abatements are given, but we are all aware of the increasing tax burden. It’s time to pass this bill and make developers and other business interests pay their fair share,” said **Colin J. Palmer, President, Board of Education Riverhead Central School District.**

**Ron Deutsch, Director of New Yorkers for Fiscal Fairness** said, “We are sounding the school fire alarm for legislators and parents alike. This is not a drill! Nearly \$2 billion in school property tax revenue is being diverted from our kids’ education and given to wealthy corporations. This must stop! Kudos to Senator Ryan and Assemblymember Bronson for introducing legislation that would prevent IDAs from doling out school revenue like candy and giving away our kids’ future.”

**Brian Fessler, Director of Governmental Relations, New York State School Boards Association** said, “Property tax incentives provided by local Industrial Development Agencies to encourage companies to expand or move into their communities can too often have a painfully disruptive effect on local school budgets. NYSSBA appreciates these efforts by Senator Ryan and Assemblymember Bronson to recognize the significant impact these IDA-approved property tax deals have on public schools and prevent their continued proliferation.”

**Charles Dedrick, Executive Director, New York State Council of School Superintendents** said, “We are pleased to support the efforts by Senator Ryan and Assemblymember Bronson to protect school districts against revenue losses imposed by the actions of industrial development agencies. Schools are increasingly called upon to help students and families with issues beyond academics. That work has been supported temporary federal aid which is now expiring and increases in Foundation Aid which are slowing. We can’t afford tax breaks that divert revenues and shift costs onto homeowners.”

“There are so many things that our public school system can do with \$1.8 billion... Add more reading teachers, have full day prekindergarten, have mental health professionals for all the school community. Yet, our state’s inaction diverts that money to the pockets of corporations that don’t need it. Sure enough, Black and brown students are yet again shortchanged. It’s time to change that by ending these tax abatements,” said **Marina Marcou-O’Malley, Interim Co-Executive Director for the Alliance for Quality Education.**

“This legislation would start the process of reforming IDAs in our state. Our union represents nearly 400,000 public sector workers in New York, including over 70,000 who work in support positions in school districts across the state. We’ve seen the

disastrous impact of starving public services. Our schools need more bus drivers, cafeteria workers, and teacher's aides, not more corporate subsidies," said **Brian McDonnell, Political and Legislative Director, AFSCME New York.**

"Industrial Development Agencies were intended to benefit the public by attracting and providing resources to businesses," said **Rashida Tyler, Deputy Executive Director NYS Council of Churches.** Unfortunately, all too often private interests are the actual beneficiaries, favoritism and personal connections at the local level are almost too great to overcome. Reforms are necessary to prevent gambling on private companies rather than investing in education, housing and infrastructure. These are true assets that benefit the community. And what businesses look for when seeking to relocate". Tyler is also a member of the board of the Ulster County IDA.

"When greedy corporations get tax subsidies from IDAs, students get less resources in their classrooms and homeowners and renters have to pay more in property taxes and rent. It's a lose-lose-lose proposition for regular New Yorkers, and it's got to stop. We support the Ryan/Bronson bill to stop IDA giveaways that hurt our public schools – it's a solid first step towards making these out-of-control corporations pay what they owe," said **Michael Kink, Executive Director of the Strong Economy for All Coalition.**