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FOR IMMEDIATE RELEASE

NYSUT analysis: Tax cap increases inequality, achievement gap

ALBANY, N.Y. December 2, 2013 — The wealthiest 10 percent of New York school districts spend 80 percent more educating their students than the poorest 10 percent — a funding inequity that is aggravated by the state’s property tax cap and widens the unacceptable achievement gap, a new analysis by New York State United Teachers showed today.

The wealthiest 10 percent of school districts spent an average of \$35,690 per student in 2012-13, compared to the \$19,823 per student spent educating the poorest 10 percent, even though the educational needs of students in poor communities tend to be much greater.

In addition, the so-called 2 percent tax cap levy enacted in 2011 allowed the wealthiest 10 percent of districts to raise an average of \$704 per student in 2012-13, more than six times the \$114 per student the tax cap permitted for the poorest 10 percent of school districts — all without seeking a super-majority vote to pierce the cap, the analysis showed. (See chart A below.)

“The way New York funds public education is already grossly inequitable, denying the poorest students with the greatest needs the rich array of programs and services they need for success — services more affluent students get every single day,” said NYSUT President Richard C. Iannuzzi. “What the tax cap does, in essence, is to take this grotesque educational inequality and accelerate it even more.”

Iannuzzi said funding inequality and the effects of poverty have a devastating impact on student achievement and graduation rates. He noted that roughly half of New York’s 2.7 million schoolchildren are so poor they qualify for a free- or reduced-priced lunch. New York City has an estimated 50,000 homeless students, and many more homeless youngsters populate shelters and abandoned structures in small cities, the suburbs and rural communities across the state as well.

“Students who are furthest from reaching the state’s higher standards and who are at the greatest risk of dropping out are very often from communities of color or families that live in poverty,” Iannuzzi said. “Instead of investing more to help students in high-needs communities succeed, New York has done the opposite, creating a tax structure that widens the wealth gap and enacting an undemocratic tax cap that is worsening the achievement gap by making it impossible for poor school districts to ever catch up.”

NYSUT’s analysis, submitted as part of the union’s lawsuit seeking to have the tax cap declared unconstitutional, also compares student proficiency rates and per-pupil spending. In the highest-spending 10 percent of school districts, 49 percent of students reached proficiency targets on last April’s English language arts test, while 45 percent were labeled proficient in math. Among the poorest 10 percent, however, just 21 percent reached proficiency in English language arts and 18 percent in math. (See chart B below.)

“The poorest groups of districts have only about 20 percent of pupils scoring at a proficient level on state exams and spend approximately \$19,800 per student. On the other end of the spectrum, the wealthiest groups of districts have almost 50 percent of their pupils reaching the proficiency level and spend \$35,690 per student,” the affidavit said. “The chasm between these numbers will only widen if lower performing districts continue to be deprived of local control over budgeting, particularly in light of the state’s failure to meet its funding obligations.”

Despite last year’s state aid increase, state funding for public education remains about \$150 million less than in the 2008-09 school year, despite inflation and a Court of Appeals finding in the Campaign for Fiscal Equity case and resulting legislation that promised billions of dollars in new money for schools, especially those serving students with high needs.

Instead of meeting these obligations, however, the state cut funding to public schools. State support for public education in 2011-12 fell to 39.7 percent, its lowest level as a percentage of overall school funding since the 1993-94 school year, according to a January 2013 report by the State Education Department. State aid to New York’s nearly 700 districts reached its zenith in 2001-02 at 48.6 percent of overall public education spending — a year in which property taxes accounted for 46.4 percent of overall school funding, compared to 55.1 percent in 2011-12.

NYSUT’s suit against the property tax cap is scheduled to be heard in state Supreme Court in Albany County at 1:30 p.m. on Dec. 12.

NYSUT, the state’s largest union, represents more than 600,000 teachers, school-related professionals, academic and professional faculty in higher education, professionals in education and health care and retirees. NYSUT is affiliated with the American Federation of Teachers, The National Education Association and the AFL-CIO.

Chart A.

<i>2012-13 Change in Tax Levy Decile by Combined Wealth Ratio</i>	Change in Levy Per Pupil	Spending per Pupil
Poorest Decile	\$114	\$19,823
2nd Decile	\$133	\$19,343
3rd Decile	\$206	\$19,241
8th Decile	\$523	\$22,510
9th Decile	\$614	\$26,066
Wealthiest Decile	\$704	\$35,690

Chart B.

<i>Percent Proficient on 2013 Grades 3 -8 Math and ELA Exams Decile By CWR</i>	ELA Proficiency	Math Proficiency	Spending Per Pupil
1 (Poorest)	21%	18%	\$19,823
2	25%	22%	\$19,343
3	28%	25%	\$19,241
4	29%	27%	\$20,114
5	31%	28%	\$19,360
6	32%	28%	\$20,345
7	39%	36%	\$21,092
8	40%	37%	\$22,510
9	43%	40%	\$26,066
10 (Wealthiest)	49%	45%	\$35,690