

Release Date: Immediate Contact: Jennifer Kim – (516) 571-4225 Geoff Gloak – (518) 486-3418

Statement by Commission Chairman Thomas R. Suozzi in response to today's report from the Center on Budget and Policy Priorities

Today, the staff of the Commission on Property Tax Relief and I reviewed the Center on Budget and Policy Priorities' (CBPP) newest report, which some are attempting to use to prove that Massachusetts Proposition 2 ¹/₂ somehow harmed education. Nothing could be further from the truth.

The bottom line in education is student performance. Across the country, student performance is measured using 4th and 8th grade math and reading test scores. According to the United States Department of Education in 2007, Massachusetts ranked first in the country in 4th Grade Mathematics, first in 4th Grade Reading, first in 8th Grade Mathematics, first in 8th Grade Reading. New York ranges between 17th and 34th on the same test scores. I know we all share the goal of making New York as successful.

In terms of education funding, Massachusetts also has been highly successful. Massachusetts has been in the top ten in per pupil spending for the past 30 years, again according to the United States Department of Education. Since Proposition 2 ¹/₂ was enacted in 1980, the growth of per pupil spending in Massachusetts has averaged 6.4% - well above the national average and comparable to New York, New Jersey and other high per pupil spending states. According the the Massachusetts Municipal Finance Task Force, which the CBPP cites in its report, the growth of state funding for schools in Massachusetts has also been significant. Following the 1993 State Supreme Court's decision regarding school funding, Massachusetts state aid to education has increased at a compound annual average growth (on a per capita basis, adjusted for inflation) of 8.6%.

The CBPP report includes undocumented claims that there are no efficiencies to be gained at the local government level. Clearly Massachusetts seems to have found some efficiencies, given the state's highest student performance while only being 7th in per pupil spending. Meanwhile, New York has the highest per pupil spending with only middling performance.

It's been suggested that a cap would harm poorer communities. Again, nothing could be further from the truth. New York's current system, without a cap, is least fair to residents of poorer communities. Regardless of your politics, everyone agrees that property taxes are least fair to



those who simply cannot afford to pay them. With a property tax burden that is growing at twice the rate of salary growth, particularly in many upstate communities, those who are hit hardest are those who can least afford continued increases.

Finally, it's hard to imagine why a process that simply requires a high tax increase to be approved by voters is undemocratic. As the Commission held meetings around the state, we heard over and over from taxpayers, many of whom are on fixed incomes and in danger of losing their homes. Since enactment of Proposition 2 ½, Massachusetts has dropped from 3rd to 33rd in state and local tax burden. New York's property taxes are among the highest in the nation. Our local property taxes are rising at twice the rate of inflation and salary growth. New York's property owners have waited too long for property tax relief.

The Commission's report will spell out the details of our cap proposal and other relief measures on June 3.