

Press Release

For immediate release: March 2, 2016

Contact

Ron Deutsch, Fiscal Policy Institute Barbara Bartoletti, LWVNYS
518-469-6769 518-469-8905

Fiscal Watchdogs, Good Government, Civil Liberties, Faith-Based and School Associations Urge Legislature and Governor to Reject the Parental Choice in Education Act/Education Tax Credit Was a Bad Idea Last Year and Is a Bad Idea This Year

The Governor and Senate are again advancing a deeply problematic education tax credit (Parental Choice in Education Act), a proposal that was hotly debated and rejected last session. The core component of this year's proposal is a 75 percent personal or corporate income tax credit for donations made to a private or public school. As in previous years, the proposal has the extraordinary feature of a credit of up to \$1 million, meaning that it is clearly geared to the very rich. The groups gathered to urge the Governor and Legislature to reject this misguided tax credit as they did last year.

“The PCEA amounts to a \$150 million or more diversion of taxpayer resources to privately determined educational uses. It would provide an unprecedented 75 percent tax reduction relative to a contribution and has the potential to lessen charitable contributions for a range of worthy causes. There is no provision to avert a situation where wealthy donors, corporations, and financial partnerships would claim all or a lion's share of the credits. These funds would be better invested in expanding the governor's positive proposal to increase the number of community schools, a proven way to give real opportunities to students in struggling schools,” said **Ron Deutsch, Executive Director of the Fiscal Policy Institute.**

Carol Kellermann, President, Citizen's Budget Commission stated, “The proposed Education Scholarship and Program Tax Credit is bad tax policy that will in effect provide government funds to private educational institutions. Donations to educational institutions should continue to be treated the same as every other charitable contribution.”

“The League has always believed that public tax dollars should go to public education. The Education Tax Credit is a flawed executive initiative that would compromise funding for high needs school districts and divert public dollars to private and parochial schools. The legislature should be directing state dollars into increased aid for public education, not giving tax credits to those who choose to donate to private schools,” said **Barbara Bartoletti of the League of Women Voters of New York State.**

“The Reform Jewish Movement is deeply committed to public education as a cornerstone of the American democratic process and opposes using public funds for non-public schools believing

that such aid would infringe the separation of church and state and have damaging impact on public schools. Reform Jewish Voice of New York State (RJV), the Reform Jewish Movement's social justice advocate in New York urges the legislature to reject the Parental Choice in Education Act and any legislation that would create an education tax credit that would effectively divert public funds through 'voucher programs' which would provide support to private and religious schools,” said **Barbara Zaron, co-chair of Reform Jewish Voice of New York State.**

Robb Smith, Executive Director of Interfaith Impact of NYS said, “We are concerned that the proposed Education Scholarship and Program Tax Credit is not in the public interest. By providing massive, up-front tax credits of 75 percent, the bill will benefit primarily wealthy donors, have a disproportionate effect on school funding, and divert donations from other charities that do not offer tax credits. It would also allow individuals to divert money from the tax stream and send it to religious programming without any accountability. That will allow wealthy donors to make an end run around the New York constitution, which prohibits taxpayer funding of religious education. In the end, the tax payers will have to make up for the money that is being diverted. We believe in the wisdom of the separation of church and state. We want to see New York fully fund its public school system, not take even more money away from our schools through this misguided legislation.”

“New York State has a constitutional obligation to fully and fairly fund its public schools. It's an obligation that has not yet been met. Passing the Education Investment Tax Credit or any other type of voucher program at a time when our public schools are under-funded by billions of dollars is, simply put, a very bad idea,” said **NYSUT Executive Vice President Andrew Pallotta.** “Both the proposed EITC and the Parental Choice in Education Act would drain badly needed funding that could help students and, instead, add to the burden on New York taxpayers, who undoubtedly would be asked to subsidize the personal choices of those who prefer non-public schools.”

“These tax credits would siphon money away from public education at a time when these schools are still owed \$4.4 billion in Foundation Aid,” says **Michael Borges, Executive Director of the New York State Association of School Business Officials.** “The best way that the state can invest in education is by delivering the aid that was promised to public schools so that they can provide the opportunity for a sound basic education to all students.”

“New York needs more front-line investments in public schools and youth—not more benefits for billionaires. We urge the Assembly to reject the multimillion dollar tax credit voucher giveaway, to reject privatization of our public education system, and to move instead towards ensuring great public schools and a great public education for all students statewide,” said **Charles Khan, Strong Economy For All Coalition.**

“The proposed Education Investment Tax Credit doesn't add up,” said **Timothy G. Kremer, Executive Director of the New York State School Boards Association.** “Our public schools haven't fully recovered from the punishing recession. State lawmakers must first eliminate the GEA and fully restore Foundation Aid before even thinking about subsidizing non-public schools.”

“Education tax credits would drain money from public schools to give huge tax credits to the very rich. It would damage our public schools and hurt students. It was a bad idea last year, and it did not get any better recycled again this year,” said **Michael Mulgrew, President of the United Federation of Teachers.**

“The NYS Board of Regents urged the state to invest an additional \$2.4 billion in education. The Governor's proposal of \$961 million falls far short of the actual needs of children and schools across the state. Yet, the Governor wants to giveaway limited state funds in a tax credit to his wealthy campaign donors. He has abandoned the promise of the Campaign for Fiscal Equity settlement and ignores the fact that our public school children are owed nearly \$5 billion from the state. We cannot afford a lucrative tax credit for millionaires, instead we need to invest these state dollars directly into education to support programs like community schools,” said **Jasmine Gripper, Legislative Director, Alliance for Quality Education.**

“Our union believes in a free public education for all children, as dictated in the New York State Constitution,” said **District Council 37 Executive Director, Henry Garrido.** “The use of tax dollars to support private and religious schools is a cynical backdoor approach to using those dollars to fund private schools that erodes this principle. It also exacerbates the persistent underfunding of our public schools where many DC 37 members work and where their children are educated. Instead, we think the State should sufficiently fund our public schools, beginning with the \$2 billion owed under the Campaign for Fiscal Equity case, and stop siphoning off our public dollars to fund private institutions.”

“The proposed tax credit is misguided by every measure of sound education policy,” said **Robert Perry, the NYCLU’s Legislative Director,** adding that, “The bill would jeopardize funding for public schools, subsidize private schools that ‘select out’ special-needs students, and divert state funds to religious schools in violation of the Constitution. Based on any one of these measures, the bill should fail.”