



# LEGISLATIVE BRIEFS...

September 2008

## **Update: Where Are We With the Property Tax "Circuit Breaker"?**

On August 19<sup>th</sup>, in a special session of the Assembly, legislators passed bill A11838, sponsored by Assemblyman Canestrari, to provide property tax relief through an expanded property tax circuit breaker. Tax circuit breakers place a limit on the percentage of income families would pay out in property taxes. Up to 90 percent of the property tax relief would go to homeowners earning less than \$90,000 a year and 60 percent of this group earns less than \$50,000 a year. Under this legislation:

- Households with incomes below \$90,000 and pay property taxes over five percent of their gross income would receive a 25 percent refundable credit for property taxes that exceed five percent of their gross income.
- Taxpayers with household incomes between \$90,000 and \$125,000 would receive a 20 percent refundable credit for any property taxes over six percent of their gross income.
- Those earning between \$125,000 and \$250,000 would receive a 15 percent refundable credit for any property taxes over seven percent of their gross income.
- The average household benefit under the Assembly property tax relief plan will be \$734.
- The average renter benefit will be \$250.
- The balance, or difference, would be made up by raising the income taxes on millionaires.

Supporters state that tax circuit breakers are a better measure to target tax relief to the middle and lower income tax payers and opponents claim that raising income taxes by 1-2 percent on millionaires will drive them out of state. For information...

<http://www.assembly.state.ny.us/Press/20080819/>

[http://www.cbcny.org/Circuit\\_Breakers\\_Support.pdf](http://www.cbcny.org/Circuit_Breakers_Support.pdf)

<http://www.itepnet.org/pb10cb.pdf>

## **Around the State:**

### **Governor and Legislature Wield Scalpel for State Budget Cuts**

In response to dipping state revenues, Governor Paterson summoned legislators to back to Albany on August 19<sup>th</sup> to decide where to cut \$600 million from the current state budget and strategize how to approach a looming \$6.2B budget deficit for next year. Predictions were that cuts could affect hundreds of programs ranging from food banks to free health clinics and efforts to boost police patrols in troubled areas. While after-school programs and school meal programs (again) fell under the knife, the state's \$21.5 billion school aid package has been spared. For information:

[http://www.nyssba.org/index.php?src=news&submenu=on\\_board&srctype=detail&category=On%20Board%20Online%20Aug%2018%202008&refno=463](http://www.nyssba.org/index.php?src=news&submenu=on_board&srctype=detail&category=On%20Board%20Online%20Aug%2018%202008&refno=463)

<http://www.nytimes.com/2008/08/20/nyregion/20budget.html?ref=nyregion>

## **Reminder to Parents : Apply for Newly Expanded Child Health Program**

Under a recent expansion of New York State's health Insurance Program, Child Health Plus, as of September 1, 2008 all of New York's uninsured children became eligible for moderate or no-cost health care coverage. New York State increased the income eligibility threshold for Child Health Plus from 250 to 400 percent of the federal poverty level. This means that a child in a family of three whose income exceeded \$44,000 would not have been able to participate in the program prior to the expansion but now, if that family's income is no greater than \$70,000, the child will be eligible for coverage at no cost or at a reduced monthly premium. In addition, any family above 400 percent of the federal poverty level can buy into the program at the full monthly premium. For information...

[http://www.state.ny.us/governor/press/press\\_0829081.html](http://www.state.ny.us/governor/press/press_0829081.html)

<http://www.nyhealth.gov/nysdoh/chplus/>

## **Regents Revise 211 Waivers**

School district rehiring of retirees on an interim basis held the center ring of a media circus at the end of the past school year. In response to this the NYS Board of Regents adopted emergency regulations to curb this practice in June. The regulations were designed to tighten up the process permitted under a Section 211 waiver. The new regulations barred a retiree from becoming rehired for one year by the school district or BOCES he/she had been employed. The revision of the regulation will prohibit rehiring in the same or similar position in the district effective as of August 1. It is designated for adoption as a permanent rule in October. For information...

<http://www.highered.nysed.gov/tcert/resteachers/memo070908.htm>

## **AROUND THE NATION:**

### **Presidential Nominees John McCain and Barak Obama Weigh In on Education**

As the November elections near and Presidential nominees, John McCain and Barak Obama have chosen their Vice Presidential running mates, education advocates zero in on the issues. Senator Obama announced a series of education proposals several months ago and Senator McCain has been more limited but plans to release more information in the fall. They differ in several areas such as public school funding, vouchers, merit pay vs. differential pay for teachers, and special education. They both support holding schools accountable and improving teacher quality. Obama's plan for preK-12 would cost \$18B annually while McCain has not yet put a dollar amount on his proposals. At an annual summer meeting of the National Conference of State Legislators policy advisors for both candidates debated funding and programs under the No Child Left Behind Act but neither offered much in the way of specifics regarding changes they would seek. For information...

<http://www.nsba.org/HPC/Features/SBN/CurrentIssue/McCainandObamadifferonvouchersothereducationissues.aspx>

### **School Districts Looking at Cutting Buses to Cut Fuel Costs**

Because of a struggling economy and escalating fuel costs, school districts nationwide are starting the 2008-09 year with concerns of looming state budget deficits and the impact of dwindling revenues on services, staffing and programs. A recent survey of superintendents shows school districts are zeroing in on transportation (cutting field trips and consolidating bus routes) and the use of heating and air conditioning as rising fuel and energy costs begin to take a toll on budgets. "A number of states...have made deep budget cuts that have sent local districts reeling. For information...

<http://www.edweek.org/ew/articles/2008/08/27/01econlocal.h28.html>

<http://www.aasa.org/content.cfm?ItemNumber=10639>