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Experts testify capping school taxes a tough chore
By Erik German

ALBANY - For the first time, the statewide commission charged with finding a way to cap school property taxes heard public testimony yesterday from a variety of experts who consistently said the task ahead will be daunting.

"It's a very tough challenge," the commission's chairman, Nassau County Executive Thomas Suozzi, admitted at the meeting's start. "If it was easy, someone would have done it already."

Gov. Eliot Spitzer announced he picked Suozzi to head the group during his Jan. 9 State of the State speech, which identified high property taxes as one of the key problems facing the state. New Yorkers pay about \$150 in local taxes for every \$1,000 of income, according to the nonpartisan Citizens Budget Commission think tank. That's 33 percent higher than the national average.

On Long Island, property taxes soared more than 60 percent between 1995 and 2005.

Failing to act will only worsen that burden, Robert Ward of SUNY's Rockefeller Institute of Government told the group. "If nothing changes, homeowners across the state will see their property taxes going up by hundreds - if not thousands - of dollars per year," he said.

Some presenters stressed that the commission must not allow a tax cap to widen the funding gap between rich and poor schools.

"Spending matters," said Karen Scharff of Citizen Action of New York, a statewide public interest group. "Districts that spend more, more kids graduate. Districts that spend less, fewer kids graduate."

She cautioned that communities needing more school spending consistently lack an adequate tax base, so caps "could actually increase the gap between rich and poor districts." But more conservative presenters said the commission should leave decisions regarding equity to the officials who determine state aid formulas.

"Reasonable people will disagree and continue to argue any aspect of educational adequacy, equity, distribution of funds," said E.J. McMahon, director of the Manhattan Institute's Empire Center for New York State Policy, a conservative think tank. "That's actually a side issue. The issue the governor specifically has asked you to address is limiting local taxes."

In doing so, McMahon said, commission members would be heeding the part of the governor's charge that emphasized addressing the "roots" of the high local and school taxes. The key cost drivers include increasingly expensive health coverage for public employees and retirees, along with rules requiring collective bargaining to change retiree benefits for school employees.

"If you want to look for roots, you don't have to look very far," McMahon said. "It's staring you in the face."

Perhaps in keeping with the informal, can-do spirit of the meeting yesterday, the commission's members sat behind plastic tables on folding chairs inside the New York State Museum Theater. Suozzi gave members only 15 minutes for lunch.

"We're cutting it short," he explained, "because we're going to try and stay on track."

The next committee hearing is scheduled for March 5 at a Suffolk County location yet to be announced.