



Regent on tax cap: 'Let's not go for an easy fix'

By Marc Humbert
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New York should reject Gov. David Paterson's call for a cap on local school property tax increases unless it is part of a broader package to address rising costs of public education, according to Merryl Tisch, vice chancellor of the state Board of Regents.

Tisch said she was concerned that state lawmakers, under political pressure to do something about rising property taxes, would ignore detailed proposals from a state tax-cap commission to curtail unfunded mandates and provide school districts with new tools to fight rising costs in such areas as health insurance and pensions.

"I know I am going to very unpopular because of my position here, but you have to, every once in awhile, stand up and say let's not go for an easy fix," Tisch told *On Board* during a telephone interview from her Manhattan home. "You've got to go on a diet before you can buy a new wardrobe, and I don't see any interest in going on a diet."

Tisch's objections carry special weight because she was a member of the seven-member state commission headed by Nassau County Executive Tom Suozzi that recommended the tax cap.

Also taking exception are two of the five special advisers who were selected to work with the task force. Karen Scharff, executive director of Citizen Action of New York, and Lisa Donner, co-director of the Center for Working Families, outlined their opposition to the tax cap proposal in a little-noticed June 3 letter to Paterson.

"We see the cap as a gimmick," Scharff and Donner wrote. "The proposed

tax cap is the wrong way to restrain property tax growth, and we are concerned that it will negatively impact the quality of education in struggling school districts," the two wrote.



Merryl Tisch

Tisch had abstained from the commission's recommendations.

She said her abstention was based in part on the fact that some of the commission recommendations in such areas as special education and school district consolidation could directly involve the Regents.

Tisch also disagreed with the commission's recommendation that the state adopt a tax cap first and later tackle the issue of cost-cutting and mandate relief. While Gov. David Paterson favors that approach, Tisch said she feared lawmakers would never get back to the hard work of dealing with cost containment once a tax cap had been adopted.

Paterson's bill would limit local school property tax increases to 4 percent annually or 120 percent of the Consumer Price Index, whichever is less. The GOP-led Senate is expected to return to Albany, possibly in early August, to pass the governor's bill.

"If you don't attack the source of the problem, these artificial, blunt instruments, long-term, I think, have never provided a real solution," Tisch said.

The same concern was raised by New York State School Boards Association staff and board members who met privately with Paterson last week to discuss the property tax issue.

State Assembly Speaker Sheldon Silver, a Manhattan Democrat, has said he can't support a tax cap without a guarantee the state will provide sufficient funding for local schools. Silver has expressed support

for a "circuit-breaker" plan that would limit the percentage of a family's income that would go to property taxes. The state would make up the shortfall, possibly by increasing the income tax on wealthy New Yorkers.

Scharff and Donner also endorsed creation of a circuit breaker, which they said "creates a fairer tax system, and it is well targeted to help exactly those households who have been most hurt by current property tax levels."

And, in an interview Monday with *On Board*, Scharff said she did not detect an outpouring of support for a tax cap at the commission's public hearings. Scharff told *On Board* that said her position mirrors what she heard at the tax commission's public hearings across the state.

Tisch said that while it might be "very politically expedient" for state lawmakers to adopt property tax cap legislation, "I'm not buying this is a fix."

Tisch's comments, in an interview late last week, came as Suozzi announced a statewide tour to drum up support for passage of the governor's legislation.

Suozzi earlier said he wanted to see lawmakers act on the measure before this November's election, when all 212 seats in the state Legislature go before voters. And while Suozzi said his "objective is not to target any individual legislators" with his statewide tour, he made it clear he was looking to put some political pressure on lawmakers.

"This is becoming an issue in many of the races," he said on a conference call with reporters. "Legislators are going to have to decide if they are going to give the people what they want."

Suozzi's tour includes stops in Rochester on July 29, Binghamton on Aug. 12, Syracuse on Aug. 21, Rockland County on Sept. 3 and Niagara Falls on Sept. 26.