



NEW YORK STATE SENATOR

Andrea Stewart-Cousins

Press Release: The State Delivers For Yonkers

ANDREA STEWART-COUSINS June 29, 2015

| ISSUE: **LOCAL GOVERNMENT**



PRESS RELEASE

Andrea Stewart-Cousins

*Senate Democratic Leader
New York State Senator, 35th District*

\$25 Million To Fill Yonkers' School Budget Gap, a Half-Percent Sales Tax Increase and a 3% Hotel Occupancy Tax

Yonkers, NY - Yonkers will be receiving an additional \$25 million to fill the school district's projected budget gap this year thanks to legislation passed by the Yonkers State Delegation, including State Senator Andrea Stewart-Cousins, the Democratic Leader, Senator George Latimer, Assemblyman Gary Pretlow and Assemblywoman Shelley Mayer. In addition, the state delegation passed two other bills requested by the city; one will allow Yonkers to

increase its sales tax by a half-percent, to create an additional \$15 million in funding for the school district; and another creates a hotel occupancy tax of 3%. The legislation now goes to Governor Cuomo for his signature to become law.

On June 14, Governor Cuomo promised additional funding in response to requests made by the delegation, the city, the school district, parents and students to help avoid devastating staff and program cuts. The Governor kept his promise by including the money in the omnibus bill the legislature approved last week.

Senator Stewart-Cousins said, "I'm happy Governor Cuomo and my colleagues in the State Legislature recognized the extraordinary financial circumstances the district faced this year. Going forward, the sales tax increase will provide recurring revenue which is so important for the school district to have as a reliable funding resource."

Senator Latimer said, "I would say that the big winners in the 2015 State legislative session were the children of Yonkers and the schools they attend. By appropriately increasing funding now, and making a structural plan to go forward, my colleagues in the legislature, our hardworking Senate Democratic Leader, and the governor made a huge stride toward a successful future for our children."

"I'm very pleased the State has stepped up to prevent yet another crisis in the Yonkers schools. After intense advocacy from the school community, the State delegation and I worked closely with the Governor, Mayor, Superintendent and our colleagues in the legislature to avert massive layoffs and devastating cuts to programs. The additional \$25 million to Yonkers will plug this year's gap in the education budget. Moreover, the sales tax will provide a reliable stream of revenue for the school district for years to come. This is all on top of the \$19 million increase in school aid, \$20 million grant for capital projects and \$2 million in bullet aid that the school district received in this year's State budget. It's clear that

the State of New York is providing significant support to the Yonkers Schools to ensure all of the City's 27,000 students receive a quality education," said Assemblyman Pretlow.

Assemblywoman Mayer said, "Working with my colleagues in government in Albany and in Yonkers, our parents, school staff and the community, we were able to avoid a short-term crisis and plan for the future for the Yonkers Public Schools. We are thankful that the Governor stepped up to ensure that we could move forward and avert devastating cuts this year, and that my legislative colleagues enacted a modest tax increase dedicated to education funding for the future. I want to give special thanks to Speaker Carl Heastie, who made funding for Yonkers central to the final negotiations and was deeply committed to the students of Yonkers."

Yonkers currently imposes a sales tax of 8.375% which is shared by New York State, Westchester County and the Metropolitan Transportation Authority. The legislation allows for a half-percent increase to 8.875%. The Yonkers portion of that tax has been the same rate of 2.5% for nearly thirty years. Yonkers also asked for the authority to collect a 3% daily room tax on any hotel or motel room. Revenues from the additional tax will assist the city in providing essential services, while maintaining a balanced budget. Similar hotel taxes already exist in the neighboring cities of New Rochelle, White Plains and Rye.

This additional revenue follows a \$19 million increase in Yonkers school aid from the state, for a total allocation in the State Budget of \$262 million. The Democrat-led Assembly then added on another \$20 million in building aid and \$2 million in bullet aid. Despite the increases, the district was still struggling to recover from a \$55 million accounting error that was discovered in 2014. The delegation worked with the Governor, the Mayor and the City Council to come up with a solution that provided \$28 million in 2014. This year the district projected a \$26 million shortfall.