Education Tax Credit Included in Governor Cuomo's Executive Budget

January 13, 2016



BUDGET PROPOSAL ALSO PROVIDES CAP FUNDING AT HIGHER LEVEL —

New York Governor Andrew Cuomo earlier today included a \$150 million Education Tax Credit proposal in his executive budget proposal for the state's new fiscal year. The two major components of the proposal are targeted toward the nonpublic school community: \$50 million in credits for donations to Education Scholarship Organizations that benefit needy nonpublic school students; and \$70 million in tuition tax credits worth up to \$500 for low-income families.

Agudath Israel of America enthusiastically welcomed the new budget proposal, calling it "a powerful affirmation of the Governor's firm commitment to the principle of parental choice in education."

Today's action represents the first time Governor Cuomo has included education tax credits in his executive budget proposal. Last year, the Governor proposed a similar tax credit measure, but only after the budget had already been finalized, and the proposal was not enacted into law. "Kudos to the governor for his vision, his persistence, and his political courage," said Rabbi Chaim Dovid Zwiebel, Agudath Israel's executive vice president.

Rabbi Shmuel Lefkowitz, Agudath Israel's vice president for community affairs, and Leon Goldenberg, member of the Board of Trustees of Agudath Israel, who were both in attendance at today's State of the State address in Albany, called education tax credits the "top legislative priority for the Orthodox Jewish community."

Earlier this week, the Senate passed its own version of an education tax credit bill, sponsored by Senators Marty Golden and Simcha Felder. While the Governor's proposal differs in detail from the Senate's bill, it is the hope of tax credit advocates that the Assembly will also embrace the concept, and that meaningful legislation will ultimately emerge from the process.

Another one of Agudath Israel's legislative priorities for this budget session, as <u>outlined in the letter below from Rabbi Zwiebel to the Governor last week</u>, is higher funding levels for mandated services and the Comprehensive Attendance Program (CAP). The Governor, in his budget proposal, appropriated \$174 million in both CAP and mandated services reimbursement to nonpublic schools, representing an increase of \$2.6 million over last year's amount.

In a significant development, the Governor pegged CAP funding at \$69.8 million, using the original CAP formula, rather than using the flawed "efficiency" formula in effect in previous years, which had yielded a much smaller appropriation.

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