STATE OF NEW YORK

6056

2019-2020 Regular Sessions

IN SENATE

May 16, 2019

Introduced by Sen. BROOKS -- read twice and ordered printed, and when printed to be committed to the Committee on Education

AN ACT to amend the education law, in relation to enacting the "TRUMP Act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Short title. This act shall be known and may be cited as the "Transparent Report of Unfunded Mandated Program Act" or "TRUMP Act".

§ 2. Legislative findings. The State of New York has historically funded public education by means of state and local taxes. Over the years residential property taxes have become the primary funding method for schools statewide. For more than 100 years all taxes paid in support of education have been fully deductible in terms of both state and federal taxes. In 2017 the federal government changed that when they enacted the Federal Tax Cuts and Jobs Act of 2017, which dramatically changed how federal taxes are determined. The new tax law capped the deductibility of all state and local taxes (SALT) at $10,000. As residential property taxes are considered a state and local tax, the revised tax law had a significant impact on the residents of the state of New York. The increasing dependence on residential property taxes to fund public education coupled with changes in the federal tax laws have resulted in a significant number of New York residential property owners now paying taxes on their taxes.

As Congress considered the changes in the Federal Tax Cuts and Jobs Act of 2017, many in Congress stated that New York State's high property taxes were the result of excessive spending. They justified the limitation of $10,000 for deductibility with that assumption. This reading of the facts ignores an essential and often ignored issue: federal mismanagement of immigration policy.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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While the federal tax plan severely hinders our education funding structure, federal immigration policy increases schools' needs and responsibilities. A significant number of unaccompanied minors who have immigrated to this country have settled in New York, and they deserve the same access to a quality public education as children born in the United States. Due to disorganized and negligent policy, minor immigrants and unaccompanied minors are often settled in the same communities and schools but are deprived of the additional resources needed to help them succeed. Most of these students are behind in their education level, need additional classes in English, and have other learning disabilities or other social services needs that result in higher than normal educational costs.

The management of immigration is the responsibility of the federal government, which has failed the immigrants that come to our state and schools. Providing an education to these relocated minors is a mandate to the local communities, and one that has come without any help from federal sources. As a result, many communities, which already have very limited financial resources, have struggled to provide the funding to educate these students. As the State of New York utilizes state and local taxes to fund public education, the added cost from federal actions and mandates falls directly upon taxpayers. The same New Yorkers are saddled with the new $10,000 cap on state and local tax deductibility when they file their income taxes.

§ 3. The education law is amended by adding a new section 3602-g to read as follows:

§ 3602-g. Transparent report of unfunded mandated program (TRUMP). 1. (a) All public school districts in the state shall file an expense allocation report with the department providing details on all financial costs associated with the education of students who have located themselves within the boundaries of the school districts and who can be identified as immigrants to this country regardless of the legal status of such students. Such reports shall identify all costs of any services and programs provided to such students. The department shall establish a reporting system that includes all educational costs including transportation, additional education and support related costs associated with these students. The reporting system may be based on an allocation system that allows for the use of percentages based on student population for general operating costs and student specific costs for services provided to individual students. The final report shall provide a total "Immigration Support Cost" expense and show the percentage of total educational spending for immigration support to the total educational cost for the district.

(b) Such report shall provide an understanding of the expenses associated with educating and assisting these students. Information from such reports shall be used solely to seek federal reforms in income tax regulations, request federal funds for education, and assist in the development of funding programs for public education.

2. The department shall provide to all school districts the report format and instructions no later than December first, two thousand nineteen and each school district shall complete the report for the two thousand eighteen--two thousand nineteen school year by March first, two thousand twenty. The report information will be provided to the governor and the attorney general for use in legal action associated with appeals of the federal tax laws, and to the legislature for use in revising school funding methods reflective of the finding of these reports.

3. Beginning with school year two thousand twenty--two thousand twenty-one, all school districts shall report in their proposed education budgets submitted for voter approval the projected allocated costs associated with educational costs for immigration related students. For purposes of this section, an "immigration related student" shall mean a student located in the school district who has come to the district directly or indirectly, whether legally or illegally, from another country and required assistance with learning the English language.

§ 4. This act shall take effect immediately.