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**WITH DEADLINE FOR ACTION PENDING, ABLI WARNS  
L.I. TAXPAYERS OF FINANCIAL RISK WITHOUT COVID-19 SCHOOL  
TAXPAYER PROTECTION PLAN**

***Group Calls for Two-Step Taxpayer Protection Plan:***

***A Mandate that School Districts must spend their Multibillion Dollar “Rainy Day” funds and COVID-19 Aid to before tax hikes during Pandemic Recession***

***A NYS Audit Of School Reserve Funds to ensure schools have reached into their own pockets before their residents pockets***

(Hauppauge, New York) - As Long Island taxpayers continue to suffer from the financial devastation created by COVID-19, the Association for a Better Long Island (ABLI), is requesting that New York Governor Cuomo, State Senate Majority Leader Stewart-Cousins, and Assembly Speaker Heastie implement a COVID-19 School Taxpayer Protection Plan, a two-step plan that ensures L.I. schools utilize the billions in federal, state and reserve funds before raising taxes on its residents.

In their letter to Governor Cuomo, legislative leadership, and NYS Comptroller Thomas DiNapoli, ABLI urged that legislation and/or executive order be passed mandating that school districts utilize the newly available financial and budgetary flexibility options provided in NYS A.10492/S.8417, including exhausting now unlocked reserve funds, as well as billions in NYS and federal aid, before implementing a tax hike.

**Billions heading for our schools**

The U.S. American Rescue Plan Act of 2021 will deliver \$8.9B in funding to NYS schools and Long Island will received nearly \$324M. The recently passed NYS budget allocates \$417M.

Last year, the NYS legislature passed and the Governor signed into law legislation, bills A.10492/S.8417, which provides financial and budgetary flexibility to local governments to operate and provide critical services during the COVID-19 public health crisis.

Specifically, the bill's three components: extends the "rollover" period for bond anticipation notes issued in calendar years 2015 through 2021; authorizes local governments and school districts to spend or temporarily transfer moneys in reserve funds for COVID-19 pandemic-related expenses; and permits the repayment of inter-fund advances made for COVID-19 pandemic-related expenses by the end of the next succeeding fiscal year or later, rather than the end of the current fiscal year.

In addition, school districts were relieved of the various restrictions placed on the various categories of reserve funds and this legislation "unlocks" reserve funds to address budget shortfalls or additional costs as a result of the pandemic.

The bill also provides additional financial tools to local municipalities to help reduce the tax burden for businesses and homeowners.

#### "Rainy Day Billions"

Kyle Strober, Executive Director of ABLI reminds state lawmakers, "Long Island school districts have been amassing small fortunes on the backs of taxpayers in case of a 'rainy day.' There is little doubt that the COVID-19 pandemic is Long Island's rainiest day in history. In fact, it has become a deluge."

Citing a recent report, Long Island school districts have accumulated \$2.61 billion in reserves for the 2020-2021 school year, a number that, on average, represents nearly 20% of the schools' projected spending.

#### An economic could become septic

In their letter to NYS Comptroller Thomas DiNapoli, ABLI urged NYS to conduct an audit of the utilization of reserve funds within each LI school district to ensure that schools are truly tapping this funding for our region's rainiest day, the COVID-19 pandemic.

ABLI warns that without immediate action by Albany, the schools will resist from utilizing their reserve funds despite over taxing their residents for decades for such a catastrophic event in our region.

Strober stresses, "Now that Albany relieved the various restrictions placed on the various categories of reserve funds, it is critical that our schools look meet shortfalls within and not at the wallets of Long Island residents."

"We aren't out of the COVID-19 woods yet and continued strong action by our elected officials is critical to extinguish this clear economic threat. There are billions of dollars in federal & state aid, coupled with the billions in school district reserve funds, must be utilized now to protect the Long Island taxpayer before a painful economic wound become septic," he concluded.

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