

School districts fear effects of \$15 wage

Group says state's vow would hit already tight budgets hard

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ALBANY - A \$15-an-hour minimum wage in New York would wreak havoc on school districts' finances, the state Association of School Business Officials warned.

Gov. Andrew Cuomo is pledging to increase the minimum wage by 2021 to \$15 per hour across New York, and he will seek legislative approval to do so next year.

While much of the debate over the higher minimum wage has centered on the private sector, the school group said the \$15 wage would hit school budgets that are already facing limited revenue and constraints from a property-tax cap.

"The impact on public education would be significant, particularly in light of a tax cap that is projected to be near or at zero for next year," Michael Borges, the group's executive director, said in a statement.

In a survey by the group of 307 school districts and 22 BOCES — about half of the state's total — the schools estimated that a \$15-an-hour wage would cost \$276 million and affect 33,422 employees who currently are not making that much.

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The school group figured that the average cost would be \$283,463 per district and result in an average increase in the tax levy of 2.6 percent — which is well above the average tax cap limit of less than 1 percent. "This well-intentioned proposal could quickly spiral out of control and have unintended consequences on people's taxes, jobs and benefits," Borges said.

The state already has agreed to increase the minimum wage to \$15 per hour for fast-food workers by 2021, and Borges said the regulation would pit school cafeteria workers against the private sector, likely forcing districts to increase their workers' pay. "The governor and Legislature should proceed cautiously and hold hearings around the state. ... Being first in the nation to implement a new policy is not always the best policy," Borges said. Unions have called on Cuomo to increase state workers' pay to a \$15-an-hour minimum wage, which would require contract negotiations. The state's major publicworkers unions are up for new contracts over the next year. An increase in the minimum wage for public workers should be coupled with a state aid boost for local governments and schools, said Ronald Deutsch, executive director of the Fiscal Policy Institute, a union-backed think tank. "There are a number of individuals who are making less than \$15 an hour, and they absolutely deserve a raise. We have to make sure state funding increases to cover those costs," Deutsch said.

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