



LOWER HUDSON EDUCATION COALITION

450 Mamaroneck Ave, Harrison, NY 10528 • (914) 345-8737 • www.lhec.org • lhec@lhec.org

MEMORANDUM IN OPPOSITION S.6636 (Hoylman-Sigal) / A.6698 (Weinstein) Negative implications for school districts and communities

The Lower Hudson Education Coalition (LHEC), representing public school districts across Dutchess, Putnam, Rockland, and Westchester counties and educating over 239,000 students, strongly opposes S.6636 (Hoylman-Sigal)/A.6698 (Weinstein) in its current form. While we commend Senator Hoylman-Sigal and Assemblymember Weinstein for their efforts to amend New York's wrongful death statute and compensate families for grief and emotional loss, the potential consequences of this legislation are significant and possibly catastrophic for New York State's public schools.

The bill, as currently drafted, exposes school districts to unknown and uncapped civil liability for grief and emotional anguish occurring on school grounds or related to actions that may have taken place on school grounds. While it is important to provide appropriate compensation to those who have suffered tragic losses due to negligence, it is essential to recognize the potential unintended consequences of this proposal. First, it is important to understand that virtually every school district in the State, except for New York's big five school districts (New York City, Buffalo, Rochester, Syracuse, and Yonkers), operates under a reciprocal agreement for insurance coverage. This reciprocal arrangement means that a liability claim against one district will have ripple effects on all other districts involved in the agreement.

Under this reciprocal insurance framework, the financial impact of a liability claim against a single school district extends beyond that specific district. The costs and consequences are distributed among all participating districts, creating a shared burden. Therefore, any potential increase in insurance premiums resulting from expanded liability under the proposed bill would not be limited to the directly affected district but would impact numerous districts within the reciprocal insurance agreement. Due to these reciprocal insurance provisions, it becomes even more crucial for policymakers to evaluate the potential domino effect and collective financial strain that expanded liability could place on the entire network of school districts outside of New York's major urban areas.

Balancing the pursuit of appropriate compensation with the need to ensure the stability and financial sustainability of all participating districts is vital to safeguarding the interests of the entire education system. As a result, the proposed legislation will have severe implications for school districts in terms of increased insurance premiums and, therefore, will result in increased property taxes for all New Yorkers. This is particularly problematic within the context of the New York State tax cap, which limits the annual growth of property taxes levied by local governments, including school districts, to ensure fiscal responsibility. With escalating insurance premiums resulting from liability associated with the aforementioned legislation, school districts will be faced with the difficult task of navigating near or surpassing their tax cap limits. This would necessitate seeking approval from local communities through budget votes, which can potentially result in failed votes and further exacerbate the situation.

Failed budget votes have detrimental effects on both the school district and the students it serves. They often lead to budget cuts, reduced resources, and limitations on educational programs and services. Ultimately, students will bear the brunt of these repercussions, compromising their educational opportunities as budgetary constraints hinder the quality of education provided to students.



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Considering this, we find it crucial for policymakers to thoroughly evaluate the broader implications of any legislation affecting school district liability. Striking a balance between the need for compensation and the potential negative impact on educational funding and student resources is paramount to ensuring a fair and sustainable approach.

The concerns regarding liability also extend to the financial burden placed on local taxpayers. If a school district is found liable, a jury verdict could potentially bankrupt the district, placing an enormous burden on the local community. To illustrate this concern, we need only examine the aftermath of school shootings, where lawsuits frequently target the school, teachers, administrators, and school board members. For instance, in Uvalde, the school district faced a \$27 billion lawsuit, exceeding the total state funding for Foundation Aid by \$3 billion. Such instances demonstrate that the proposed bill could expose schools to the risk of bankruptcy. In summary, the LHEC stands firm in opposing S.6636/A.6698 and urges policymakers to reconsider this legislation. Alternative approaches should be explored to ensure that justice is served without burdening local communities and their educational institutions.