

Public Hearing

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before

EDUCATION FUNDING REVIEW COMMISSION

"Components of an Education Funding Formula"

LOCATION: Auditorium
Toms River High School North
Toms River, New Jersey

DATE: October 11, 1993
6:30 p.m.

MEMBERS OF COMMISSION PRESENT:

Albert Burstein, Esq., Chairman
Dr. Robert Boose
Dr. Joshua Chow
Dr. Henry A. Coleman
Dr. Vito Gagliardi
James Moran
Michael Ritacco
Dennis Testa



ALSO PRESENT:

David C. Hespe
Office of Legislative Services

New Jersey State Library

Hearing Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, CN 068, Trenton, New Jersey 08625





ALBERT BURSTEIN, ESQ.
 CHAIRMAN
 MARGARET E. GOERTZ
 VICE-CHAIRPERSON

New Jersey State Legislature
EDUCATION FUNDING REVIEW COMMISSION
 LEGISLATIVE OFFICE BUILDING, CN-068
 TRENTON, NEW JERSEY 08625-0068

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 DR. VITO GAGLIARDI
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 DAVID PAUL GOLDMAN
 JAMES MORAN
 MICHAEL J. PERRUCCI, ESQ.
 MELODY SAWYER RICHARDSON, ESQ.
 MICHAEL RITACCO
 DENNIS TESTA
 HELEN W. WALSH

NOTICE OF PUBLIC HEARING SCHEDULE

The Education Funding Review Commission will hold public hearings on the following dates:

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| 1. October 11, 1993
6:30 P.M. | Toms River High School North
Auditorium
Old Freehold Road
Toms River, New Jersey |
| 2. October 18, 1993
6:30 P.M. | Burlington County Special Services
School District
Woodlane Road
Mount Holly, New Jersey |
| 3. October 25, 1993
6:30 P.M. | Union County Vocational School
1776 Raritan Road
Scotch Plains, New Jersey |
| 4. October 27, 1993
10:00 A.M. | Convention Center
Room 216
Atlantic City, New Jersey |

The public may address comments and questions to Kathleen Fazzari, Secretary to the Commission, or make scheduling inquiries to Mary C. Lutz or Bernadette Kmetz, secretaries, at (609) 984-6843.

The witness list for each public hearing will be limited to 20 persons and testimony will be limited to 5 minutes per witness. All persons who are testifying should submit 20 written copies of their testimony. Persons who are not presenting oral testimony may submit 20 copies of written testimony for consideration by the commission and inclusion in the record.

Issued 10/1/93

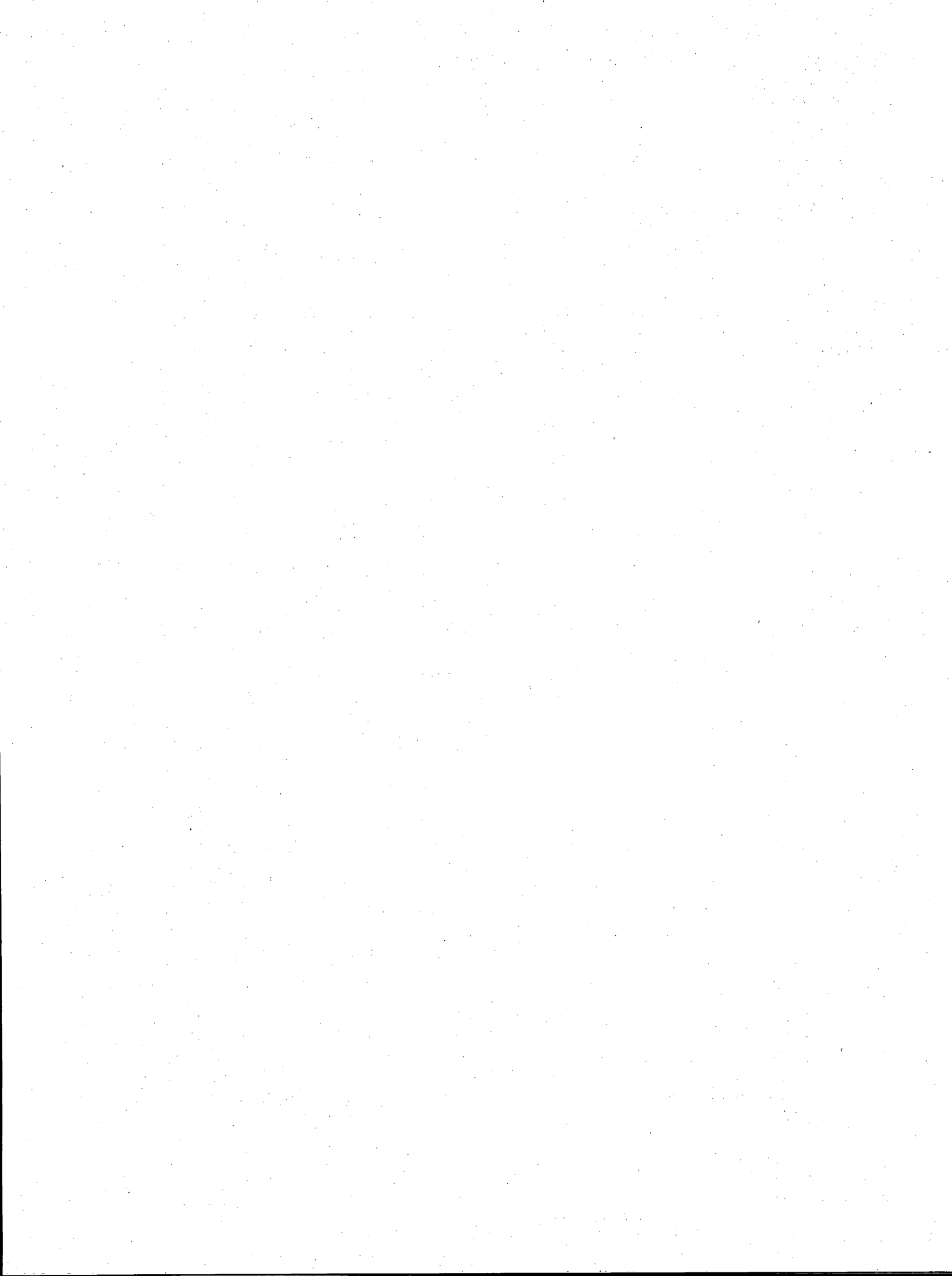


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ALBERT BURSTEIN (Chairman): Ladies and gentlemen, I would like to call this public hearing of the Education Funding Review Commission to order. This is our first public hearing. I would like, very briefly, to let you know what the ground rules are.

We try to put a limitation on the 20 witnesses per session simply to give us the opportunity not to go too late into the evening, so we can get home at a reasonable hour. It appears to me from those standing in the audience that we may have the maximum this evening. I would appreciate it if you would keep your remarks to the allotted five minutes time, to give everybody a chance to say what they have on their minds. If you have any written testimony, please deliver it perhaps to the table down below, so we can have the benefit of your remarks and be able to follow your written word.

I have a schedule at hand of some of the witnesses who have signed up in advance. I understand there were efforts made to contact the Secretary of this Commission today, but because of the holiday she was unavailable. So what I will do, if it is satisfactory to everyone on the Commission, is to, after we go through the allotted list that is in front of us, which are nine in number, plus whatever additional ones Dave Hespe (Office of Legislative Services staff) has now given me -- that's four -- we will take people from the audience who raise their hands, up to the allotted point.

With those brief ground rules, the first person I will call is Assemblyman Jeffrey Moran. Is Assemblyman Moran here? (affirmative response from audience) Welcome.

A S S E M B L Y M A N J E F F R E Y W. M O R A N: Thank you, Mr. Chairman. It gives me great pleasure to welcome you here to Ocean County. The 9th Legislative District represents three of the communities encompassing Toms River schools. On behalf of all of the community, we welcome each and every one of you and hope you have enjoyed your stay today.

Mr. Chairman, at the beginning of the Quality Education Act, it was an issue that each and every one of us in the Legislature, on both sides of the aisle, recognized had its flaws. Many of the flaws that we thoroughly discussed throughout the years of QEA I, QEA II, and the modified QEA III-- Many of the flaws were thoroughly discussed and proposed amendments were made. Fortunately, with the wisdom of the Legislature, this particular Commission was created. Hopefully, each and every one of you listening to people in the audiences, like today's, will be able to make the recommendations to the Legislature that, in fact, will be fair and just to all of the people throughout New Jersey.

I just want to point out a number of issues throughout QEA I, QEA II, and the modified QEA III that have come to our attention which we have discussed many times in the Legislature, upon deaf ears. The one particular issue in the present law is the densely populated aid that is given to Bergen County and some other communities up in North Jersey totaling \$33 million. We feel, down in suburbia, in Ocean County, the communities that I represent, that this, in fact, is unfair and unjust.

There is an additional section of the law that gives \$14 million for desegregation aid. Ladies and gentlemen, this particular aid is being given to the same communities year in and year out, where communities such as I represent are doing everything possible within the taxpayers' means to make sure that desegregation programs are instituted without additional aid from the State of New Jersey.

The other section of the law that finds us down here, in Ocean County in particular, and parts of Bergen and Atlantic Counties that I represent, is the discount that the communities in the Meadowlands receive. If you follow the bill very closely, 30 percent of the properties in the Meadowlands are discounted in a total funding formula, on the basis that the

Meadowlands properties -- those properties are limited to growth. Those properties in Ocean County better known as the Pinelands and CAFRA are also within those limits. If, in fact, this Commission is going to make a recommendation that this stay in the law, we would urge you to make sure that the Pinelands and those areas regulated by CAFRA are also included in that. We found in communities like Manchester and Berkeley Township that they lost millions and millions of dollars in aid because of that particular funding irregularity.

The last point I want to make to you -- and please take it into consideration -- is the out-of-district placement funding formula, the way it is written now. There is a State Board of Education rules and regulations policy that specifically states that any school district that has a change in a notification for its cost per pupil -- that it be regulated and notified by October 1 of the preceding year. So if you have an out-of-district placement where you regulate and you have a cost of \$17,000 per pupil, and at the end of that particular year they send you a Change Order Notice that the price was, in fact, \$23,000, you have to come up with that difference of \$5000. In fact, in most cases, it comes to something like a 25 percent to 30 percent increase. Keep in mind that many of the school districts that I represent have cap formulas between 5 percent and 6 percent, and these 25 percent to 30 percent increases for out-of-district placements are becoming an overburden that they can no longer pay for.

The other section in the special ed formula is that if you have a regulation by State code that calls for occupational and physical therapy to be provided to youngsters, just as in the speech formula in the categorical aid formula, we recommend -- we suggest that that also be counted as a categorical formula. If the State of New Jersey, by regulation, is going to be requiring school districts to provide these services, then, in fact, there should be some compensation.

In closing, gentlemen, I would again like to welcome you to Ocean County. There are a lot of people here who have a lot to say. I am here to listen. I hope you get an earful tonight.

Thank you again.

MR. BURSTEIN: Thank you. Thank you for the specific focus you have given this Commission, Assemblyman.

Next will be Robert Kernasovic. Hope I am pronouncing your name correctly.

ROBERT L. KERNASOVIC: Close.

MR. BURSTEIN: Oh, Kernasovic. My eyesight is failing, that's all. You're the Board President? That was the perfect name for me to have mangled.

MR. KERNASOVIC: Good evening, ladies and gentlemen. On behalf of the Toms River Regional Board of Education, our students, staff, and our communities of Dover Township, Pine Beach, Beachwood, and South Toms River, I thank you for holding this hearing in Toms River tonight.

We are lucky to have Superintendent Michael Ritacco sitting on this Commission. I know Mike has told you how frustrated we've been the past three years in planning and preparing budgets to provide for our 16,500 students. We are depending upon your Commission's recommendations to be the backbone of reform in how public education is funded in this State.

The original Quality Education Act and its reform laws have done nothing to improve education in this State. QEA was created in a crisis, but it did not solve the crisis.

In three years, we are back to where we were before QEA was enacted. For 1991-'92, we were supposed to receive \$69 million in State aid. It ended up being \$64 million. Last year we received \$60 million, and for this year's school budget we received \$55 million. Local property taxes have again

become the primary foundation of financial support for our school district.

We have worked very hard with what we have and what has been given to us. Local property taxes dropped significantly in the first year of QEA. We held that tax rate last year, but it gets harder and harder.

This year we put together a budget that came in under cap, but we were still forced to ask for a local property tax increase.

Last year, our district had 110 fewer employees. This year, we opened school with 78 less employees. Between employee give backs, management changes, and staff reductions, we pulled out of our budgets \$7.8 million in spending over a two-year period in these areas alone.

We are negotiating one-year contracts with our employees, instead of the traditional two- or three-year packages. It gives us financial flexibility.

We are continually reviewing and redesigning our educational programs and student support areas for cost-effectiveness.

We will continue to do all that is necessary. That is our job as elected officials. But the people we have had to eliminate from our payroll are the very same people who are paying increased property taxes. Unemployment is at an all-time high in this area. We have one of the highest foreclosure rates in the State. A lot of our taxpayers are working-class families who want their children to achieve more than they did. This year, the number of students eligible to receive free lunches has increased dramatically.

Most of our senior citizens worked here and are now retired. Their homes are paid for. They live on fixed incomes and cannot afford to pay ever-increasing property taxes. They are surviving on dwindling interest from their retirement investments. Our retired families and our working families do

not mind paying their fair share, but that's all they can afford to pay.

We need State laws that allow us to do our jobs. We need a permanent and long-range funding mechanism for public education that does not depend upon local property taxes. We need a formula that gives incentives for poorly performing districts to improve, along with a procedure for accountability. We need a formula that allows districts performing satisfactorily to continue on that path with financial security. And, we need a formula that allows all districts to have the flexibility to be creative and innovative, to allow them to evolve and reflect the wants and desires of their communities.

What we do not need is to have the budget of the State of New Jersey balanced on the backs of our school children every year. It's been three years of broken promises. No one can plan for the future based upon the past three years of QEA. It is no wonder the public has no faith in government. Your Commission has a chance to restore some of that faith.

Please give our State government a funding plan that doesn't put the taxpayers on a roller coaster every year. Please solve this crisis with a long-term plan.

Good luck to you, and thank you very much for this opportunity to present our views. Thank you.

MR. BURSTEIN: Thank you, Mr. Kernasovic.

The next witness will be Louise Minervino.

A S S T. C O M M. L O U I S E M I N E R V I N O: Good evening. My name is Louise Minervino. I am Assistant Commissioner of Education and State Librarian. I thank you for the opportunity to speak, and for your attention to the issues in public education. Public libraries play a key, but forgotten role in public education. In these hearings, you will hear from others in the library community, and you will hear a plea for help.

You will hear about the reliance of our students on their local public libraries. You will hear about the libraries' diminishing ability to keep their doors open and purchase the resources that will make children ready to learn, encourage literacy, and raise academic achievement. How can the country be first in math and science if the science books are older than the students? How can the country be first in math and science if there is no public access to data bases, technology, or even the availability of a photocopy machine?

With my testimony, I am attaching a graph and a chart. The graph compares the State and local support of libraries and schools. The chart further defines the local commitment to public libraries.

The decline in the State's support for public libraries at a time of major increase in school commitment is clear from the graph. We do not have a graph comparing the size of that commitment. The comparison cannot be graphed because the library share is so small. For every dollar spent on public schools, 1 percent of a cent is spent on public libraries. We do not have a graph of actual dollar commitment either, because the comparison is too small to be graphed. Public libraries receive roughly the same State support in dollars as they did in the 1970s, and what these dollars buy has been greatly reduced by inflation. Resources have contracted at a time of increasing standards and increasing homework requirements. It is difficult to be a student without public library resources.

The chart shows, in order of magnitude, the amount of local community wealth that is pledged to its public library. By statute, to create a municipal library -- not a county or an association library -- voters choose a minimum milage to support that library of one-third of a mil. The chart demonstrates how libraries in special needs districts are more likely to need double that minimum to operate. The seven

highest mil rates for libraries are in special needs districts. Passaic, Camden, Trenton, Newark, and East Orange are at, or near three times the minimum mil rate. It is not surprising that the eight libraries with the highest mil rates serve QEA districts. Even this is insufficient to come near the levels of service provided in some communities that pledge a half, or maybe a third as much in relation to their resources. Major cutbacks are occurring in communities where publicly available encyclopedias, typewriters, or merely a quiet study place are most critical.

My testimony is short, but my message is powerful. The people from whom you will hear in these hearings will bring to life these statistics. It is my hope that you will hear their message.

Thank you.

MR. BURSTEIN: Thank you very much.

The next witness listed is Ed Beckerman.

EDWIN BECKERMAN: Thank you all, members of the Commission.

My name is Edwin Beckerman. I am a member of the State Library Advisory Council, a Trustee of the Princeton Public Library, and an ex-librarian, now retired.

I am not going to read my testimony here, because I do not want to be redundant, and maybe those of us representing the library community will be saying pretty much the same thing. But let me just emphasize a few things:

It seems to me that if we are talking about the future of education, we have to be talking about all kinds of education. There is little question on the part of anyone who has ever worked in a library that a part of our function is to support the curriculum directly. Now, this is not to say that there are not school media centers that do the same thing. It is really to say that more than one kind of an institution is needed to serve the broad needs of New Jersey's children.

It is also to say that we have to be concerned with the way that education is changing; the way that we gather knowledge is changing. Certainly, one of the things that is important is the way the individual manages to accommodate to this change. All of you, I would think, have used computers. More of us in the library field are using computers to satisfy the needs of patrons. More of us are cooperating with one another to satisfy the needs of patrons. In order to do all of these things, we require a stable funding base.

It seems to us, having fought this battle seven or eight years ago as to whether libraries should remain within the community of the Department of Education or move off to some new boundaries, at the time it was suggested that a Department of Cultural Affairs might be the proper place. Librarians thought a great deal about that, and came to the conclusion that we were where we belonged, with educational concerns. What we are asking from you is a reflection of that concern; a reflection that would enable us to continue to move ahead in providing for the kinds of needs that not only children have, but adults have.

I guess my hope is that you will not complete your work without considering the function of libraries, the support they give to education, and what the function is of State government in supporting that kind of effort.

Thank you.

MR. BURSTEIN: Thank you, sir.

The next witness will be Renee Swartz.

R E N E E S W A R T Z: Chairman Burstein, members of the Commission, colleagues, ladies and gentlemen, and all present: My name is Renee Swartz. I am Chairperson of the Monmouth County Library Commission, on which I have served for more than 25 years.

Our involvement with the education of the residents of Monmouth County is long and intimate. We support learning from

the time a child can listen to a story until that child is aged and still delights in listening to a story. Along the way, we are where she completes her school assignments, prepares for admission to college, advances in her career, and manages the demands of daily life.

More than two and a half million books are borrowed from the libraries in our system of 11 branch and 16 member libraries every year. Over 800,000 of those books are taken by, and for children. In a typical year, 80,000 children will take part in the 5000 programs we offer at the library. In 1993, 50,000 books were read in our children's summer reading programs. That was just this past summer.

After school, those children, from grade schools, high schools, and colleges, fill every seat in our libraries to do their assignments. They come to learn to navigate the seas of information, to explore, and to delight in books to help them master the uses of knowledge. And if we do well and they do well, another generation of our scientists, our doctors, our lawyers, our artists, our teachers, our leaders, and our statesmen will emerge to carry on our civilization.

Later, we will help them to get jobs and to grow in their careers. They will perhaps need to know how to run a business, or to make an investment, or to buy a car. They will want to know how they can help to protect the environment and how they can raise their own children in the difficult times we live in. Libraries in our county, and in our State, are prepared for this kind of learning.

When they are old, these children, they will be young again, because they will continue to learn. And we will be there for them -- the libraries will be there -- to help them build a boat, to bake a cake, or to find out if their illness is being treated as they wish it to be and if the medicine they are being given is most appropriate.

We have been tending to those who need to learn for 75 years at the Monmouth County Library. Our collections have grown 25 percent in the last six years. However, our circulation has grown more than 50 percent in that time. But now we find that the costs of doing business -- salaries and benefits, building and equipment maintenance, and utilities -- take more and more of our dollars. We have seen the cost of the book that cost \$14 in 1986 rise to \$23 today. Therefore, there is less and less available in dollars for materials and for the newer electronic sources -- the computers and the technology -- that offer so much.

For too long libraries in New Jersey have been regarded as a less than essential adjunct to the educational process. This is not the case, and it has never been so. Libraries are fundamental -- absolutely fundamental -- to education. Libraries are, and have always been, a true and vital partner in the education of our children, and in their development as functioning scholars and citizens. Our ability to educate can never exceed the quality of our libraries.

I speak to you tonight because the real danger for libraries in 1993 is that State funding, primarily State per capita aid, has declined since 1986, even in the face of growing costs and swelling demands for our services. Our infrastructure, our materials, the tools with which we teach are becoming worn and rusty at a time when even the most fundamental daily task demands access to knowledge beyond our own.

I say tonight, New Jersey cannot afford this erosion of our libraries' ability to educate. The libraries of New Jersey need and demand adequate funding to ensure that no child will want for the knowledge to survive, to prosper, indeed to reach her potential as a citizen and a responsible member of society.

Libraries, we feel, are a partner in education, and they do make a difference.

Thank you very much.

MR. BURSTEIN: Thank you, Ms. Swartz.

John F. Moore.

J O H N F. M O O R E: Good evening, gentlemen. My name is John Moore. I have lived in Holiday City, West Toms River, for nine years. I am a former resident of Bergen County for 63 years, living in Englewood, Palisade Park, and Bergenfield.

The reason I have come here on education is, back in February I read in The Bergen Record, one of the best newspapers in this State, an article about two schools and a comparison of how the money was spent. School number one was Ridgewood, a very affluent school, an income school, high-grade people. The second was Paterson.

This was written in The Bergen Record by a girl named Carolyn Hendry. I am not going to go into the details, but I am going to give you a comparison. East Side is on the left; Ridgewood is on the right: Enrollment, December 31, 1992: East Side, 1710; Ridgewood, 1434. Average teacher salary: East Side, \$46,000; Ridgewood, \$53,000. Per pupil spending district-wise: Both the same, \$9790 to \$9720. Number of administrators: East Side, 19; Ridgewood, 3. Enrollment in advanced placement courses: East Side, 8; Ridgewood, 811. Average combined SAT scores class of '92: East Side, 602; Ridgewood, 1045.

Four-year graduation -- and this is serious-- If you are under 50 percent, it is not good. East Side, 43 percent; Ridgewood, 96 percent. Graduating, attending college: East Side, 47; Ridgewood, 97. Students getting Federal lunch subsidies: East Side, 857; Ridgewood, 23.

Now, these documents were sent to Governor Florio. On March 11: "Thank you for sharing with me your concern and interest for quality education for all students in the State of

New Jersey. I have forwarded your correspondence to the Department of Education." Then he mentioned his troubleshooter, Regina Yezzi. On this subject, I called Regina Yezzi six times. I hadn't gotten an answer in better than 90 days from the Department of Education, and yet the Governor said I would receive an answer shortly.

In April, the same woman wrote another article, "Teachers scarce in New Jersey," experts say, "where the pay is below average." In this article -- and I will be brief -- they gave the figures. New Jersey spends more per student than any other state in the nation. According to the National Education Association's latest figures, this year's State public schools are spending an estimated \$11 billion, and about \$9500 for each pupil. I won't go beyond that. I think it is self-explanatory.

On July 12, I had a letter from Elena Scambio, Assistant Commissioner: "Dear Mr. Moore: Your letter to Governor Florio relative to school funding and student performance was referred to Dr. Mary Lee Fitzgerald, Commissioner of Education, for response.

"Dr. Fitzgerald has asked that I provide information to you as requested. The article concerning the comparative expenditures and student outcomes for the Ridgewood and Paterson public schools is indeed a critical issue, and one to be carefully reviewed. Please be advised that the Education Funding Review Commission, whose members were appointed by the Governor and the Legislature, is currently reviewing policy for a new school aid formula that will enable students in poor districts to have educational opportunities."

They mentioned that if I would like, I could contact Robert H. Davis, Assistant Commissioner, Division of Financial Services, and I did. On August 17, I had an hour meeting with Robert Davis, and the strangest thing is, Robert Davis and I lived within seven miles of each other for over 40 years -- a

lot of things similar: people we knew, schools we went to, churches we went to, and all.

We have come to one opinion: The trouble with this State, from the top to the bottom, is that we do not have people who are financially oriented. It is easier to spend, but what we do not realize right now is that we are in a very serious financial situation throughout the State. The answer to this is, instead of funding and spending and taking care of the so-called 30 schools -- of which two or three of them were taken over by the State, which means that if they do get more money, you're spending poor money for good money-- What bothers me particularly is how our judges and how this nun, this lawyer, representing 30 schools, can worry about 30 schools when there are 610 in New Jersey.

If -- and I do mean if -- we were to have the proper audits and the proper details of the payrolls and the excess employees in a school, we could save plenty of money.

Now, I talk as an ex-banker, when I first came out of the service. All right?

MR. BURSTEIN: One minute, sir.

MR. MOORE: Pardon?

MR. BURSTEIN: One more minute.

MR. MOORE: Okay. I worked for the Chase Manhattan Bank and I worked for the Bank of America. I think I know a little bit about finance. But I want to say, if this Funding Commission passes and they recommend increases in funding, they are going to do a disservice to school systems for years and years to come. The answer is, tighten your belts; get rid of the waste; and come down and give us a good thing. Give us the programs we need. Not all of them, but we should make sure that every dollar we spend is spent wisely.

Thank you very much.

MR. BURSTEIN: Thank you.

Charles J. Lowe.

C H A R L E S J. L O W E: Thank you for coming here to Ocean County, and thank you for allowing us the chance to present our views.

I would like to read you a letter that the townspeople of Ocean Gate more or less wrote over the period of the last four years. It starts out:

We, the people of Ocean Gate, petitioned the representatives of our government for help in resolving the problem of funding for the building of a new school and the loss of aid Ocean Gate will experience under the present form of funding. This Commission has, according to Mr. Davis, of the Education Commissioner's Office, received a copy of the petition which we submitted, and copies of all the documents. He stated that they were forwarded to Mr. Burstein. The documents include: the petition, the budget -- line for line -- and the projection of costs related to building and the loss of funding for the Ocean Gate School District.

Before I go on, let me tell you -- or lay out the boundaries of Ocean Gate to give this Commission a little background on the borough. We are a community of 46.6 percent senior citizens. We cover an area of about a square mile. We have a delicatessen, a ceramic shop, a pizza parlor, a repair garage, a tavern, a restaurant, and a hairdresser. We are a very small community, with little or no ratables to offset taxes. The December storm -- no name -- caused terrible damage to our homes and our community. We lost our piers, our boardwalks, our beachfronts. We lost roofs and there were various other damages in the town. We are rebuilding, trying to recover.

We have three existing school buildings, with a population of 190 students. We have a school budget of more than \$1.5 million. It was determined by the State of New Jersey that our school is inadequate. The State cited room per child, or square footage as the guideline. Following this

guideline, the Ocean Gate Board of Education presented the first building project plan. The figure was a \$5.8 million version. This plan was totally unacceptable.

The public, at an Ocean Gate Board of Education meeting, suggested that the Ocean Gate Board form a Committee of the People to evaluate the needs of our children. This Committee was formed. The Committee of the People set a criteria that contained the following recommendations:

- 1) The needs of the children for a superior education.
- 2) What the taxpayers could afford.
- 3) The mandate to build by the State of New Jersey Department of Education.

After much discussion, the Committee of the People submitted a building program containing four classrooms and a nurse's aid station. The cost would be \$1.3 million. We, in Ocean Gate, felt that this would meet the needs of educating our children and keep the program in balance with the times. Our plan would have accomplished the objective of top-notch education for all the children, particularly addressing the children with special needs. This plan, however, was found to be substandard by the previous Board of Education and the Department of Facility Planning.

In a budget two years ago presented to the taxpayers, the current Board of Education attempted to scale down the project by eliminating art and music from the curriculum. These are not mandated subjects by the Department of Education. They are electives. The chief School Board administrator opted to place the two teaching positions on the cap waiver. The budget had a huge increase, and the cap waiver made it even more of an increase. The voters, in an overwhelming vote, turned down the budget and the cap waiver.

The budget was reviewed and reduced; the cap waiver was appealed. The cap waiver was restored over the objection of the voters. After restoration of the cap waiver, the

current Board of Education was told that adequate space must be provided for these subjects because they have been taught at the school for 20 years and are part of a thorough and efficient education. Our Board members received arm-twisting phone calls and letters from various members of the State Department of Education.

To encourage the residents of Ocean Gate, speakers came to a town meeting. They told the residents not to worry about the money. The State would provide grants for part of the building project and low interest loans for the rest. The residents of Ocean Gate approved the building of a new school, taking in good faith the promise of the State that we would receive grants and loans to do it with.

Now we are faced with a dilemma of great magnitude. The State of New Jersey is part of the cause. We are, accordingly, mandated by the State to build a \$2.3 million school for 190 students. Ocean Gate has a high rate of transfer-in and transfer-out students. In the summertime, the people come down and use their homes. In the wintertime, they go away and their houses are turned over to rental assistance, and we get an influx of students at that time. Over the course of the year-- I think last year it was, like, 50 in and 50 out over the course of the year. Last year, we fluctuated between 172 and 200 students. The reason for this is, of course, summer and winter rentals. It really doesn't matter who mandated or for what purpose. We are building a \$2.3 million school for 190 students. The money is the problem.

We did receive low-interest loans for 1.5 percent and 5 percent. These loans will help build the school, but will cost the taxpayers for years and years to come. We did not receive the grants we were promised, however. We need the grants to help us with the building project.

To go along with this mandate to build, the State is taking the funding aid away \$100,000 at a time. Last year we

lost \$100,000; next year we lose \$100,000 more; the following year we lose another \$100,000; and in four years, under this funding system, we will have lost \$500,000. Losing this funding and meeting the building requirements of the State mandate are too much of a burden to place on our town.

We, the voters, ask this Commission to report to the Governor and all the legislators of our dilemma. We only ask that you help us, and we in Ocean Gate will accomplish the rest.

Your Commission's findings and recommendations, hopefully, will find another way to fund school building programs and a new way of maintaining schools. The present way of local property taxes just does not work. The home owners and property owners are overwhelmed by the cost of education. They have to sell their life's investment before it is lost to foreclosure.

To point out how the increase in taxes for the school is affecting Ocean Gate, property values have gone through the bottom. One-hundred homes are up for sale even as we are here this evening. Homes that sold for \$100,000 and were assessed at \$120,000, sell for \$60,000. People are being forced into selling because they have lost their income and they cannot pay the tax levy already assessed on them, let alone this new State mandate. Perhaps regionalizing our school, or regionalization of administrators, would save money. Small towns such as Ocean Gate do not need administrators; a principal would do.

We of Ocean Gate sincerely thank you for this hearing and for letting us present our views. Thank you very much.

MR. BURSTEIN: Thank you, sir.

Is yours a K-6 system or a K-8 system?

MR. LOWE: Pardon?

MR. BURSTEIN: Is yours a K-6 system or a K-8 system?

MR. LOWE: It is K-6, sir.

MR. BURSTEIN: K-6, thank you.

MR. LOWE: This is Ocean Gate, right here in this island.

MR. BURSTEIN: Thank you very much. It is good having you here.

Mr. John Scarpelli. Is Mr. Scarpelli here? (no response) John Doyle.

J O H N P A U L D O Y L E: Good evening, Mr. Chairman and members.

MR. BURSTEIN: Assemblyman Doyle. I'm sorry I didn't give you the honorary title.

MR. DOYLE: I'm just a citizen. I got promoted. "In a democracy a citizen is higher than an elected official," Harry Truman said.

Mr. Chairman and members, let me add to Assemblyman Moran's remarks. As people who have represented Ocean County, we appreciate your coming down here, and obviously Superintendent Ritacco's abilities to bring you down here.

Let me also speak, if I may, with the candor of one who is not in public office, who is not running for public office, does not intend to run for public office, but yet would like to think the knowledge gained from being in the Legislature for 18 years allows some of the comments I am about to make.

With that candor, let me frankly say there are those political wags who have suggested of this Commission that your mission is to get past election; get the people who are in Trenton past November 2, so they do not have to provide an answer to the court mandate. I trust, knowing the Chairman, that you will treat your mandate as greater than that. The problem you are called upon to handle is too great and persistent, and your talents are too diverse in experience to allow that to happen.

So as you look at educational funding, let me suggest that you look at the two halves of it: First, the educational

part. Nothing is more important to a society than passing on its values, culture, and knowledge to the next generation, so as to prepare them to be productive and participating members of a democracy, as well as economically self-sufficient.

With respect to funding, it is a little bit tougher than just that statement of goals. There is no mystery about the funding and the problems with funding of schools in our State. You have heard it spoken of all evening. We are a State entering the 21st century, yet the most important function we have -- education -- is funded on an agrarian 1700 method -- the local property tax. That problem is particularly true here in Ocean County, where we have a significant number of senior citizens and too many unemployed. You cannot base their taxes on what they made in yesteryears to tax them out of houses they cannot afford for today and into the future.

But having said that, I have said nothing new. That was said in the Cahill Report more than 20 years ago. It was said by every Governor since; every Supreme Court opinion since on the subject. Well, if it has been said by everybody and the problem is more than the past three years, what then is the question that remains? The question that you are called upon to answer, in my judgment, is simply this: If education is so important, and the Constitution requires it to be thorough and efficient, and the property tax is unfair in its approach and unequal in its result, then what are we to do?

The answer is easy. We replace it. But then, what do we replace it with? It is not enough for anyone to say, or to stand before you or at this microphone and say, "I am for replacing the property tax," without answering the question, what will you replace it with? Nor is it enough to say, "Oh, that is for the Legislature to do." This is a decision that affects all of us as participating members of a democracy. If we feel intelligent and experienced enough to say that the

system that exists is wrong, we should have the obligation to say how we would replace it.

Now, let's look at how it can be replaced. First of all, looking at the facts, the numbers, local property tax in this State -- you have the exact number, I'm sure, better than I, but approximately -- is \$6 billion. No sensible person would suggest that you could take \$6 billion out of school funding. Perhaps cost cutting, and I will speak to that. The question becomes: How do you replace the \$6 billion? Now, when you look at the State budget, basically we raise \$15 billion in one of three ways: \$5 billion from the income tax; \$5 billion from the sales tax; and \$5 billion from miscellaneous taxes, such as corporate, inheritance, or sin taxes such as alcohol and cigarettes. Nobody would suggest that we could raise those miscellaneous or sin taxes enough to more than double them.

There are no new sources of revenue. We are not getting money from Afghanistan or Federal aid. So that leaves us with the existing large revenue producers. Simply put: If you are going to replace the property tax, then you do it either with an expansion of the existing income tax, an expansion or an increase of the existing sales tax, or you replace the varying local property tax with a statewide property tax.

The Cahill Study Commission suggested, more than 20 years ago, a combination of a \$1 statewide property tax -- to some degree I would suggest it should be on a classified basis; that is, commerce and industry paying at a greater rate, because of the benefit they would get from the reduction of the local property tax -- and at that time a new income tax. Now we have one. As I gave everyone else the challenge, I should answer the challenge myself. That would be my way of replacing it.

But I want to say -- and if I say nothing else, then let me be remembered for the next sentence -- if this Commission in its work is to be taken seriously, you cannot leave your work without specifically suggesting a particular replacement for the local property tax. Not to give that specific alternative will cast your study with all of those other lost studies. That is the fundamental question. It is a tough political question, but somebody has to address it, and I hope you will.

Having said what the choices are, what my choice would be, and leaving for you the choice that you will ultimately make after you hear and conclude your work, how then do you advance that choice? I think it has to be done with methods that, frankly, Mr. Chairman, when I was in the Legislature I did not think much of; something that focuses the attention on this, and this issue alone, a special legislative session or a tax convention, with either of those approaches perhaps followed, if appropriate, by a public referendum. What you must do, and what maybe we have not done sufficiently in the past, is to invite the public into the process and say, "If this is the most important thing in our society, if this is the toughest problem we have, if this is the thing that we haven't been able to handle for a quarter of a century, let us think about nothing else, and let us do it with you involved in the process. Let's set a very short, meaningful deadline within which to do it."

We cannot merely dictate to the people what the solution should be, nor should we continue to allow the Supreme Court Justices to be our lawmakers or mandate to the people's representatives. Instead, the solution should come from an informed public that is allowed the input of a tax convention, or a special legislative session with hearings like this, and perhaps, as I have suggested, followed by a referendum

specifically putting before them the question of how to replace the local property tax, which everyone equally condemns.

Whatever alternative funding mechanism you suggest, let me add one word to that, and that word is "dedication"; that it be constitutionally dedicated for the purpose of local education. Too often, the public has asked of me and others who have represented them -- and what a high honor it was to do that -- "What happened to that money that was sent down here and there?" Often the answer was, "It went right where we said it would go." So when they asked about the Lottery, it goes for institutions and higher education. When they ask about the casinos, it goes for senior citizen programs, just like the Constitution says it should.

But regardless of how many times we give the answer and they do not accept it, the fact remains: Dedication will constitutionally guarantee that the money we raise for the education of our young will be spent for that most important purpose, and no other purpose.

Now, the public will rightly ask, I think of you, though-- It isn't enough to say how we are going to raise it, as if the \$6 billion was a given. They will want to ask the question: "Are we getting our money's worth? Can we do it more effectively, efficiently, and economically?"

I hope that along with the other recommendations you will make, you will make some of the suggestions that others have made for cost cutting, because education in this State spends approximately \$11 billion to \$12 billion. While I know the words of the old cliché, the alternative, "Ignorance is much more expensive," anything that spends that much, there can be ways determined to save some of that cost. Whether it is greater use of centralized State purchasing, consolidation of our too numerous -- that is, more than 600 local school districts -- the use of less paperwork and the attendant administrative cost that goes with it mandated by the State,

something need be done and said by you to the issue of cost cutting.

If you have come with me this far -- and the public has -- and the alternative method of funding is suggested, introduced, and approved, and the public has played a part in it, the public appreciates the fact that everything to reduce the amount has been done, then the next question is: How do we distribute it amongst the numerous school districts that exist? For too often in our State the funding formula has contained a specific as to what has been called "property wealth," the overall ratables within a school district, as if somehow that translates to personal wealth. That part of the formula came before the State income tax was adopted, so we had no specific way of knowing what was the personal wealth, or per capita ability to pay. Now that we have an income tax, we have the statistics in the computers to generate the ability of a district to pay, not based upon some nebulous fact that maybe there is a big industrial plant there, but on the people who live there.

I will give you the specifics, for instance, in this county, of the number of seashore communities that would seem, on the face of it, property wealthy, because there are numerous ratably rich waterfront homes. But to the degree that they are lived in by part-time residents, it may well be the tough middle class which has made a living there, or the retired citizen in that community who has to pay more property taxes because their summertime neighbors happen to live next door to them.

So I would suggest that whatever you do with the distribution formula, you base it on personal ability to pay, and not property wealth, because in the past the result has been municipalities, like the one I live in -- Brick Township -- and like the one we are in now -- Dover Township-- How come when we look at the formulas, no matter how much more rated we

are getting or whatever property tax we're paying, the amount of State aid as a proportion of our budget is no more than 40 percent, when in some of the other municipalities in this State it is 80 percent. That great discrepancy, to some degree, has to be resolved.

Let me just, if I may, in conclusion, highlight the specific points:

1) Call for the repeal of the local property tax funding schools in its entirety.

2) Propose a specific alternative funding method, and require that that funding method be dedicated to local education only.

3) Set a deadline in a specific way for allowing public democratic dialogue, either by a tax convention or a special legislative session, followed by a referendum, if appropriate, to authorize that alternate funding method.

4) Recommend particular cost-cutting ways so the public is satisfied it is getting its dollar's worth for every dollar that comes out of their pocket for education.

5) Have a distribution method that is based upon a true ability to pay, and not some meaningless thought -- property wealth.

It will not be an easy job; it will not be an easy job to sell. But hopefully with a new Legislature that is starting its new session, whether they are elected or reelected, and the Governor who will be elected in a few weeks, there will be the willingness to strike out and do the right thing. I know you are in the midst of that. I hope those you will speak to will also.

Thank you very much.

MR. BURSTEIN: Thank you. I could not let the moment go by without telling you that I served with you in the Legislature during my tenure there, and it was a wonderful experience. What you have given us tonight is very

constructive. The preceding speakers spoke to this very point and gave us a lot of food for thought.

MR. DOYLE: Thank you. It was good to share it with you.

MR. BURSTEIN: It is much appreciated.

MR. DOYLE: Thank you.

MR. BURSTEIN: Roy Kalinakis.

R A Y K A L I N A K I S: My first name is Ray.

MR. BURSTEIN: I'm sorry, Ray.

MR. KALINAKIS: That's all right. And the second name is Kalinakis. I know it is a tough name to pronounce. Even I have trouble sometimes.

MR. BURSTEIN: I am going to give over the job to Mike Ritacco here. I am obviously a failure at it.

MR. KALINAKIS: I would like to be brief in what I would like to say. The overall statement that I would like to give to you is that government does not have the right to fund education. The political state does not have the right to fund education. Now I have to explain myself, point number one and point number two.

Point number one: When the Founding Fathers took it upon themselves to formulate government in this society -- or in this land of ours -- they recognized that the Creator, being the Creator, is our Creator. No human being has the right to be master over any other human being. They recognized that from the Creator, however you should define the word "Creator"-- I am not giving you a definition of the word "Creator." Every individual has their own definition of the term. That is why I think Jefferson used the word "Creator" in the Declaration of Independence. From the Creator we get the right of life; we get the right of freedom; and we have the right to pursue our own way our pursuit of happiness. We have the right to pursue our education, our religion.

The purpose of government, they understood, is not to rule. Supposedly the Creator is our ruler; again, however you define that term. The purpose of government is merely to secure those rights given to us by the Creator. That is only the purpose of government: to prohibit one or more human beings from depriving us of the right of life, the right of liberty, and the right to pursue happiness in terms of our own education, our own religion, our own way.

So it is not the purpose of government to determine what our education will be. When government determines what our education will be in any form or shape, it is violating that right to allow us to live the way we want to live. The state has no right to say we are responsible, or it is responsible for a thorough and efficient education. That is a violation of that right given to us by the Creator; that right for each and every individual to determine his or her own education, or to accept the assistance of parents or others in forming that educational process.

The State has no right to mandate education in any form or shape. This is number one in terms of a reason as to why the State does not have the right to fund education, because the State is not responsible for my education, any more than it is responsible for my religion. We seem not to understand that.

This is a radical statement I am putting forth, but it is radically correct. The heads of state in Europe when the Declaration was passed around, referred to the Declaration of Independence as some sort of radical piece of nonsense. It isn't a radical piece of nonsense; it is very much correct, particularly in these words speaking about rights coming from the Creator.

Point number two: If the Creator is the Creator, I am not the property of the political state. The question was asked 2000 years ago: "Is it lawful for Caesar or the

political state to take money out of my pocket in terms of taxation?" The response was given: "Give to Caesar or the political state that which belongs to Caesar or the political state, and give to the Creator that which belongs to the Creator." The reason the people fell over backwards when they heard that response was that they all understood, in that particular time, what he was saying: Human life, the land, the water, and the air, are all creations and properties of the Creator, not of the political state.

So when the political state takes money out of your pocket against your will in the form of taxation, fees, fines, bonding, and various other gimmicks it uses to take money out of your pocket against your will, the political state is stealing. You have built an educational process on the false foundation of legal thievery. The legal machinery of government steals in the form of taxation and on the false basis that somehow the State is responsible for every individual in terms of their education, be it thorough and efficient, as the State likes to call it.

So those two points I want to make very clear. Those two points -- very important points. Those are the two reasons I am telling you very bluntly that the political state is not responsible for the funding of education. You have no right to determine my education. You have no right to take money out of my pocket to fund what you determine is to be that education.

Think about what I am saying, hopefully very seriously. Thank you.

MR. BURSTEIN: Thank you.

Warren H. Wolf.

WARREN H. WOLF: Senator Burstein and distinguished members of the New Jersey State School Funding Review Commission: I didn't realize that I would only have five minutes, so I tried to cut my statement up a little bit. Please bear with me.

Should we have a new way to pay for our schools? Our answer is, "Yes." We all realize that our State Constitution mandates a thorough and efficient education for all children. Our children deserve the best education. As we all realize, the future of America depends on it.

We realize the dilemma you have with Abbott v. Burke. We realize the dilemma you have now with Judge Paul Levy and the funding of the QEA. We realize the middle-income districts versus the special needs districts -- who gets the money first, who gets the money last -- and so forth. You have many, many problems.

You invited Dr. Augenblick to come. I was pleased to hear him, for him to share his experience as a consultant on public school finances. He was asked by you to reevaluate the school funding practices. After he revisited our schools, he came up and made recommendations. He spoke at great length about the latest state to change -- Kentucky -- about the unrest they had, about the taxpayers, the PTAs, the civic organizations, and the schools themselves -- talking about the change that was needed. I think that after the change took place down there, I think he indicated that Kentucky now was structurally and financially solvent. So perhaps it can be done.

He not only spoke about Kentucky, but he spoke about Oregon, Kansas, Michigan, California, Mississippi, South Carolina. He spoke about other states which had had the same dilemma that we have here in New Jersey. He believed that school financing in New Jersey will change, and we believe that also.

He asked key questions, and I am sure you have wrestled with them:

Why not pay at the same rate?

What are the schools' needs?

What do you want to pay?

He recommended giving schools flexibility.

As a retired Deputy Superintendent of Schools in Brick Township with 43 years experience, I know that our public only votes on school budgets and fire taxes in our community. All other governmental budgets are set by their various boards. This voting, in my opinion, is causing divisional strains to the voters. Who wants to vote to increase their taxes in today's climate, even though many are deeply concerned about a proper education for their children, grandchildren, or great-grandchildren?

We pay our taxes to the State. The State of New Jersey legislates that 40 percent of our budget should pay for public education. We rarely receive the 40 percent. We know that other states, as Dr. Augenblick reported, provide 60 percent to 70 percent, and some full funding. But we, the majority of our State's districts, have to make up our local fair share by paying property taxes. This property tax is an unfair burden on the backs of the local taxpayers, as it does not take into account whether or not the property owner has the ability to pay. It could be a young married couple with children in the schools, or middle-aged citizens working to make ends meet, or senior citizens on a fixed income.

Property taxes today are escalating annually to pay for school budgets, which is creating a major problem for all residents who are no longer able to pay the annual increases levied on them. It is necessary to reduce the reliance on property tax and shift the responsibility for the major funding away from local property owners.

Our Brick Township Council unanimously passed a resolution recommending that you recommend the abolition, or phaseout, of the use of local property tax as a means for funding local school budgets. Property taxes are regressive because they do not recognize the ability to pay, only that the property owner, or the mortgage company, owns the home. The

American dream is to own your own home and work and pay for it, not to have property taxes increased to the point that they force you out of your dream.

We want, and need, a more equitable way of paying for public education that does not overburden the property owners. There has to be a better way to finance public education besides local property tax.

The Michigan legislators took the lead, and they will now find ways to fund schools that could be developed into what will meet the tests of equity and education quality. They will thereby erase from constant public discussions the skyrocketing property taxes that strangle the middle class and are so onerous to older Americans. Michigan could revolutionize America with the funding of K-12 public education. I understand they changed because of the huge disparity among school districts whose budgets are based on local property taxes.

It is easy for me to give suggestions and advice, but I know you need some meat and potatoes. Here are some thoughts:

- 1) Phase out property taxes for local efforts.
- 2) Consider, and phase in, any combination of broad-based taxes, such as the sales and income taxes, as Kentucky did
- 3) Consider increasing the local court fines, such that if they are, perhaps the money can stay locally to be used for the maintenance and repair of school buildings.
- 4) Increase the gambling amounts to education.

I say, as a former New Jersey legislator, let the legislators do their job and be responsible to the public. They have the researchers, the resources, and the abilities to do the job for change in public school financing.

You have a rough and rugged road. You have to make your decisions. I am hoping that you will meet your deadline and make your recommendations. The wisdom, certainly, you are

hearing from the public. You are meeting with the public. You have met numerous times, and will continue to meet, so that you can hear all sides. Hopefully, this will not be in study forever, but will come out with some recommendations. Someone said that risks have to be taken, or change will never occur.

I would like to thank you for listening to me. I have some petitions and cards from the people in Brick Township, who strongly feel that we need to abolish and phase out the property tax. We are looking forward to your report in November.

I would very much like to thank you for coming to Ocean County, particularly here in Dover Township. We are the friendly neighbor to the north. We want to wish each and every one of you a safe trip home.

Thank you for hearing us.

MR. BURSTEIN: Thank you. I should point out, Mr. Wolf, that you served a distinguished career, as well, in the New Jersey Legislature. I wanted to make reference to that. Thank you for being here tonight.

MR. HESPE: Mr. Wolf, may we have a copy of your testimony, if you have it? (Mr. Wolf complies) Thank you.

MR. BURSTEIN: Robert E. Cline.

R O B E R T E. C L I N E: Mr. Chairman and members of the Commission: My name is Bob Cline. I am, first and foremost, a parent and resident of Brick Town. My children attend first and second grades within the district. I also happen to be a member of the Board of Education for Brick.

I will not insult anyone's intelligence by saying that I am here to speak for the children, because I believe whether it is the senior citizen, or tax activist, or member of the Legislature, everyone is concerned about the children of New Jersey. But what concerns me about QEA -- two, three, four, however many times you adopt the same basic format -- is that I feel it is flawed. I feel that no matter how much you amend

it, unless you make fundamental change to the philosophy behind QEA, the basic formulas are flawed.

Many of the things that were mentioned by Assemblyman Doyle, and by Mr. Wolf, are very true for Brick. It is inequitable; it is anything but fair. No one, to this date, has managed to define what quality education is, or thorough and efficient; the very basis for this law, and yet no one can define what thorough and efficient, quality education, quality, or other terms mean.

I believe personally that is because you are equating dollars spent per child, rather than some other measure of education. On the local district, with the people who walk funny from having their feet held to the fire every April, it is defined as "curriculum driven budgeting." I would believe that the most fair formula would be a comparison of equity by curriculum offered, the availability of technology, and not dollars per child.

Until every child in this State has available to him the technology, in the way of computers, until every child in this State has an environment in the classroom that excludes overcrowding and other limitations, there is no equity, regardless of how much money you spend. Brick Township spends less per pupil than all but one district in this county. We spend less per pupil than every district in this county K-12. We are a district of almost 10,000 children. We are second only to Toms River in the size of our municipality and the size of our district. You are dealing with two very large school districts here that suffer from the same problem.

It is not a matter of dollars per child. We cannot afford to spend the amount of money that would be required under certain formulas, because the indication is that we are overcrowded to the point that we would never catch up, because we have classrooms in some grade levels, 80 percent to 90 percent of which have over 30 children per class -- 33, 34, 35

children. This is not from growth because of a birth rate. This is not some type of a blip in the birth rate or demographics. It is due to State-mandated programs such as special education.

That is the point I bring to you. The Legislature of this State has taken from our district a number of classrooms equal to a 600-student-body school. We have had, in the last year, an almost 50 percent increase in special education enrollment because of classifications handed down and mandates through the State. We were approximately 12 percent last year; this year, we are over 17 percent. That will continue to grow because we have become a magnet for every parent who has that particular educational need. We will continue to lose classroom space; we will continue to be on the short side of funding for special education. This is one of the issues I raise, because I was not aware that this was going to be available this evening until I read it in the School Board Notes from the NJSPA publication. At the bottom of the highlights of this reform, it was stated that it was embraced by school districts, administrators, the teachers' union, etc. It gave some mention to mandated programs, such as special education and transportation. These are areas that are crippling our district financially.

I would suggest, and I will submit in writing when I have the opportunity to your Commission, that the local property taxes should go to support those programs that are controlled at the local level. It is my belief that the local community should be responsible for the buildings, the grounds, those programs that are nonmandated, those transportation needs that are nonmandated, and for the employment and benefit of teaching and nonteaching personnel. I would believe that that is what any person that examines the formula should expect from his district, but those mandated programs, those programs beyond the control of the local districts, should be paid by

those who enact the laws, and those who hand down the mandates, which is the State.

I do not have the specific figures, but I would estimate that probably 40 percent of the local property tax levies would go toward nonmandated local issues, and the rest would be covered by the State. But until and unless the State funds those programs that it mandates, our district will continue to suffer for all of the reasons that Assemblyman Doyle and Mr. Wolf mentioned. However, I would hope that some day the quality of education would be defined; that thorough and efficient education would be defined on the State level as it is on the local level by curriculum-driven programs, and find a quality for all the children in what is provided, what opportunities are provided at their local schools, so that there will be some equalization. I believe all of the special education needs need to be addressed, but those are State issues; they are State mandates. The State must do more to fund those programs. We have, in many instances, incurred \$35,000, \$40,000 per child out-of-district. We can no longer accommodate any other children in our district. We have one child who is in his early teens, who will cost our district over \$100,000 a year until he is age 21. This was handed down by a decision through a judge that we are responsible, not only for his education, but also for his residency in a special school out-of-state. It is over \$100,000 a year that we will pay for 10 years for one child. This will cripple any local district, unless some provision is made to take up some of the shortfall.

I appreciate the opportunity to speak with you this evening, and I will take the opportunity to submit some things in writing. I would hope that you would address the property taxes in such a way that local communities will have some representation of their true ability to pay, with income

weighted in that formula, as well as mandated versus nonmandated programs.

Thank you very much.

MR. BURSTEIN: Thank you, sir.

Anne Schumacher.

A N N E S C H U M A C H E R: Good evening, members of the Commission. I would like you to know that I have been involved in education for more than 50 years. I became a teacher in 1944, before some of you were born, and certainly when some of you were running around in rompers. I have been a very close observer of what has been happening in education. I have pursued my own education through a master's degree plus 64 credits beyond, which is some 30 credits beyond what a doctorate student would have, simply because education has been -- has always been -- a passion with me. I am currently the Vice President of the Manchester Township Board of Education, but I do not speak for the Board; I speak for myself. I did not have any time to consult with my colleagues on what to say. This comes just from my own experiential background.

For the past decade and a half, I have held the position that the constantly rising cost of education in our public school districts must be controlled because that cost is now breeding a possible huge taxpayers' revolt which everyone in our State can ill afford to face.

The division of our State into 595 independent school districts is what, in my opinion, is wrong with our educational setup and constitutes a major factor which hinders meaningful educational reforms, while contributing to the escalating cost to deliver a thorough and efficient education to our children, no matter where in our State each child resides. That figure, 595, represents too many school districts, each spending an inordinate amount of time on the very same problems, namely:

- 1) School budget development going on all year long. Very time consuming.

2) Union contract negotiations with numerous groups within each school district. Ongoing constantly.

3) Developing salary guides, periodically, to compete with neighboring districts to lure the so-called "best" teachers.

4) Staff members leaving one district to work in another paying higher salaries with more perks.

5) Developing funding ways and means to convince property taxpayers to pass our budget each year for our children.

These and other problems are based on getting more and more money each year from overburdened taxpayers who vent their frustrations on elected, nonsalaried, hard-working, and too often very frustrated members of the district's boards of education.

As a result of these "money" problems, board members simply do not have the time required to attend to other matters which contribute, significantly, to a thorough and efficient education, as well as to accountability for the moneys spent, matters such as:

1) Board members working with the superintendent and other school administrators in the development of more effective curricula and possibly reform of same through bold and creative initiatives to meet our desired educational goals for the '90s and beyond.

2) Finding and developing ways and means to prepare truly meaningful professional improvement workshops and seminars for district staff programs that not only look good on paper, but which will actually work and which, through tough assessment techniques, will show improvement in the rate and quality of student achievement.

3) Developing workable plans for parental involvement beyond the current type of PTA involvement we have now.

4) Developing a workable, stimulating, and ongoing program of integrating values teaching in all grade levels, K-12.

5) Improving communication with the staff of teacher/education departments in the colleges and universities which use our public schools as labs for their student teachers' program, and which supply new teachers and administrators to replace staff retiring or leaving for other reasons.

6) Increase meaningful and productive communication with our State Board of Education and State Department of Education, as well as outside agencies such as the Coalition of Essential Schools, ACT -- Allied Communities of Tarrant County, Texas -- NIE -- Newspapers in Education -- etc., etc., etc.

7) More time is needed for board members, as well as school administrators, to read about, digest, and seek out new, successful programs of much needed school reform practices which are slowly developing in scattered parts of our nation and which can be applied to New Jersey school districts without the requirement of more funding.

There are many more areas of work which require time and study to develop programs which can lead to an improved rate of accountability, a word about which we are hearing with greater frequency, but haven't yet significantly realized in the kind of student results we ought to see in comparison to the amount of money we spend to educate our children. These are the components of educational improvement on which board members are not able to adequately concentrate because far too much time is spent on funding matters.

To change this unhappy state of affairs, which exists in too many of our 595 school districts, requires a new system of funding. I would like to see the cost funded entirely by the State, each district receiving moneys based on school enrollment with a common amount, per pupil, which is high

enough to provide a thorough and efficient education, to be determined by the State Board of Education and the State Department of Education.

No school funding should come from local property taxes. Instead, a State "education" tax should be developed to provide the required funding, separate from the State income tax. Hence, every individual who is privileged to hold a job in New Jersey should contribute through a tax based on income earned, since everybody benefits, to a degree, on how well we educate our youth. A great portion of our people do not pay for the education of our children because they are not property owners or renters, but they are workers. Property taxpayers can then divert property tax moneys to a State "education" income-type tax.

Please consider the following: For funding purposes only, the number of our school districts should be reduced to three geographical funding regions -- northern, central, and southern. Each of the three funding regions would be given the task of developing one salary guide for that region, serving each district equally, one negotiating team for contract negotiations also serving all districts within the region equally. This system would help to greatly contain the costs in each region, rather than spreading same out among 595 individual, competitive districts. One can only now imagine how much boards of education and school administrators can do with truly meaningful school reforms if 595 school districts can have removed from their "backs" the yearly, nonending battle with unions, school personnel, taxpayers, numerous special interest groups, all looking to satisfy what they consider their "needs." Unfortunately, the children's needs, which should be first in consideration, drop down on the list of priorities.

We hear a good talk about how we care for our children's educational needs, but our practices in 595 school districts in recent years makes a myth of that talk.

I could go into much greater detail on my idea with an education tax and the reduction of school districts, but you limited me to five minutes. It took me six or seven revisions of this speech to meet your five-minute level, but if you would like to ask me questions later on, fine. I will be very happy to tell you, based on my experience of 50 years in education.

Thank you for listening so attentively.

MR. BURSTEIN: Thank you, Ms. Schumacher, very much. If you have a paper on that you could--

MS. SCHUMACHER: The hearing reporter has it already.

MR. BURSTEIN: I'm sorry?

MS. SCHUMACHER: I have given you just one because I don't want to use the funding in my school to develop 20 copies. You can make copies from the State.

MR. BURSTEIN: Okay, fine.

MS. SCHUMACHER: You have the money.

MR. BURSTEIN: Thank you very much.

That concludes our list of speakers for the evening. We appreciate all of you being here, whether you have spoken or not. On behalf of the Education Funding Review Commission, I now declare this hearing adjourned.

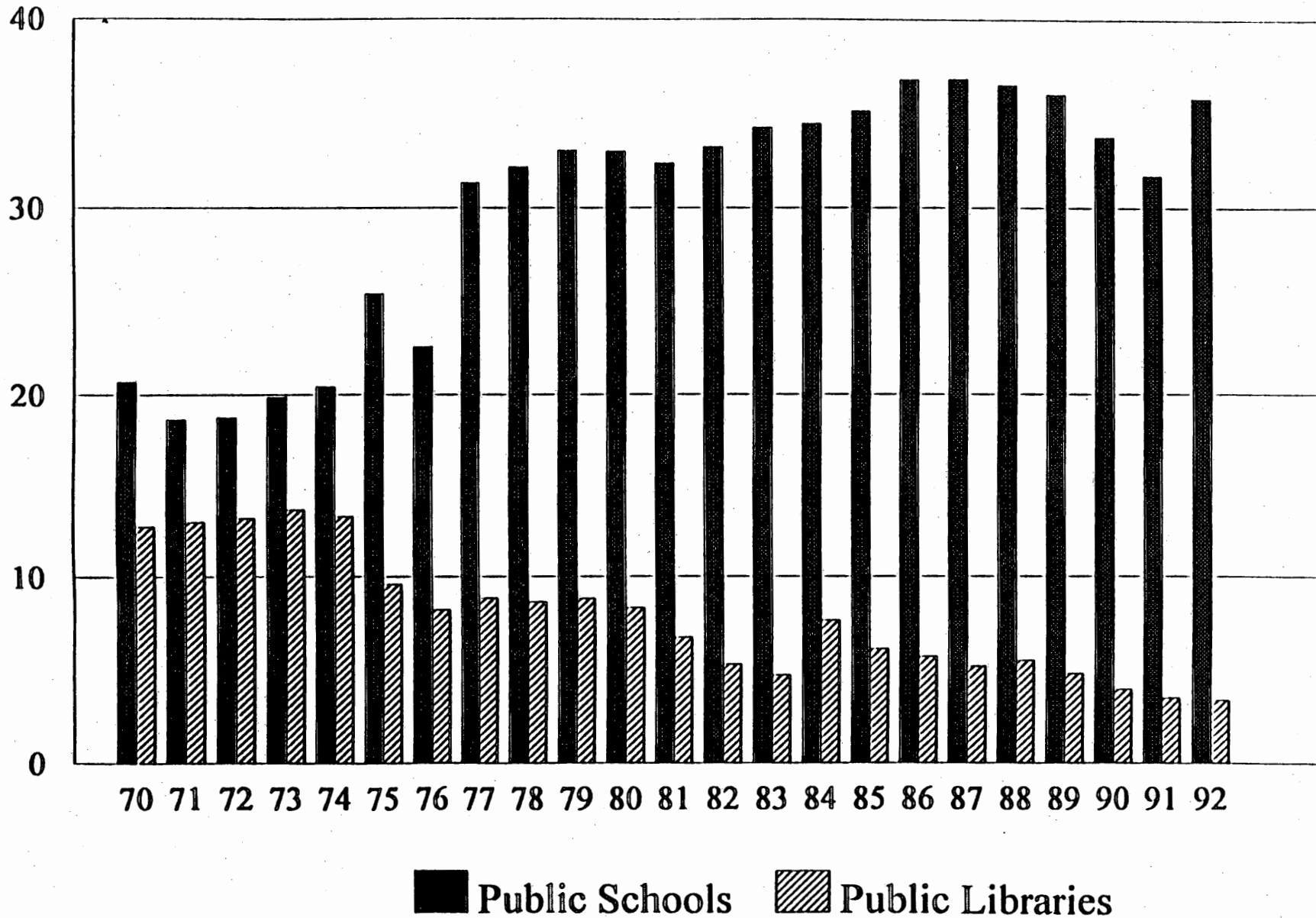
Thank you again.

(HEARING CONCLUDED)

APPENDIX



State Aid As A Percentage Of Total Annual Budgets Public Libraries and Public Schools, 1970 to 1992



RANK OF LOCAL TAX SUPPORT PER \$1000 OF EQUALIZED VALUATION

OBS	C/M	LIBRARY	LOC TX SUP PER \$1000 EV	POPUL SERVED 1991	TOTAL EXPENDS (\$)
1	0312	BEVERLY-EDGEWATER PARK		11,361	
2	0316	FLORENCE TWP		10,268	
3	0323	MOUNT HOLLY		10,039	
4	0431	SOMERDALE-MI NELLA		8,465	
5	0616	WILWOOD CREST		3,031	
6	0609	MAURICE RIVER		8,846	
7	0814	PAULSBORO		8,577	
8	1017	LAMBERTVILLE		3,927	
9	1347	SPRING LAKE		3,458	
10	1305	ATLANTIC HIGHLANDS		4,828	
11	1312	EATONTOWN		13,000	
12	1314	FAIR HAVEN		6,270	
13	1338	NEPTUNE CITY		4,967	
14	1350	UNION BEACH		0,168	
15	1703	ELMER		1,671	
16	1708	PENNS GROVE-CARNEYS POINT		13,071	
17	1818	SOUTH SOUND BROOK		4,188	
18	2013	RAHWAY		26,326	
19	2117	OXFORD		1,780	
20	1024	TENKSBRURY	0.008	4,803	22,407
21	0331	RIVERTON-PALMYRA	0.017	8,831	43,251
22	0209	DEMARIST	0.023	4,800	66,847
23	1323	KEANSBURG	0.026	11,089	8,573
24	2104	BLAIRSTOWN	0.025	6,331	50,711
25	1341	RUMSON	0.033	0,791	77,868
26	1005	CLINTON TOWN	0.034	2,054	51,351
27	0330	RIVERSIDE	0.038	7,974	81,580
28	1340	TINTON FALLS	0.036	12,361	33,752
29	1716	WOODSTOWN-PILESBORO	0.040	6,404	31,245
30	0413	GIBBSBORO	0.040	2,383	12,001
31	0803	EAST GREENWICH	0.040	8,260	26,460
32	0307	CHESTERFIELD TWP	0.060	8,152	17,716
33	0808	LAWRENCE TWP	0.082	2,433	4,701
34	0411	CLEMENTON	0.086	8,601	8,994
35	1423	MORRIS PLAINS	0.088	8,218	61,259
36	1329	MANASQUAN	0.088	8,389	61,865
37	1014	HIGH BRIDGE	0.074	3,888	13,893
38	1418	MENDHAM BORO	0.074	4,880	100,030
39	0333	SOUTHAMPTON TWP	0.077	10,202	58,907
40	1016	HOLLAND	0.078	4,892	27,881
41	0817	SWEDESBORO	0.093	2,024	16,862
42	1401	BOONTON TOWN	0.089	8,343	108,173
43	0241	NORWOOD	0.091	4,858	80,875
44	0306	BURLINGTON CITY	0.096	0,836	126,578
45	1011	FRENCHTOWN	0.098	1,828	6,889
46	0101	ABSECON	0.097	7,200	43,936
47	1412	HANOVER TWP	0.099	11,838	104,482
48	0807	GREENWICH	0.105	8,102	54,131
49	0502	CAPE MAY CITY	0.107	4,868	105,036
50	1419	MENDHAM TWP	0.107	4,837	128,218
51	1604	BEACH HAVEN	0.124	1,475	58,264
52	1334	MONMOUTH BEACH	0.134	3,303	63,838
53	0254	ROCHELLE PARK	0.138	8,587	74,378
54	1708	PENNSVILLE	0.140	13,794	113,940
55	0240	NORTHVALE	0.148	4,883	78,063
56	0243	OLD TAPPAN	0.148	4,284	91,855
57	0309	DELANCO	0.149	3,318	30,187
58	0800	CUMBERLAND COUNTY LIBRARY	0.153	138,083	763,856
59	1414	JEFFERSON TWP	0.157	17,828	149,828
60	1426	MOUNTAIN LAKE	0.158	3,847	116,028
61	0707	FAIRFIELD	0.169	7,618	230,010
62	1212	MONROE	0.183	22,286	427,168
63	1309	BRIELLE	0.183	4,408	100,380
64	1326	LITTLE SILVER	0.187	8,721	108,707
65	0428	OAKLYN	0.179	4,430	31,814
66	0233	MAHWAH TOWNSHIP	0.178	17,905	818,809
67	0406	BERLIN BORO	0.183	8,872	87,403
68	1801	BEDMINSTER-FAR HILLS	0.181	7,743	233,885
69	0608	OCEAN CITY	0.188	18,512	714,982
70	1324	KEYPORT	0.200	7,860	78,184
71	1411	FLORHAM PARK	0.200	8,521	377,587
72	1410	EAST HANOVER	0.207	9,828	286,473
73	0220	FRANKLIN LAKES	0.217	8,073	503,858
			0.219	8,243	110,824

RANK OF LOCAL TAX SUPPORT PER \$1000 OF EQUALIZED VALUATION

OBS	C/M	LIBRARY	LOC TX SUP PER \$1000 EV	POPUL SERVED 1991	TOTAL EXPENDS (\$)
81	0811	WEEHAWKEN	0.230	12,385	195,880
82	0118	MARGATE CITY	0.240	8,431	270,752
83	1108	PENNINGTON	0.242	2,837	88,835
84	0430	RUNNEMEDE	0.244	9,042	79,118
85	0500	CAPE MAY COUNTY LIBRARY	0.244	79,877	2,442,390
86	1422	MORRISTOWN & TWP	0.249	38,141	1,413,022
87	0228	HAWORTH	0.255	3,384	109,512
88	0818	WENONAH	0.258	2,331	21,541
89	0245	PALISADES PARK	0.257	14,536	217,837
90	0263	UPPER SADDLE RIVER	0.280	7,198	382,828
91	0718	ROSELAND	0.280	4,847	248,708
92	2008	KENILWORTH	0.280	7,574	205,013
93	1811	RINGWOOD	0.282	12,823	240,409
94	1308	AVON-BY-THE-SEA	0.289	2,188	83,910
95	2000	GARWOOD	0.289	4,227	90,658
96	0432	STRATFORD	0.272	7,814	84,148
97	1301	MATAWAN-ABERDEEN	0.273	28,300	417,801
98	0232	LYNDHURST	0.278	18,282	466,367
99	0806	FRANKLIN TWP	0.277	14,482	132,724
100	1900	SUSSEX COUNTY LIBRARY	0.277	116,780	2,287,367
101	0208	CLIFFSIDE PARK	0.279	20,383	483,858
102	0800	GLOUCESTER COUNTY LIBRARY	0.281	79,035	1,184,807
103	0205	CARLSTADT	0.282	5,510	433,501
104	0908	NORTH BERGEN	0.282	48,414	688,044
105	1332	MIDDLETON	0.282	88,183	1,819,878
106	0287	SADDLE BROOK	0.283	13,288	314,282
107	0802	DEPIFORD TWP	0.283	24,137	380,609
108	0806	GLASSBORO	0.283	16,814	176,000
109	1400	MORRIS COUNTY LIBRARY	0.285	130,179	3,028,818
110	0813	NEWFIELD	0.288	1,692	23,390
111	0270	WYCKOFF	0.288	15,372	813,168
112	1430	WASHINGTON TWP	0.289	15,692	323,331
113	0208	CRESSKILL	0.290	7,668	285,910
114	0207	CLOSTER	0.291	8,094	267,888
115	1232	SOUTH PLAINFIELD	0.291	20,489	680,235
116	0288	WASHINGTON	0.292	9,245	258,011
117	1812	TOTOWA BORO	0.293	10,177	328,278
118	0238	MONTVALE	0.294	8,048	377,480
119	0808	SECAUCUS	0.294	14,081	738,813
120	1353	WEST LONG BRANCH	0.295	7,890	148,432
121	1805	LITTLE FALLS	0.295	11,284	294,492
122	0218	FAIRVIEW	0.298	10,733	187,844
123	1430	PASSAIC TWP	0.298	7,828	223,083
124	1800	SOMERSET COUNTY LIBRARY	0.298	124,281	4,292,477
125	1000	HUNTERDON COUNTY LIBRARY	0.299	98,529	2,848,530
126	1218	SAYREVILLE	0.300	34,988	895,880
127	1307	BELMAR	0.301	5,877	135,708
128	0230	LITTLE FERRY	0.302	9,889	182,828
129	1327	LONG BRANCH	0.303	28,858	509,213
130	1211	MILLTOWN	0.305	6,988	160,045
131	1214	NORTH BRUNSWICK	0.305	31,287	826,847
132	1818	RARITAN	0.308	5,788	128,509
133	1432	RANDOLPH TWP	0.307	19,974	583,794
134	0261	TENAFLY	0.308	13,328	833,870
135	0821	WESTVILLE	0.308	4,573	60,480
136	1208	JAMESBURG	0.308	5,284	81,202
137	0400	CAMDEN COUNTY LIBRARY	0.308	227,018	3,124,177
138	1809	POMPION LAKES	0.310	10,638	238,027
139	1600	OCEAN COUNTY LIBRARY	0.312	388,880	8,978,488
140	0409	CHERRY HILL	0.314	89,348	1,433,008
141	2002	CLARK	0.314	14,829	378,834
142	0247	PARK RIDGE	0.315	8,102	255,856
143	0114	LINWOOD	0.318	6,888	168,318
144	1206	EDISON	0.317	88,880	2,220,842
145	0818	WASHINGTON TWP	0.318	41,880	428,128
146	1818	SPARTA	0.321	15,157	448,777
147	0289	WOOD-RIDGE	0.323	7,608	188,524
148	0100	ATLANTIC COUNTY LIBRARY	0.324	183,739	3,704,860
149	1202	CRANBURY	0.324	2,600	180,286
150	1818	WEST PATERSON	0.328	10,882	293,874
151	0263	RIVER VALE	0.328	9,410	303,010
152	0213	ELMWOOD PARK	0.330	17,823	372,214
153	0248	PARAMUS	0.330	26,087	1,343,138
154	1802	CLIFTON	0.331	71,742	1,802,222

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HANK OF LOCAL TAX SUPPORT PER \$1000 OF EQUALIZED VALUATION

OB8	C/M	LIBRARY	100 IN SUP PER \$1000 EV	POPUL SERVED 1991	TOTAL EMPENDS (0)	OB8	C/M	LIBRARY	LOC IN SUP PER \$1000 EV	POPUL SERVED 1991	TOTAL EMPENDS (0)
100	0110	MORRISFIELD	0.338	7,305	147,012	241	0710	LIVINGSTON	0.426	26,609	1,302,168
101	0110	SUMMIT	0.336	10,767	918,976	242	1221	SOUTH BRUNSWICK	0.428	26,782	1,356,829
102	1601	BOONINGDALE	0.337	7,530	164,023	243	0230	NORTH ARLINGTON	0.427	13,780	388,832
103	2010	MOUNT ARLINGTON	0.337	6,067	326,040	244	1428	MOUNT ARLINGTON	0.427	30,630	96,812
104	2102	ALPHA	0.336	2,530	28,090	245	0722	WEST ORANGE	0.428	39,103	1,313,589
105	0300	BURLINGTON COUNTY LIBRARY	0.340	312,380	4,714,387	246	1210	PERTH AUBOY	0.431	41,987	1,408,782
106	0401	AUDUBON BORO	0.340	9,208	110,974	247	0261	RIDGEWOOD VILLAGE	0.438	24,162	1,408,782
107	0401	SCOTCH PLAINS	0.342	21,100	608,016	248	0811	MONROE TWP	0.438	24,162	1,408,782
108	1210	PLAINSBORO	0.342	14,213	363,017	249	0417	HADDONFIELD	0.440	28,703	467,378
109	1406	CHESTER BORO & TWP	0.342	19,742	484,341	250	0217	FAIR LAWN	0.442	30,648	1,195,831
110	0606	HOBOKEN	0.343	33,387	649,638	251	1009	FLEMINGTON	0.450	4,047	142,033
111	0220	WINDY HILLS	0.344	17,172	316,803	252	1215	OLD BRIDGE	0.453	56,475	1,287,471
112	0220	WINDY HILLS	0.344	11,987	170,850	253	0721	WEST CALDWELL	0.454	10,422	608,644
113	2003	CRANFORD	0.344	22,833	482,208	254	1109	PRINCETON BORO & TWP	0.456	26,214	1,608,428
114	1403	BULLER	0.348	7,392	88,252	255	0244	ORADELL	0.458	8,024	417,682
115	0703	CALDWELL	0.348	7,948	212,943	256	1100	MERCER COUNTY LIBRARY	0.460	120,877	4,739,180
116	1813	WANAQUE BORO & TWP	0.350	18,408	186,142	257	1223	SOUTH RIVER	0.481	13,692	238,008
117	1404	PENNSAUKEN	0.350	34,738	733,200	258	0222	GLEN ROCK	0.488	10,883	518,132
118	0227	BOGOTA	0.351	7,624	157,288	259	0701	BELLEVILLE	0.488	34,213	674,816
119	0204	WARRINGTON PARK	0.352	6,408	110,844	260	1431	PEQUANNOCK TWP	0.487	12,844	491,782
120	0224	HILLDALE	0.353	9,780	207,604	261	0708	HACKETTSTOWN	0.471	7,078	313,033
121	0227	MONTVILLE	0.353	15,000	326,274	262	1203	DUMELLEN	0.476	6,520	248,107
122	0421	BENKELEY HEIGHTS	0.354	11,880	890,634	263	1208	METUCHEN	0.476	164,859	1,648,859
123	0201	ALLENDALE	0.354	6,800	276,230	264	0234	MAYWOOD	0.478	12,804	471,168
124	0201	MADISON HEIGHTS	0.358	11,488	303,787	265	1213	NEW BRUNSWICK	0.482	41,711	702,082
125	0218	NORTH MALEDON	0.358	8,024	1,477,030	267	1810	SOMERVILLE	0.485	11,632	368,830
126	0418	SOUTH ORANGE	0.357	7,987	222,050	268	1217	PISCATAWAY	0.488	17,071	311,311
127	0818	NORTH MALEDON	0.357	16,390	787,584	269	0215	ENGLISHTOWN	0.488	24,850	1,277,084
128	0718	SOUTH ORANGE	0.357	34,874	743,787	270	0260	TEANECK	0.498	37,826	1,471,187
129	0807	KEARNY	0.358	10,830	632,423	271	0704	CEDAR GROVE	0.501	12,063	383,872
130	0712	MILLBURN TWP	0.358	10,587	180,231	272	0810	MILLVILLE	0.508	25,892	418,084
131	1438	ROCKAWAY TWP	0.359	11,428	417,946	273	2015	ROSELLE PARK	0.508	184,361	331,658
132	0811	MANVILLE	0.359	10,587	180,231	274	1221	WASHINGTON BORO	0.513	10,636	412,403
133	0211	WEST PROVIDENCE	0.359	16,380	670,406	275	1338	RED BANK	0.515	17,700	742,674
134	0820	SPRINGFIELD	0.359	13,420	287,080	276	0268	RUTHERFORD	0.517	17,116	263,682
135	0201	WALDWICK	0.361	7,957	287,080	277	2005	FANHOOD	0.519	18,116	678,812
136	0264	SPOTSWOOD	0.361	2,808	64,882	278	0322	MOORESTOWN	0.520	10,603	440,783
137	1204	DELVIDERE	0.361	17,188	810,989	279	0262	RIVER EDGE	0.522	6,365	461,684
138	1814	WAYNE BORO	0.364	47,028	1,018,220	280	2012	PLAINFIELD	0.530	46,587	1,116,288
139	1803	BERNARDSVILLE	0.364	8,587	300,811	281	0203	BERGENFIELD	0.536	24,458	985,307
140	1803	MALDEN PARK	0.367	8,081	118,097	282	0810	UNION CITY	0.538	58,012	865,908
141	1416	LINDEN PARK	0.368	10,897	208,737	283	0910	ROXBURY TWP	0.539	20,428	712,320
142	0218	FORT LEE	0.368	31,897	308,307	284	1608	PATERSON	0.541	140,881	1,981,227
143	0218	DUMORT OLIVE	0.372	21,282	647,884	285	2007	HILLSIDE	0.553	58,057	1,084,481
144	0804	HARRISON	0.374	13,428	307,881	286	2007	WARREN COUNTY LIBRARY	0.553	61,444	611,270
145	0221	GARFIELD	0.375	28,727	811,748	287	0901	RAYONNE	0.551	15,767	1,617,958
146	0221	RIDGEFIELD	0.375	0,998	386,132	288	2118	PHILLIPSBURG	0.551	28,148	769,348
147	0702	SLOMFIELD	0.378	46,061	1,135,888	289	1338	NEPTUNE TWP	0.553	28,148	920,848
148	1210	MIDDLESEX	0.377	13,055	328,303	290	1220	SOUTH AMBOY	0.570	27,883	187,911
149	1415	KINNELON	0.377	8,470	408,920	291	2004	ELIZABETH	0.590	110,002	2,433,118
150	0710	VENONA	0.378	13,697	428,488	292	0711	MAPLEWOOD	0.597	21,652	1,000,868
151	0710	ROSELLE	0.380	20,314	348,777	293	0231	LODI	0.599	22,356	718,458
152	0287	WESTWOOD	0.381	10,448	385,284	294	1304	ABRUYY PARK	0.613	18,788	374,988
153	1806	FRANKLIN TWP	0.381	42,780	877,774	295	0713	MORTCLAIN	0.616	37,720	2,121,012
154	0236	DOVER	0.383	15,116	278,118	296	0412	COLLINGSWOOD	0.618	16,289	328,621
155	1417	MIDLAND PARK	0.388	7,047	247,789	297	1204	JERSEY CITY	0.630	228,537	4,478,878
156	0240	MADISON	0.388	16,650	420,164	298	1204	EAST BRUNSWICK	0.630	43,548	2,874,184
157	0240	RAMSEY	0.388	13,228	852,774	299	1713	SALEM	0.633	6,883	131,742
158	0615	PITMAN	0.381	9,386	167,902	300	0709	IRVINGTON	0.639	81,018	1,014,182
159	0812	WEST NEW YORK	0.382	38,125	848,291	301	1804	BOUND BROOK	0.682	9,487	328,481
160	1604	HAWTHORNE	0.386	17,084	593,600	302	0238	WILLINGBORO	0.689	38,281	781,871
161	0280	MUTLEY FIELD PARK	0.386	27,099	789,334	303	1225	WOODRIDGE TWP	0.784	93,068	6,084,138
162	0404	DENVILLE	0.401	12,454	304,889	304	1207	HIGHLAND PARK	0.788	13,278	487,633
163	0436	WATERFORD TWP	0.404	10,940	142,267	305	0414	GLOUCESTER CITY	0.802	28,447	288,447
164	0230	WACKENBACK	0.408	37,048	1,288,288	306	0717	ORANGE	0.804	28,925	828,147
165	0230	NEW MILFORD	0.408	15,890	328,808	307	0801	BRIDGEFORD	0.804	18,942	308,335
166	0230	WALLINGTON	0.408	10,628	162,897	308	1607	PASSAIC	0.906	58,041	1,214,260
167	0266	BRADLEY BEACH	0.408	4,475	121,624	309	0408	CAMDEN CITY	0.918	87,492	802,713
168	2009	LINDEN	0.408	36,701	1,480,388	310	0711	TRENTON	1.038	88,875	2,081,788
169	1020	MILFORD	0.408	1,273	48,070	311	0714	NEWARK	1.431	276,221	10,420,128
170	1615	LAKELAND	0.413	48,048	886,598	312	0705	EAST ORANGE	1.642	73,552	2,688,076
171	1103	HAMILTON	0.418	88,583	1,544,383	313					
172	0614	VINELAND	0.418	919,478	167,853	314					
173	0614	WOODSBURY	0.421	10,904	167,853	315					

TO: EDUCATION FUNDING REVIEW COMMISSION

**FROM: EDWIN BECKERMAN
MEMBER, STATE LIBRARY ADVISORY COUNCIL
TRUSTEE, PRINCETON PUBLIC LIBRARY**

DATE: OCTOBER, 11, 1993

The fundamental question which must be answered by anyone appearing before this Commission suggesting a continuing state funding role for any program is linked to the state's interest in funding such programs. It is not enough to say that the state now funds such efforts, or that supporting the programs will have a positive effect on society. In some way a program expenditure must be linked to the appropriateness of such state intervention. Given the purposes of this Commission, obviously your interest is that your program recommendations not only deal with useful initiatives that fall within the state's sphere of interest, but that such programs be directly concerned with the education of New Jersey citizens.

I suggest to you that state aid funding for public libraries meets all of the tests noted above, and should be one of the items dealt with in your recommendations. I suggest this continuing role for state government in public library support for three major reasons:

1. A "thorough and efficient education" is mandated for state residents by New Jersey's constitution. Though public libraries are not a structural part of the formal education system, and thus are not generally accorded status under the constitutional mandate, in actual practice, public libraries substantially support directly the curricula of New Jersey schools, and also in a broader sense, provide a general educational resource for all New Jersey citizens. I invite any doubters to visit any public library in the state on any weekday afternoon at 3:15. True, schools have their own media centers, and these are important as a learning resource, but as a rule these centers have more limited resources than do public libraries, are usually far more restrictive in hours of service, and are often lacking staff with needed professional skills, especially in primary school media centers. Clearly, what we now have is a partnership, however unacknowledged, between school and public libraries to support the learning needs of children. This is one major reason for state support of public library programs.

2. I used the term "appropriateness" earlier in referring to one criteria justifying extension of state program aid. Fundamentally, the nature of public library service is being altered radically as I speak, by global changes in technology, and by concomitant changes in our service delivery systems. A

From: *Lester H. Lee*
525 Nicholas Rd
Brick Township, NJ
908 999-5828

Senator Burstein and distinguished members of this New Jersey State School Funding Review Committee. Welcome to Ocean County. You have a rough and rugged ^{ROAD} ~~POW~~ to hoe, but no doubt you shall accomplish your mission. We, the public, are pleased that you are holding the many public hearings throughout the State but, particularly, being here in Ocean County.

Your charge is not only to seek ways to end the overwhelming reliance on property tax as a mechanism but also to study ways to fund public education.

Should we have a new way to pay for our schools? YES!

We all realize that our State Constitution mandates a thorough and efficient education for all children. Our children deserve the best education as we all realize the future of America depends on it. Pursuant to our Constitution, the responsibility to provide a thorough and efficient education for our children rests entirely and solely with the State. We need a comprehensive solution to this mounting problem.

Perhaps our funding formulas need revision -- whether it be in foundation aid, transportation, categorical, tuition, at risk, bi-lingual, debt service, caps or whatever provides finances back to the local public school.

You also have the dilemma of reviewing all of the court and legal requirements, whether it be Abbat vs. Burke or Superior Court Judge Paul Levey's finding that Q.E.A. failed to relieve funding differences between poor and rich districts. Should the funding of students be at the same per pupil cost? You now have a major decision of recommending an actual financing formula to replace Q.E.A. We know that middle income districts number about 330, compared to about the 30 or so urban special needs districts, creates an unequatable problem. Obviously, the special needs districts get their required financial allotments first and then comes the middle income districts with what might be left. There is a diminishing support for the middle income districts.

Our public schools must meet the demands and needs of our students. Some children have high IQs and demand challenging studies while preparing for their future life. All children, in whatever category they fall, demand the opportunity to learn and better themselves for their future lives. Teachers are essential. Regarding violence and vandalism, Dr. Fitzgerald stated that public education is a right, but there are certain responsibilities you have being in school that I am not sure we have effectively communicated to young people.

This Commission invited Dr. John Augenblick, an experienced consultant on public school finances, to evaluate the New Jersey State

School Funding practices. He visited our schools and informed you of what other states have studied, reviewed and have put into practice. He spoke of the latest state to change -- Kentucky. He spoke of unrest; that taxpayers, PTA and civic groups, etc. had that brought about ^{THIS} ~~their~~ change. He indicated that Kentucky now has declared ^{equal} school funding unconsti-
-tutional and that they now have a program with government finances that are fully funded. They are now structurally and financially solvent. He indicated they are perceptually, technically and politically in order.

Kentucky's program now provides variables and if the local taxpayer agrees, they provide funding for students who exceed performances through pilot programs.

Dr. Augenblick reported on Oregon, Kansas, Michigan, California, Mississippi, South Carolina, Florida and others. He also indicated where ten states, similar to New Jersey, all had different formulas.

He also said that he believes that school financing in New Jersey will change. People demand business efficiency.

He asked: "Why not pay at the same rate?"

"What are the school needs?"

"What do you ^{LIBERTY} ~~what~~ need to pay?"

~~and do we need to:~~ "Give districts flexibility."

I remember one Commission member who said "The more I learn the more I don't know".

As a retired Deputy Superintendent of Schools in Brick Township, with forty-three years experience, I know that ~~the~~ public only votes on school budgets and fire taxes. All other governmental budgets are set by their various boards. This voting, in my opinion, is causing divisional strains ^{to} ~~in~~ the votes. Who wants to vote to increase your taxes in today's climate, even though many are deeply concerned with a proper education for their children, grandchildren and great grandchildren.

We pay our taxes to the State. The State of New Jersey legislates that 40% of our budget should pay for our public education. However, we rarely receive the 40% in return. We know that other states provide 60-70% or full funding. But we, the majority of our State's districts, have to make-up our local fair share by paying property taxes.

The property tax is an unfair burden on the backs of the local tax payers as it does not take into account whether or not the property owner has the ability to pay. It could be a young, married family with children in the schools, middle aged citizens working to make ends meet or senior citizens on fixed incomes. Property taxes are escalating annually to pay for school budgets which ^{are} ~~is~~ creating a major problem for all residents who are no longer able to pay the annual increases levied on them. It is

necessary to reduce the reliance on property tax and shift the responsibility for the major funding away from local property owners.

Our Brick Township Council unanimously passed a resolution recommending that you recommend the abolition of the use of local property tax as a means of funding local school budgets. Property taxes are regressive because they do not recognize a persons ability to pay -- only that the property owner or the mortgage company owns the home. The American dream is to own your own home and work and pay for it. Not to have property taxes increased to the point that they force you out of your dream.

We want a more equitable way of paying for public education that does not over burden the property owners. There's got to be a better way to finance public education besides local property tax.

The Michigan legislators took the lead -- they will now find new ways to fund schools that could be developed into what will meet the tests of equity and education quality. They will thereby erase from constant public discussion the skyrocketing property taxes that strangle the middle class and are so onerous to older Americans. Michigan could revolutionize America with the funding of K-12 public education. I understand they changed because of the huge disparity among school districts whose budgets are based on local property taxes.

It's easy to give suggestions and advice but I know you need some meat and potatoes. Here are some thoughts. Phase out property taxes for local effort -- consider and phase in of any combination of broad based taxes such as the sales and income taxes as Kentucky did -- consider increasing the local court fines for drunk driving, drug related offenses and environmental or petty disorderly person fines. Any fees in local ordinance violations should be subject to a local hearing and then, if accepted, all fees should remain in the local municipality for public school improvements -- also increase the gambling amounts to education.

I say, as a former New Jersey Legislator, let the Legislature do their job and be responsible to the public. They have the researchers, resources and abilities to do the job for change in Public School Financing.

Risks have to be taken or change will never occur.

Thank you for taking the time to hear my comments. I leave you with many petitions and cards from the people of Brick Township.

God be with you.

EDUCATION FUNDING REVIEW COMMISSION
PUBLIC HEARING, OCTOBER 11, 1993
Toms River, NJ

Testimony Presented by Elaine H. McConnell
Director, Ocean County Library

Members of the Education Funding Review Commission, thank you for the opportunity of providing this input to you. My name is Elaine McConnell. I am Director of the Ocean County Library and a member of the New Jersey Library Association. My purpose in addressing you is to add my voice to those reminding you of the essential and increasingly valuable role public libraries play in today's educational environment, and to propose that an amount of money equal to 1% of the State dollars allocated to education would be an appropriate level for State aid to our public libraries.

The Ocean County Library's Master Plan identifies a primary role for the library which deals specifically with education. It mandates a focus on children and young adults by satisfying their curiosity, stimulating new interests, and promoting the pleasures of reading and learning. While our involvement with children begins well before their formal classroom education, most of its focus is oriented toward learning and reading readiness. This includes the more traditional loaning Boardbooks to parents and caregivers to interest babies in books and story-times for toddlers and pre-schoolers, as well as the more current - interactive microcomputer software designed for use with young children.

Public library services to the K through 12 student are both plentiful and well used. During the first 6 months of 1993 alone, more than 285,905 items were borrowed from our public library by school-age children. Almost 54,000 K-12 children are current active borrowers registered with us. What are the services and materials sought by these students? Assistance with homework, background material for reports, educational software, instructional videos, and access to

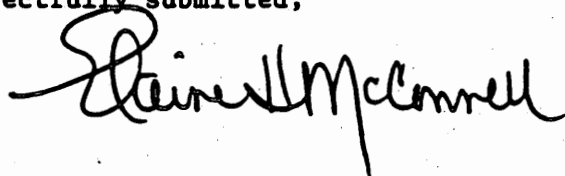
specialized, remote, and on-line resources to name just a few. Visit any Ocean County public library location after school or early evening during the school year and you will see your students filling our seats, using our resources, and receiving the help of our trained librarians.

The public library also offers other services that augment those provided by our public schools. For example, this year approximately 6,000 Ocean County children participated in the library's summer reading program - a program which is, in part, intended to keep reading skills constant or improving over the two month summer recess from school. After school activities including instructional programs on such diverse topics as stamp collecting or baby-sitting skills as well as additional bibliographic instruction which continues the building of research skills needed to carry Students through highschool and college are further examples of the public library's services.

Strong well equipped public libraries are a crucial component of the overall educational process for today's youth. It is time for us to recognize the public library's contribution and support it accordingly.

Thank you for this opportunity.

Respectfully submitted,

A handwritten signature in black ink that reads "Steven McConnell". The signature is written in a cursive style with a large initial 'S'.