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# *Committee Meeting*

of

## ASSEMBLY EDUCATION COMMITTEE

*“The committee will receive testimony from invited guests on news reports of school budget deficits in several school districts across the State and what State policymakers should do to correct and prevent these situations in the future”*

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**LOCATION:** Committee Room 16  
State House Annex  
Trenton, New Jersey

**DATE:** February 19, 2026  
10:00 a.m.

### **MEMBERS OF COMMITTEE PRESENT:**

Assemblywoman Verlina Reynolds-Jackson, Chair  
Assemblywoman Rosaura “Rosy” Bagolie, Vice Chair  
Assemblywoman Katie Brennan  
Assemblywoman Lisa Swain  
Assemblyman Michael Venezia  
Assemblywoman Dawn Fantasia  
Assemblyman Erik K. Simonsen



### **ALSO PRESENT:**

Abigail G. Chambers  
Lauren E. Ploucha  
*Office of Legislative Services  
Committee Aides*

Nicole Brown  
*Assembly Majority  
Committee Aide*

Diego Romero  
*Assembly Republican  
Committee Aide*

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

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Verlina Reynolds-Jackson  
Chair

Rosaura "Rosy" Bagolie  
Vice-Chair

Katie Brennan  
Lisa Swain  
Michael Venezia  
Dawn Fantasia  
Erik K. Simonsen



Abigail G. Chambers  
Lauren E. Ploucha  
Office of Legislative Services  
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**COMMITTEE NOTICE**

**TO:** MEMBERS OF THE ASSEMBLY EDUCATION COMMITTEE  
**FROM:** ASSEMBLYWOMAN VERLINA REYNOLDS-JACKSON, CHAIRWOMAN  
**SUBJECT:** COMMITTEE MEETING - FEBRUARY 19, 2026

*The public may address comments and questions to Abigail G. Chambers, Lauren E. Ploucha, Committee Aides, or make bill status and scheduling inquiries to Debra Mayberry, Secretary, at (609)847-3850 or e-mail: OLSAideAED@njleg.org. Written and electronic comments, questions and testimony submitted to the committee by the public, as well as recordings and transcripts, if any, of oral testimony, are government records and will be available to the public upon request.*

**The Assembly Education Committee will meet on Thursday, February 19, 2026 at 10:00 AM in Committee Room 16, 4th Floor, State House Annex, Trenton, New Jersey.**

**The committee will receive testimony from invited guests on news reports of school budget deficits in several school districts across the State and what State policymakers should do to correct and prevent these situations in the future.**

The following bill(s) will be considered:

A1732 Reynolds-Jackson/Carter	Appropriates \$3 million annually to Freedom Schools in New Jersey using funds collected under Social Equity Excise Fee.
A3882 Coughlin/Quijano	Requires public schools to post link to subsidized school meals application in prominent place on Internet website.

(OVER)

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A3887  
Karabinchak/Stanley/  
Haider

Authorizes use of school bus monitoring systems; establishes certain enforcement procedures and penalties for certain violations captured by school bus monitoring systems.

Issued 2/13/26

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For changes in schedule due to snow or other emergencies, see website <http://www.njleg.state.nj.us> or call 800-792-8630 (toll-free in NJ) or 609-847-3905.

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Sam Weinstein  
Strategic Advisor/Public Affairs and Government Professional  
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mej: 1-89

ASSEMBLYWOMAN VERLINA REYNOLDS-JACKSON

(Chair): Good morning, everyone.

If we can please stand for the Pledge of Allegiance, we'll start the meeting.

(Pledge of Allegiance is recited)

ASSEMBLYWOMAN REYNOLDS-JACKSON: So, good morning, everyone.

I'd like to welcome you to the Assembly Education meeting.

I would also like to welcome our new members, Assemblywoman Katie Brennan and Assemblyman Mike Venezia, to our Committee today.

And, welcome back to all of -- I don't want to say old members, but--

(laughter)

ASSEMBLYWOMAN REYNOLDS-JACKSON: Active; active members.

Abigail and Lauren, can you please -- or, Lauren, can you please to the roll call.

MS. PLOUCHA: Assemblywoman Fantasia.

ASSEMBLYWOMAN FANTASIA: Here.

MS. PLOUCHA: Assemblyman Simonsen.

ASSEMBLYMAN SIMONSEN: Here.

MS. PLOUCHA: Assemblywoman Brennan.

ASSEMBLYWOMAN BRENNAN: Here.

MS. PLOUCHA: Assemblyman Venezia.

ASSEMBLYMAN VENEZIA: Here.

MS. PLOUCHA: Assemblywoman Swain.

ASSEMBLYWOMAN SWAIN: Here.

MS. PLOUCHA: Assemblywoman Bogolie.

**ASSEMBLYWOMAN ROSAURA “ROSY” BAGOLIE (Vice Chair):** Here.

MS. PLOUCHA: Chairwoman Reynolds-Jackson.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Present.

Thank you so much.

So, good morning again.

Today, we are convening in response to a troubling report of significant school budget deficits in districts such as Montclair Public Schools; Perth Amboy Public Schools; Hackensack Public Schools; and East Orange Public Schools. Across these communities, we’ve seen reports of improper budgeting practices; weak internal controls; delayed vendor payments; and, in some cases, alleged misuse of funds. This has led to multi-million-dollar structural deficiencies with consequences that are real and immediate -- staff layoffs; elimination of student programs; increased pressures on local taxpayers; litigation costs; and an erosion of public trust.

We are joined by representatives of the Office of the State Auditors; the New Jersey Association of School Business Officials; NJEA; and AFT-NJ.

While the Department of Education is unable to attend today, their role in monitoring and interventions will be central to our discussion.

This hearing is not about addressing or blaming in hindsight. It’s about understanding how early warning systems failed; whether boards were adequately informed; whether State oversight mechanisms were timely and effective; and what statutory or regulatory reforms are necessary to ensure

transparency, accountability, and fiscal stability moving forward. Our responsibility is clear: It's to protect students; safeguard taxpayer dollars; and restore confidence in the financial stewardship of our public schools.

And, with that, I'll call up the State Auditor, Dave Kaschak; State Auditor.

Will you please come forward.

Good morning, Mr. Kaschak and your team.

If you can please begin by just introducing everyone who's with you.

**DAVID J. KASCHAK, CPA, CGFM®:** Thank you.

Yes, I will do that.

Thank you, and good morning Chairwoman Reynolds-Jackson, Vice Chair Bagolie, and members of the Assembly Education Committee.

Thank you for the opportunity to highlight some of the audit reports the Office of the State Auditor has recently issued regarding school districts in the State of New Jersey.

First, I would like to introduce the members of my team: Brian Klingele, Assistant State Auditor; Kristen Menegus, Manager; and, behind me, Anna Lorenc. Anna Lorenc is also Manager.

Under Article VII, Section I, Paragraph 6 of the State Constitution, and Title 52 of the New Jersey Statutes, the State Auditor is responsible for conducting post-audits of all transactions and accounts kept by or for all departments, offices, and agencies of State Government. The Office of the State Auditor is situated within the nonpartisan Office of Legislative Services, thereby ensuring the Office meets the independent standard required of all auditors. We conduct our audits in accordance with

government auditing standards issued by the Comptroller General of the United States, head of the Government Accountability Office -- or, otherwise known as GAO. Those standards are the strictest in the auditing profession.

In addition to the Constitutional responsibility of auditing all State departments and agencies, Title 18-A of the New Jersey Statutes authorizes the State Auditor to conduct audits of certain school districts. The School District Fiscal Accountability Act gives authority to conduct a forensic audit of any school district ending its fiscal year with a general fund budgetary deficit, along with at least one of seven additional statutory criteria, as reported in its required annual financial statement audit performed by a CPA firm.

Under the State Comprehensive Educational Improvement and Financing Act of 1996, Title 18-A also gives the authority to conduct an audit of any district receiving 80% of its funding from the State. I would like to point out that there is a difference between a projected deficit and an actual year-end general fund budgetary deficit based on generally accepted accounting principles. The latter could trigger a forensic audit by the State Auditor's Office.

During the past five years, the Office of the State Auditor issued eight school district reports under the authorities granted by Titles 18-A and 52. I will now highlight some of the common issues in those eight reports we have publicly released.

Two districts had inaccuracies or errors on their State Aid application. Two districts could have raised taxes, but did not. Three had accounting errors -- and, by that, I mean wrong fund, wrong account, or improper fiscal year classification. Three had findings regarding background

checks -- and, that would be of employees. Four had budgeting issues; that would be underestimating -- most commonly, underestimating payroll or health benefit costs. Four had information technology findings. Five had procurement findings, such as no bidding as required; no board approval of certain transactions, or what we call “conforming orders,” and that would be when goods or services were ordered before they were either authorized or approved. Five have residency documentation issues in their preschool or APSSD programs. APSSD is the Approved Private School for Students with Disabilities. Six had issues relating to health benefits plans, and those usually came along with cost savings that we identified.

Our published reports include the districts’ written response letter, detailing any planned corrective action. All audits are subject to our compliance follow-up procedures.

I will now take any questions you may have regarding our School District Report.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes, Assemblywoman Bagolie.

ASSEMBLYWOMAN BAGOLIE: Thank you so much for your testimony today.

Certainly, these aren’t the only school districts that we’re seeing that are in need of securing loans from the Department of Education to maybe meet their fiscal needs for the year, due to a budget shortfall that they may not have seen.

How is-- How can we better improve, for example, county business administrators from overseeing school districts in kind of making sure that in the middle of the-- I know we have mid-year budget reviews, but,

how do we ensure that the account lines during that mid-year budget review are not going into the red; that confirming orders that have already happened that they may be able to maybe give a shortfall on the budget? Or, additional situations that may be occurring in the district like just now in January, with the increases of health-care costs, and having school districts actually apply those correctly to payroll? Unless you know the system and where to go get that information and you're a new BA, you may not have the knowledge to know where to get that.

How do you adjust? How do we ensure at the State level, from an auditing point of view, that these things are actually getting done throughout the school year?

MR. KASCHAK: Thank you for that.

I can't comment on anything that may or may not go on during the year. The auditor comes in *after* the audit is done, and can only audit what has happened. I don't have any silver bullet recommendations on what can be done statewide. All of our reports are unique; we find different things in every one. There are unique circumstances; every district is different. I will say that there are the county offices of education. I think that's what you may have been referring to, and the county superintendents. We did do an audit back in 2018 of that system, and we did note some weaknesses.

And, I think at the time, only 15 or 16 of those positions had been filled. And, some of them were even duplicate. They were-- The ones that were there were supervising more than one county, which, I'm sure that any one county, there's plenty of work to be done there. But, to have the added responsibility of doing two counties.

So, I think that maybe taking a hard look at that would be a good start.

ASSEMBLYWOMAN REYNOLDS-JACKSON:  
Assemblywoman Fantasia.

ASSEMBLYWOMAN FANTASIA: Thank you, Chairwoman.  
Thank you for coming here today.

I have two questions. So, as you stated, your Office audits outcomes and you're non-political whatsoever. So, I'm asking you through a -- that lens. Do you find that the State's own funding formula -- specifically S2 and the subsequent 6% aid cap -- created structural deficits that led to the findings that you are coming across?

MR. KASCHAK: That's not something that we would have looked at. I know we did look at the information that-- We were asked to look at the information that went into this, the formula, where it came from, because there were some concerns when that formula was new. And, we found that the information was valid that went in.

But, that's not anything that we have taken a look at, whether or not the formula was fair or unfair to any one district that we looked at.

ASSEMBLYWOMAN FANTASIA: Understood.

So, you have not found a correlation, per se. But, you've identified districts -- not by name -- but identified, saying, "six did this, four did that." And, I know there's specific districts that we're looking at. Looking at the case of Montclair, specifically, where they -- I don't know what the right term is -- lost \$20 million, or \$19 million, and can't seem to find that.

I was curious whether it was just utter mismanagement that was the cause of it, or a serious lack of State aid under the formula that led to this

in your findings. But, you're saying there's really no determination of that through your lens.

MR. KASCHAK: No, no. And, it's-- I've heard the news of what's going on in Montclair, Hackensack, and some of the other districts. And, again, we come in after the fact, and-- I still, I want to stress again that what you're hearing now is kind of mid-term. And, in order for a district to get -- to be eligible to be audited by us -- it would be based on what happens at the end of the year, and what the CPA firm comes in and what they certify.

ASSEMBLYWOMAN FANTASIA: Understood.

Thank you.

Thank you, Chair.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

You mentioned in your testimony about misclassification. Can you explain that a little bit more?

MR. KASCHAK: Well, there are-- There's the general fund, which, in any government agency, that is the main fund where everything happens. But, there's also special revenue funds, and they may be used for specific programs.

Sometimes-- And, we have seen where expenditures have happened, and these deficits have come in the special revenue funds or would have been special programs-related. And, then, that would necessitate, eventually, a transfer to those funds. And, sometimes that caused the budgetary deficit that prompted us to come in.

So, it would have been an expenditure that should have been out of one fund, and should have -- should have been out of one fund, but it came out of another one.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Gotcha.

MR. KASCHAK: There's also fiscal year misclassifications that maybe a payment was delayed, or maybe it was accelerated. That may cause-- If it came too soon, that may cause a deficit that should not have happened.

ASSEMBLYWOMAN REYNOLDS-JACKSON: But, shouldn't it-- So, I'm just thinking, shouldn't all bills come in due at the end of the year? You close out all your books, so when you start your next year, there are some things that may roll over. But, again, you have an accountability for that.

Are you saying that that was not done? I don't -- I'm having -- confused about--

MR. KASCHAK: I think what we've seen as that, in order to avoid going into a deficit, that the bills may have been paid 30, 60, 90 days late.

ASSEMBLYWOMAN REYNOLDS-JACKSON: And, when you talk about health-care expenses, can you give us an example of, I guess, how -- what a good process looks like, versus some situations that came about in your audit?

MR. KASCHAK: Well, some districts choose to go and shop for their own insurance, rather than going with the school employees health-care plan by the State Division of Pensions and Benefits. And, they should-- I think it's Title 18 requires them to shop for the most beneficial -- the most

efficient program; the less costly. What we've seen in a couple districts is that the broker either did not do that, or they didn't force the broker to do that, or they just did not take -- they wanted to stick with their current plan. And, we would have done an analysis and said, "Well, had you gone with the State employees plan, or the school employees health plan, you would have saved money." And, that's where you would have seen the cost savings in our reports.

ASSEMBLYWOMAN REYNOLDS-JACKSON: But, even if they stayed with the plan, don't you budget for -- if it's a hundred thousand, and you budget for a hundred-- This is what it was; this is what I anticipate it's going to be the following year. So, I'm-- I don't understand where -- what happened for it to escalate that they did not know what the cost was going to be.

MR. KASCHAK: Again, that's where we-- I mentioned that some had budgeting issues, and not only health benefit costs that they failed to take into consideration -- that there was going to be an increase -- but also, contracts. The cost-of-living increases that were contractual -- they also were not figured into the budgeted amounts.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Gotcha.

Thank you so much.

ASSEMBLYWOMAN BRENNAN: Thank you all so much--

ASSEMBLYWOMAN REYNOLDS-JACKSON: Brennan.

ASSEMBLYWOMAN BRENNAN: Thank you, Chairwoman.

I have a couple-- Well, I have a few questions, I should say, and two I hope are quick, and the third I'm hoping that you can elaborate a little bit more.

First, is this a trend that we've seen over time, or is this issue growing?

MR. KASCHAK: Is it growing?

ASSEMBLYWOMAN BRENNAN: The prevalence of school districts that are running at a deficit -- a structural deficit.

MR. KASCHAK: I don't think we're seeing a longer list of districts that qualify for a forensic audit.

ASSEMBLYWOMAN BRENNAN: OK. Well, that's good.  
(laughter)

I'm just checking.

MR. KASCHAK: Kristen sees the list, so I don't know if that list is getting any longer. She might talk--

**K R I S T E N M E N E G U S:** No, the list is not getting longer.

Again, as Dave mentioned earlier, most of what you're seeing in the news are projected deficits. A lot of those schools will shore up those deficits before the end of the school year gets here. And, so, therefore the schools that you're really seeing in the newspaper, we probably won't be required to go audit them in the end because they'll shore up those deficits before the end of the school year gets here.

ASSEMBLYWOMAN BRENNAN: OK, and that's what you're speaking to about the difference between the projected deficits and then--

MS. MENEGUS: And, the actual--

ASSEMBLYWOMAN BRENNAN: Thank you.

That perhaps addresses my second question, which was going to be we hear a lot about municipalities; the State; otherwise, the impacts of the increasing health-care costs. Is there a way to-- Are you able to tell how

much the increase in those health benefits has had on the projection of these budgets? No? You kind of addressed that.

MR. KASCHAK: Again, that would be something that would be occurring before we ever got there.

ASSEMBLYWOMAN BRENNAN: Right.

MR. KASCHAK: But, we did see instances where they did not seek competition for a more cost-efficient plan.

ASSEMBLYWOMAN BRENNAN: Thank you, you did say that.

OK, the third question. Here, one of the issues reported is the delayed State monitoring or intervention. And, I was hoping you could speak a little bit more to what that would look like in an ideal scenario; what's occurring now; and what you -- what you recommend or would have hoped to see from the State.

MR. KASCHAK: Again, that would be a policy type of decision, and, by standards, and, because of independence, I would not be able to comment on anything that I would possibly go back and have to audit.

I will say that the State monitors are required when a loan has to be taken, which gets paid back with their subsequent years -- State aid payments.

ASSEMBLYWOMAN BRENNAN: So, the first point of intervention from the State -- which would be anybody who does take one of these loans-- And, thank you, as I'm learning the details of this.

MR. KASCHAK: I believe that's a requirement--

ASSEMBLYWOMAN BRENNAN: That's the requirement--

MR. KASCHAK: --of a loan--

ASSEMBLYWOMAN BRENNAN: --so that would be sort of the first point of that intervention.

MR. KASCHAK: Yes.

ASSEMBLYWOMAN BRENNAN: OK, thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes, Assemblywoman Swain.

ASSEMBLYWOMAN SWAIN: Thank you.

You talked about the projections, and I'm just curious why some of the towns are meeting their projections and some aren't. Like, everybody is running school systems. Why do you think that some towns manage to project in a way that they can manage their budgets, and others can't?

MR. KASCHAK: That's a good question; I wouldn't have an answer for that.

Again, we come in afterwards. Sometimes there has been transitions in management -- a new business administrator; new superintendent; there's been turnover on the board. And, that's pure speculation on my part, but we do see that when we do an audit and there's a whole new management team in there.

ASSEMBLYWOMAN SWAIN: And, you're not seeing anything-- I'm assuming all municipalities, they obviously receive all the tax revenue, and then they have to disburse it to the school board. So, that's not an issue, in terms of the timing of that, right? You haven't found anything--

MR. KASCHAK: No--

ASSEMBLYWOMAN SWAIN: --awkward?

MR. KASCHAK: No.

ASSEMBLYWOMAN SWAIN: OK.

Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes, one more?

ASSEMBLYWOMAN FANTASIA: I apologize, I have one more--

ASSEMBLYWOMAN REYNOLDS-JACKSON: One more.

ASSEMBLYWOMAN FANTASIA: One follow-up question, please.

So, something when you were answering some of the other members' questions. So, school budgets approved by a county superintendent in lieu of, or in action of the Department of Education, per se. And, throughout the year, up to as many as four times, it's reviewed by each county's superintendent as necessitated. So, of the audits that make it to you -- the ones that qualify for the forensic audit at the end -- have you noticed, has that responsibility been completed in the audits that you have done? That those budgets have been reviewed by the county superintendent a minimum or a maximum of four times and *still* end up on your desk?

MR. KASCHAK: OK, Kristen, do you want to take that?

MS. MENEGUS: I don't know that we've specifically looked at the four reviews by the county superintendents. But, indeed, all of the budgets are issued in a balanced way to the Department prior to the beginning of the school year.

But, in a specific audit, I don't think that we've actually looked specifically to see if the county super has reviewed it four times throughout the year.

ASSEMBLYWOMAN FANTASIA: The reason-- What had made me think of it is, as you're saying, sometimes in the middle of the year

we're at the midpoint, and then all of a sudden there's a projected deficit. And, my question is, again, if it's being monitored four times a year -- quarterly -- by a county superintendent, as is supposed to happen, that's why I'm surprised. At the start, at the impetus, it's correct; midway, it's not. And, then, it ends up on your desk. And, that's where I have a disconnect as to where that's happening.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Good question.

MR. KASCHAK: I would add to that-- In our 2018 report, it did talk about how the county superintendents are doing a lot of-- A lot of the information that they're being given is after the fact. And, it talked -- we talked about transfers, how they're -- they only find out about the transfers after they've happened, not while they're happening.

ASSEMBLYWOMAN FANTASIA: Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you.

Assemblyman Venezia.

ASSEMBLYMAN VENEZIA: Yes, you said something about errors on State aid applications. Can you go into that further?

MR. KASCHAK: Yes, the information comes off of a system that keeps track of the number of students. There's sometimes errors in it. We find that when we go and we look at the information, and the information we have may be more credible than what was used when they filled out the State aid application, almost like the application was an estimate.

But, we do find errors, and usually they resolve in overpayments.

ASSEMBLYMAN VENEZIA: Gotcha.

And, just another question I have, because, we see this all the time. Like, one of the school districts that was mentioned, it's being reported

that they didn't pay, like, a busing bill, for I believe three years. Who is-- Who is at fault there? Is it the auditor, who should have caught that in year one? Or-- Because that's leading up to their deficit that they have right now.

MR. KASCHAK: That sounds like the business office, Number 1, would be at fault. And, the same for three years.

ASSEMBLYMAN VENEZIA: I believe it's being reported two or three years that a busing -- a private busing contractor -- was not paid. And, that's leading to their current deficit that they have.

You guys may not even have seen this yet, but--

MR. KASCAHAK: Right--

ASSEMBLYMAN VENEZIA: --that's what is being reported locally in the town.

MR. KASCHAK: That's certainly the business office. They would know that the bills haven't come in--

ASSEMBLYMAN VENEZIA: Right, but after year one, shouldn't the auditor have picked that up at the end of the review?

MR. KASCHAK: They may or may not have designed the testing to detect that. But, yes, it certainly could have been caught by the financial auditor.

ASSEMBLYMAN VENEZIA: So, you just said they might not have had to detect it, but should we-- Should that be something that should be added, that should be detected, over at the county superintendent's office? Do they need more power to kind of -- with these districts, in many ways?

MR. KASCHAK: I'm not sure what you mean by more power--

ASSEMBLYMAN VENEZIA: Oversight, I should say; not power.

I'm sorry. Oversight.

MR. KASCHAK: Certainly, oversight would-- I'm an auditor, I have 43 years of experience, and, of course, I am in favor of more oversight as opposed to less.

(laughter)

MR. KASCHAK: And, I can give you probably a hundred reasons why, and experiences.

ASSEMBLYMAN VENEZIA: No, listen, and-- This is frustrating, because you're seeing more and more -- and, I know they haven't gotten to you yet -- but we're seeing more and more news stories about districts that are running deficits that might need to cut athletics, or clubs, or activities. And, it's concerning, and it's a big issue.

And, I work for a school district, and I know we got an email yesterday that -- we're in the State health benefits plan, and it might go up 28-33%. So, right away, my BA is planning to budget 37% just to have that coverage to make sure we're safe for next year.

But, should more guidance be coming from the Department of Education with the school districts that are in the State health benefits plan to make sure they're budgeting this amount of money?

MR. KASCHAK: I'll have Kristen answer that one.

ASSEMBLYMAN VENEZIA: OK.

MS. MENEGUS: I was whispering to Dave, that's a policy question. We generally can't contribute to the answer.

ASSEMBLYMAN VENEZIA: OK.

No more questions, Chair.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much, Assemblyman.

Assemblywoman Bagolie.

ASSEMBLYWOMAN BAGOLIE: With the oversight that Assemblyman Venezia was talking about, one of the items that we are looking at, especially in Montclair -- business administrators or treasurers of school money are required to-- State statute doesn't require an amount, but says that they *should* have bonding capacity for errors or situations that have occurred. Do you think that increasing -- having school districts or having statutorily increase the bonding capacities for school business administrators, or treasurers of school monies, would be beneficial to recouping the funds? If there is an error due to mismanagement, or lack of knowledge, or something in that area?

I just find that the bonding limits that I'm hearing are very, very small compared to -- \$250,000 compared to \$10 million, \$21 million being lost.

MR. KASCHAK: If you're talking about the-- Bonding requirements are usually to -- in the event that there's fraud or embezzlement.

But, again, that's a policy type of decision that I would not want to make a comment on, unless something happened during one of our audits and we would say, "Well, their bonding is insufficient."

But, I can't comment on something that would be a policy decision that I would have to go back and audit my own work.

ASSEMBLYWOMAN REYNOLDS-JACKSON: I want to thank you so much for your testimony today.

I work in finance, and, so, this, to me, is very concerning. Because we do have internal controls. And, I don't know how other districts close out their books; how they do their reviews. But, there's a lot of checks and balances in between, especially at the end of the year. And, so, for a small business owner, independent transportation company not to be paid for one year, let alone two years -- there are mechanisms in the systems that tell you this. I think Assemblywoman Bagolie, you said, "How do you have this PO that's open for this long period of time?" There are ways that we, internally, we *do* have different systems that are able to check and balance one another. So, it's concerning where we have this consistent -- this consistent overbudgeting. Because, you see the numbers; you have the year-end report; you see where the departments or things that are out of line.

So, I look forward to your report, and also being able to work with some of those districts on supporting more oversight, or seeing what we can do to help bridge the gap between. Because, when you come up with \$20 million or \$30 million, that's some big problem, and we really need to be able to help those districts figure out what we can do, and definitely working with other departments to help them close out their books and not face these type of structural deficits. Which, I believe your opening statement -- if you could please share that with us, we would love to be able to talk with our own districts to see what else we can do; and, how they're addressing this in a proactive way instead of a reactive way.

So, thank you so much.

MR. KASCHAK: Thank you for the opportunity to share our work with you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you.

Next, we'll call up NJEA -- Deb; and, AFT New Jersey -- Patricia Paradiso.

UNIDENTIFIED SPEAKER: Madam Chair, for the AFT there are actually two that signed up--

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes, it was Patricia, and--

UNIDENTIFIED SPEAKER: Josiah.

UNIDENTIFIED SPEAKER: Josiah.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Josiah; yes.

Good morning.

**DEBORAH CORNAVACA, Ph.D.:** Good morning.

Deborah Cornavaca; Director of Government Relations at NJEA.

Honored to be joined on my left by President Steve Beatty.

Thank you so much for the invitation to be here today and testify on this topic.

Before we begin with our specific recommendations, we want to acknowledge two things:

First of all, the reports that you're citing are troublesome and concerning, but they are the exception to the rules. We have over 600 districts, and business administrators, school boards, superintendents, all work tirelessly to stretch every dollar to produce responsible budgets, and we don't want to let this hearing have the impression that this is a widespread - - or, to Assemblywoman Brennan's question -- may be a rising or growing concern. But, there are stresses on budgets that we feel could be addressed to help prevent these things from happening.

The second is while NJEA is not the expert in the room planning these budgets -- we're not the fiscal experts -- we do have great familiarity with school budgets; we do do a lot of research as part of due diligence for negotiations. And, also, our members really do feel the impact whenever these budgets are cut or stretched thin. We are a people-fueled service, and any cuts result in loss of staff; loss of services; loss of programming that we see support our children and our students.

And, every year on May 15, by statute, our non-renewal notices go out, right before the end of the school year. In the middle of the school budget process, by law, they are required to -- districts are required to let people know they may not get nonrenewals. I just want us to imagine for a second what that feels like -- or the most egregious example was the hundred notices that went out for Montclair due to their deficit -- but, what that does to the psyche of educators who are living and breathing educating these students, committed to the environment in the school, to find out in May -- or even in that instance, October -- that they may not get renewed and you need to be looking for a new job.

So, our recommendations are based on our perspective and expertise, and we have the following five:

The first is that we have to recognize that the current state of health-care premiums is unsustainable for school districts, whether they're on the public or the private market. While many opt to go into HIFs in the private market, they're saving percentages; they're still facing double-digit increases. And, secondly, we need to align the rate increases of the State plan with the budgeting process of the school districts. Right now, State rate increases are only finalized after the school budgets are completed for the

year, and you're told that in January, you have to now implement these increases.

Districts will try their best -- *should* try their best -- to estimate based on the rumors that are flying around, and the initial reports that come out in the spring and during budget cycle, but they don't know for sure until after their budgets are set. So, they can overestimate and take more money out of a limited pool for health benefits and have less available for other programs; they might underestimate, trying to squeeze every dollar. But, it's interesting to note that the private market usually aligns their rate increases with the school budgeting process. So, it is possible; the State doesn't do it. That is a perverse incentive for people to leave the State plan, by the way, and go into the private market, which leads to the second issue, which is that our healthcare system for school employees is fragmented and fragile right now.

And, if we do not do something to aggregate the market power of probably over a million people who could be getting health benefits in schools, we are spending money we don't have on health benefits. We believe we need to take a new look at the way to deliver health care; that we need to aggregate our market power against the ever-increasing consolidated hospital and insurance industries; and that that's the way we'll be able to address real savings. While that's not the central point of your conversation here today, when you end up in budget problems, it's so often because your budgets are stretched too thin. And, health benefits is a driving factor of that, that we feel we have to address.

Secondly -- and I'll be briefer on the other ones -- charter school funding. There's two issues that public schools face that are really challenging

to charter school funding. The first is that a child may enroll in a charter school at any point during the year. And, at that point, the district -- the sending district -- will get a bill and be required for transportation. It's impossible to plan for that. If we could limit enrollment to charter schools to the beginning of the school year, it would enable them to plan better. The second piece of that is that at the beginning of the school year, every charter school gives the public school district their estimated enrollment for the year, and the district is required to set aside 100% of the money for the estimate of students who may attend. They may not all actually attend, but the district is pulling that money out.

We have recommended and supported -- I believe with the support of the Charter School Association; I don't want to speak for Harry, he'll let me know if I am wrong -- but in the past I believe there's been support to have a reserve account allowed for public school districts for charter school payments, so that they have a little bit more of a cushion and an ability to plan and move that money where they need it when they need it.

The third is improve the alignment of public school budgeting with the State budget. Public schools are forced to do their budget based on estimated State budget numbers that are not finalized until after the school budget is finalized. That is a recipe for errors -- not malintent errors, not malicious errors, not careless errors, but simply errors. Because, what the State may end up doing may not be what you think they're doing based on the initial notices. There may be some domino effects to different voting dates, and things like that, but we think it's worth really taking a careful look at that alignment so the districts are able to prepare their budgets on real numbers.

In addition, we think it's really important -- and, we've experienced this through research and negotiations -- that revised budgets the districts are able to submit are submitted in a timely fashion so that they are the use of an on-time audit for the next year's planning. Because what happens is, when a revised budget is put in too late, the auditor can't get the work done in time to provide you an audit while you're budgeting for the next year. And, that might be a place -- I have no evidence -- but it might be a place where unpaid bills go unnoticed for two years, because your audits are coming in after you're already budgeting for the next year, or they're not based on the actual revised budget.

Fourth, I would ask you respectfully to listen to stakeholders when we tell you we need more money. There is no school district here that is planning parties and slush funds with the money that we're asking for transportation and special education. These are costs that are exponentially increasing far faster than what the State provides in assistance, and it requires squeezing budget -- operational budget money -- to cover mandated costs. When we tell you that the shortage in drivers is rapidly increasing the cost of bus contracts, and the increasing gas prices -- which are now coming down -- is causing us more money in transportation than we have, that's a bottom line. We can show that to you. But, when we don't get more aid, what are we doing? We're begging from this pot over here to fill those mandated holes. The same thing with special education.

So, I implore you and I plead with you, when I ask for your support, that when we tell you as education stakeholders to see the bottom lines, we need this funding. We need this funding.

And, finally, I would ask -- we would ask -- for consideration of returning to the 4% surplus. During the years of COVID money, 2021-2022, two school years, the State had passed a law to allow the current surplus, which is now at 2%, to go up to 4%. While a lot of districts may not have the money to put aside 4%, what they would be able to do if they had that cushion would be avoid some of the problems that you're seeing right now. So, we would strongly advocate to allowing districts -- some will allot to it and some won't -- to go to that 4% rather than restricting them to the 2%. Because, at 2%, you're basically being told that any kind of unanticipated cost, you're up that creek without a paddle.

So, with that eloquent statement avoiding swear words on camera--

(laughter)

DR. CORNAVACA: --I just want to thank you for your time.

And, President Beatty, I don't know if you have anything to add-- We remain committed to working with you to find solutions.

Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you.

Thank you, President Beatty, for being here.

Do you have anything you would like to add?

**S T E V E B E A T T Y:** Yes.

Thank you, Chairwoman; appreciate that.

Just briefly; I'll just back this up.

Hi, I'm Steve Beatty. I'm a high school Social Studies teacher; I taught for 25 years, and now I'm serving as the President of the NJEA.

But, I get to go to school districts all around the state. And I'm biased -- clearly. There should never not be enough money for our school districts. We want to understand why we're facing a dire shortage of both recruitment and a retention problem of our educators. This is one of the things when every day, districts like Hackensack or Montclair -- or look at what's going on in Toms River every year -- face these problems that aren't their fault. When you have dedicated educators, hundreds of thousands of them, around the state, always having to figure out what comes next; what do I have to worry about next. And, it is wrapped up in health care and pension and reforms. It's really-- We can't avoid looking at the actual, structural problems.

So, we as an association; me as a teacher-- And, I'm the father of a daughter who is going to be a teacher next year -- so excited -- to really approach this collaboratively, to look at the structural pieces that have to take into account health care; pensions; salaries; how we budget for these things. Because, again, I'll leave it-- My favorite bumper sticker from the '70s -- dating myself -- one that said, "I long for the day when schools have every dollar they need and the Air Force has a bake sale for a bomber."

So, thank you.

**PATRICIA PARADISO:** Chairwoman Reynolds-Jackson, Vice Chairwoman Bagolie, and Committee members, good morning.

My name is Patricia Paradiso, and I am President of the Perth Amboy Federation of Teachers, and an officer of the American Federation of Teachers here in New Jersey.

I am here today with Josiah Santamaria, District Representative for the Federation, an eighth grade English Language Arts teacher at McGinnis School.

We thank you for inviting us to speak about the issues in Perth Amboy Public Schools.

As you may already know, the State Auditor's Report assessed Perth Amboy Public School's finances and financial practices for the period of July 1, 2021 to June 30, 2025. The State Auditor found almost 40 deficiencies that required improvement of internal (indiscernible) accounting controls, and a \$13 million deficit -- primarily the result of the district not paying its bills. At the January 26, 2026, Board of Education meeting, the district's leadership repeatedly insisted that the State Auditor's findings were the result of previous administrations. However, the fact of the matter is that the superintendent of Perth Amboy Public Schools has been in that role since 2015, and the current school business administrator was the assistant BA from 2018 to 2021 -- and then he became the school business administrator in 2021, after leaving the district for almost nine months. Given that the State Auditor's Report is for fiscal years 2022 and 2025, I ask you, whose mistakes are they cleaning up?

The impact has been felt far and wide in the district -- not just by our members, but by the children and the parents we serve. We have seen staff cuts -- 45, to be precise -- including nurses and home school liaisons; cuts to programs that include a failure to provide proper services to children with IEPs and 504 plans. The district has claimed that some of the layoffs were needed based on a drop in enrollment. While it's true that for the 2023-

2024 school year enrollment dropped by 40 students, that does not warrant 45 people losing their jobs.

In addition, the district has seen an increase in enrollment since the charter school in Perth Amboy closed. The speech language pathologists and occupational therapists we represent have shared with us that the district has instructed special services providers to pull students from poor academic instruction, and increase group sizes in order to maintain service coverage. The challenge here is that the groups consist of students across multiple grade levels with differing needs. The directives conflict with professional standards and individualized service plans; State licensure requirements; the New Jersey Administrative Code; IDEA; and professional standards do not permit districts to override clinical judgment or scope of practice based on staffing limitations.

**J O S I A H S A N T A M A R I A:** So, what does this look like on the ground? At one school, there are 75 children forced to go without speech therapy. Service providers are managing caseloads of 70-90 students -- sometimes more -- across multiple schools while completing evaluations; IEP development documentation; case management, et cetera.

In addition, the district is also experiencing high turnover rate among providers. All of this has resulted in ongoing vacancies, and increased pressure on district-based providers to absorb additional responsibilities. In other words -- more work with less staff, while our neediest children go without services due to the district's financial mismanagement.

In addition, the cuts to school nurses have resulted in students not having access to medication. In September of 2025, a student had an asthma attack and was sent by the classroom teacher to the school nurse.

The student returned to the classroom because the school nurse's office was locked. Even after the office was accessed, the staff in the building did not know which inhaler was the student's. Fortunately, the student did not require medical services. The student's parents did pursue the matter with the district and county superintendent. The answer she received was that the district was having staffing issues with school nurses and was trying to find a solution. Since that time, the problem has persisted, with parents complaining on social media about children sitting in the main office ill because no school nurse was in the building, and parents were not notified that their children were ill or that there was no nurse in the building. The poor leadership of this district is putting our children at risk. Every school district deserves to have a qualified, full-time nurse at all times.

In summary, we have, in Perth Amboy Public Schools, fewer staff that are overworked; a lack of resources; and the students are not receiving the education and services they are legally entitled to. This mismanagement cannot continue to be swept under the rug by the Board of Education and the superintendent.

Thank you for your attention on behalf of the students, parents, and education workers of Perth Amboy Public Schools.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much for your testimony; I appreciate you sharing.

I just want to-- We will have many more discussions about the school funding formula. This meeting is definitely about the internal problems that are existing in some of our business and fiscal offices. We have some great recommendations that came from NJEA, and we will continue to have those conversations about school budget formulas.

So, I do want to-- I appreciate, and thank you for your comments today.

Members, do you have any other questions?

ASSEMBLYWOMAN FANTASIA: Chairwoman, I do.

ASSEMBLYMAN SIMONSEN: Yes, I do, too.

ASSEMBLYWOMAN REYNOLDS-JACKSON: OK.

ASSEMBLYWOMAN FANTASIA: Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Let me let Assemblyman Simonsen go, please.

ASSEMBLYWOMAN FANTASIA: Sure; absolutely.

ASSEMBLYMAN SIMONSEN: Ladies first, come on.

ASSEMBLYWOMAN FANTASIA: No worries.

ASSEMBLYMAN SIMONSEN: I was just going to say, I can answer all of these questions in one word, and it's incompetence.

The recommendations are great, but in these districts, whether it's a district issue or a county issue, when you're an administrator, that's your job, whether it's a business administrator, obviously, or superintendent. If you don't do your job, you'll lose your job.

And, these people-- I think you just mentioned the business administrator was assistant business administrator when some of the issues were going on. And, until we solve that problem, getting rid of the people who can't do the job is going to persist and you're going to have audits going on every year. And, like I said, if you're in that leadership position and you can't build a surplus and you can't balance a budget, you shouldn't be in that job. And, I mean, I know that's pretty educational, but it's pretty cut and dry.

But, until districts start to do that, they're going to continue to have the same issues, because it seems like a lot of the schools-- It's the same schools over and over and over again. And, the old saying goes, what's the-- The definition of insanity is doing the same thing over and over and over again and expecting something different. And, it seems like there are districts in this state that do that. And, a lot of them continue to get funding, too, which is ridiculous. But, that's for another time.

Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes, yes.

Assemblywoman Fantasia.

ASSEMBLYWOMAN FANTASIA: Thank you, Chairwoman.

Thank you for coming and sharing your thoughts today.

You had mentioned that there were districts that were not wildly spending, and parties or whatnot -- we know that's untrue. We know clearly what happened with Newark Public Schools, with having to refund the State for their wasteful spending for exactly that -- for a party with open bar, and we know about the balloons, et cetera.

So, there is wasteful spending. To be fair, all public schools are capable of that. We've had an instance of a public charter school behaving *very* badly, and rightfully held accountable. So, I would just caution to not gloss over those cases. Everybody needs to be treated fairly when we're talking about public money, and it does nobody any benefit by glossing over the fact that there is mismanagement of funds that the State now -- that the schools acknowledge, and now even have to refund the State.

I do have a couple of direct questions for you. So, you're saying that more money is necessary, and in certain cases, we know for special

education, I don't think there's a district in the entire state that could not benefit from additional special education funding. However, you're also advocating, for instance, for a return to Tier 1 pension benefits for all members. And, I know your goal is to advocate for your members, that's what your organization does. But, is there a point also-- I recall, Deborah, you had testified here in front of this Committee regarding lifting the cap temporarily, up to 9.9% for local fair share last round, when schools couldn't meet their budget.

So, where do you see that pressure point between the needs -- or perceived needs -- of your members, and what you would like to provide for them, and what you think is fair? What do you honestly think is fair and realistic for the taxpayers? I mean, we have wants, and my grandfather always said to me, "People in Hell want ice water and they don't get it," and I hated that saying, but it really is true. We can want and want, but there *is* a pressure point where it ends.

DR. CORNAVACA: So, thank you for the questions; I'll be brief, and there was multi-pieces to that.

I apologize if I gave the misimpression that there are problems and exceptions to the rules that we're talking about, but we do feel that when we're asking for things like transportation money and special education money, those are to go to real and documented costs, not extraneous activity. And, that is a statewide problem for just about every district -- to your point -- that we know of. So, that addresses your first point.

The second, I believe, has to do with our advocacy for pension reform, as well as-- So, where we think there is balance -- and, I'll defer to my President as well to supplement here, or correct me -- but, when you're

looking at the whole picture of successful and high-quality public schools, the problem that we're having with recruitment and retention is directly related to a Tier 5 pension. And, what we were proposing to do at the end of last session had to do with a DCRP, a very incremental step.

We believe we have to address this, because the ultimate cost to our districts will be higher, A, in terms of bonuses that are being offered to recruit, to steal teachers from one district to the other; we're causing a financial problem there. But, B, the loss of high-quality educators in the middle of their career will ultimately affect high-quality education to be delivered. The advocacy for the lift of the cap was to allow those districts who, according to the formula -- not the topic today -- to allow them to get to that local fair share, because they were placed in an untenable position of being told you have to meet your local fair share but you have a 2% cap. And, so, there is room for us to do that.

I think that there overall needs to be balance. And, that's the dialogue that we're here to have and participate in, but that there are certain strains on school districts that are causing even the best administrator, who does balance the budget every year, for the majority of them to really have to struggle to get the numbers to work and to match.

MR. BEATTY: I would just add-- And, thank you for that question, Assemblywoman.

The final balance, we're always good at collaborating. We're educators, we figure out how to negotiate contracts; we figure out how to make things work; we've shown that, years ago with Chapter 44, that we were able to collaborate and come out with something that saved the State more money than they even imagined.

So, I think the answer lies in how we can collaborate. We know there's a problem that exists when 70% of current educators say they would not recommend the profession to future educators, and we see over a 50% drop in the education prep programs at our State colleges and universities, and even larger-than-ever numbers of people leaving the profession. We know we can't let that alone.

But, to your point of finding that balance is the question. We're ready and able to go. We've suggested things; we're ready to sit with the Governor's Office, legislative leadership, to work out real, structural solutions that can do both things; make sure that our future educators come in to a pension that they can retire on, that is not just a savings account after 42 years of service -- or worse, in some cases.

I understand there are fiscal issues, but it's also, at the same time, when you see on a weekend that \$128 million just went out the door somewhere and no one knows where, there's also money to be found from both sides that come together and collaborate for those solutions-- Because every kid, every kid deserves that high-quality education regardless of where they live; their ZIP code; who they are. And, that means we have to have the money set aside to fund the educators; to make sure the schools are funded; and they're coming to nice facilities.

So, we can find those answers.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

ASSEMBLYWOMAN FANTASIA: I have two more, and I'll make it quick.

You had talked about charters, with the transportation issue. I can tell you that honestly, charters don't enjoy waiting every month to get a check from individual districts, either -- that's not a good time. It would be, in my opinion, better streamlined if the State actually kept those funds and redistributed because charters are at the mercy every month of individual school districts actually mailing the check at the end of the month.

However, I just want to acknowledge that 10% of the per-pupil cost does remain in that school district. So, let's say that a student was going to -- was going to transfer to a charter, aid in lieu of transportation, which was a small amount, which would most likely match that 10%, is an option. So, I don't necessarily think that's a huge, insurmountable gap. Also, if you have students going-- For instance, in the neighboring district, let's say two towns butt against each other, there are most likely multiple children who are taking that same bus from that town. Again, if you have an outlier, there's that aid in lieu of transportation option, which I don't think is nuclear for any traditional public school district. I don't know if you feel differently, but, I just want to give you a chance to say--

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you.

What is your next question?

ASSEMBLYWOMAN FANTASIA: My next question is regarding the Highlands. I know you have 200,000 members, roughly, in your testimony that you submitted here; probably 35-40,000 are actually working in the Highlands. And, I'm curious as to what your stance is. Again, I know you're an advocacy organization. What is your stance in advocating for greater funding for those specific schools, like Jefferson Township, Vernon, West Milford, that are getting hammered?

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much for your questions. But, remember, the focus of this is about the internal audits, what internally -- controls that they can do.

So, if you want to answer her question in -- along with the premise of this hearing, I would appreciate that.

Thank you.

DR. CORNAVACA: Where there are districts that are struggling because of what they feel are inequities in the formula -- for example, in the Highlands, we've asked to take an analysis of the question of their local fair share based on what their preserved lands are, which are not ratables. And, we're happy to take a look and have those discussions.

It's why-- I'll just be brief here to say we've recommended participation in a task force to review the formula; that's where it needs to be addressed. The issues with regards to potential funding challenges for the Highlands isn't a matter of auditing or measures; it's a matter of whether or not they are getting a fair share out of the formula. And, that's something we are happy to look at.

ASSEMBLYWOMAN FANTASIA: Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

Anything else?

ASSEMBLYWOMAN FANTASIA: No, Chairman, I just want to -- Chairwoman; sorry -- I just wanted to clarify for you in asking the questions, yes, the Highlands was a bit off. But, by way of charters, I was merely addressing the testimony that came to us.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Sure; thank you so much.

Thank you so much, I appreciate that.

Thank you so much for your testimony today.

I would like to call up the next group, the New Jersey Association of School Business Officials. Sue Young; Matthew Clarke; and Mike Vrancik. I apologize if I mispronounced anyone's name.

Good morning.

**S U S A N Y O U N G:** Good morning.

Is that on?

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes.

MS. YOUNG: OK, thank you.

Thank you for having us join you this morning.

Chairwoman Reynolds-Jackson, Vice Chairman Bagolie, and members of the Assembly Education Committee, thank you for the opportunity to appear before you today, and for your attention to the very real financial pressures confronting New Jersey school districts.

My name is Susan Young; I am here on behalf of the New Jersey Association of School Business Officials.

I have to my left Matthew Clarke, who is the Assistant Executive Director. Between the two of us, we have 60 years of school business administration experience. And, to my right is Mike Vrancik, our Legislative Consultant, who I'm sure many of you know.

Our members are both the CFOs and COOs of the school districts. So, yes, they are responsible for developing district budgets; monitoring expenditures; and advising boards of education on the financial

condition of their districts -- along with all of the other operational responsibilities that they have within their district.

I want to be very clear about rules and responsibilities. School business administrators are responsible for presenting accurate financial information; identifying risks; and implementing the budget that is ultimately adopted. Budgets; staffing levels; and programs are recommended by the superintendent, and approved by the boards of education, as required by statute. SBAs do not make the final decisions, but they are charged with making the numbers work, once the decisions are made.

I appreciate the Committee's concern about the fiscal cliff many districts are facing, because *it is real*. Let me briefly summarize the major drivers -- many of which you are already familiar with.

District budgets are constrained by 2% tax levy cap, while salaries and health benefits account for 75-80% of total spending. When those costs rise faster than allowable revenues, closing budget gaps becomes impossible without taking significant and often painful action.

You have before you an example from a real district, showing the impact of an average -- average -- salary and health benefit increase. That district is projecting what might be considered good news: Only a 16% health benefit increase for next year, after a 25% increase this current year. Even so, with flat State aid, their tax levy would need to increase by 8.7% just to balance the budget. What is particularly important to note is that the actual dollar increase in health benefits now exceeds the total salary increase for its employees. The top half of the chart you have in front of you are actual numbers from a typical district. The bottom is, essentially, the same district, just rounded off to make the math easy to a \$100 million budget. And, that's

where you will see the impact of those increases in a typical salary increase of over 3% and the health benefit increase -- the optimistic one -- of 16%.

So, while Chapter 44 anticipated savings, actual district data documented in our report and reflected in the chart you have with a QR code that is on the bottom or the back -- the second page of what you have -- it will take you to our full report. That report, based on actual data OPRAed from the Department of Education, shows that the vast majority of these increases have been absorbed by districts and taxpayers -- not employees. That chart does *not* have yet the 2025 actual health benefit increase data -- nor would it reflect the 31.9% increase as of January of this year. You can see the trajectory on that chart.

Compounding this problem, districts must adopt budgets months -- months -- before health benefits rates are finalized, leaving administrators to address mid-year shortfalls that were neither foreseeable nor controllable. This is why we believe it is time to sunset Chapter 44 and return health benefit structures to local control, or, at a minimum, allow districts flexibility to address health benefit adjustments realistically within their budgets. At the same time, districts continue to experience sharp increases in special education and transportation costs -- both of which are legal mandates. Transportation costs have also been affected by new preschool transportation requirements. While equalization aid often receives the most attention, only 48% of districts receive it. By contrast, 96% of districts receive special education aid, and 99% receive transportation aid. Yet, these categorical components have not kept pace with actual cost. Reexamining how special education and transportation aid are funded is

critical if districts are to meet their legal obligations without sacrificing general education programs.

These pressures are further compounded by salary settlements that exceed levy cap growth, and by ongoing issues such as unpaid meal charges, which districts are required to absorb with little or no reimbursement. Reimbursing districts for unpaid meal charges would immediately relieve a burden that has nothing to do with educational quality or local decision-making.

So, what does this mean in practice for school business administrators? It means repeatedly presenting boards with increasingly difficult choices. It means recommending actions they know will affect students and staff; increasing class sizes; eliminating programs; outsourcing services when possible, due to the new law; or reducing positions to part-time to manage benefit costs. It means drawing down reserves; selling assets; eliminating extracurricular activities; deferring maintenance; and imposing mid-year spending freezes. And, it means implementing board-approved decisions that may be unpopular but unavoidable.

I want to emphasize again that school business administrators are making recommendations and carrying out actions under the direction of superintendents and boards of education within the constraints as established by State law. They are often the ones explaining these decisions publicly, even though they are not the final decision-makers. Even with strong governance and capable administration, districts cannot overcome unpredictable State aid; underfunded categorical programs; rigid statutory caps; and health benefit structures that limit local flexibility. Removing the tax levy cap and administrative spending caps -- or at least revisiting how they

are applied -- would better reflect today's economic realities. Similarly, restricting hiring to the budgeted position control roster, with limited reviewed exceptions, would reinforce fiscal discipline while recognizing the districts that are already operating leanly.

Capital needs present another growing challenge. Districts are deferring necessary repairs and maintenance because existing funding mechanisms do not reflect real construction costs. Raising the square foot rate so that the "40% funding" is truly 40% -- in reality, it's about 16% right now -- and creating meaningful capital improvements support would help districts address facilities issues before they become emergencies. Increasing the prevailing wage threshold to the municipal level would also reduce unnecessary cost pressures.

We're almost done.

There are also efficiencies to be gained by reducing duplicative regulatory and administrative reporting requirements, rolling out field-tested system software rather than unproven platforms, and equalizing county vocational funding responsibilities across counties.

In closing, the financial challenges we are discussing today are not the result of poor administration or lack of oversight. They are the result of a misalignment between rising, largely uncontrollable costs, and the constraints placed on local decision-makers. School business administrators are doing exactly what they are trained to do -- advising boards honestly; managing resources responsibly; and implementing difficult decisions they did not create but are required to carry out.

We appreciate the Committee's willingness to examine these issues, and we stand ready to work with you to improve predictability, flexibility, and sustainability in school finance.

Thank you for this opportunity.

I am happy to answer questions, and I also have a list of solutions, but I don't know if you want me to continue on.

(laughter)

ASSEMBLYWOMAN REYNOLDS-JACKSON: Well, I just want to clear up a few things.

You started off the conversation that business administrators are not the decision-makers.

MS. YOUNG: Right.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Who is?

MS. YOUNG: The school business administrator will typically meet with a finance committee of the board, with the superintendent, to discuss the budgets; to discuss the finances. And, then, the recommendations have to go from the superintendent to the board, who votes on the budget.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Who is in control of the accounting pieces there, a CFO? Somebody is signing off; somebody is saying, "These numbers are confirmed." Who does that?

MS. YOUNG: Yes, so, I think what you're possibly addressing is the end result as opposed to the process. So, what are some of the factors that are occurring that may cause problems for districts?

Number 1--

ASSEMBLYWOMAN REYNOLDS-JACKSON: No, no no--

MS. YOUNG: No, no, no--

ASSEMBLYWOMAN REYNOLDS-JACKSON: I'm asking the question--

MS. YOUNG: Yes--

ASSEMBLYWOMAN REYNOLDS-JACKSON: --about who is certifying the funds. That's my question.

MS. YOUNG: The budget is approved-- It is reviewed by the county. It is approved by the Board of Education. It is presented to them by the Business Administrator. Does that answer your question?

ASSEMBLYWOMAN REYNOLDS-JACKSON: No.

**M I C H A E L V R A N C I K:** (indiscernible)

MS. YOUNG: Yes, the Department of Education has to approve the budget at the county level.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Right. Who is preparing it?

MS. YOUNG: The business administrator, with input from other administrators and the Finance Committee.

ASSEMBLYWOMAN REYNOLDS-JACKSON: And, who is a part of the Finance Committee?

MS. YOUNG: Board members. Board of Education members.

MR. VRANCIK: Madam Chair, the business administrator prepares a budget; provides it to the superintendent, the school board. The Finance Committee, and the superintendent review the budget in context with the BA, but they vote on and approve the budget. And, then that budget goes through the county superintendent to the Department of Education.

Typically, that-- This year, I think the budget is due before the actual State budget comes out, because of the delay because of the new

Governor. But, typically, the budget is due sometime in early March. It goes to the Department of Education, and it is approved sometime in mid-April -- all well before the State budget is finalized and districts know exactly what they're going to get.

ASSEMBLYWOMAN REYNOLDS-JACKSON: So, I guess where my confusion is, in county government, we have a CFO. He prepares the budget; the Board adopts it. But, he's certifying those funds. He's saying we have a \$250 million budget. He's certifying that; he's saying, "These are the funds we have."

My question is, at the district level -- school districts -- who is certifying the funds?

MS. YOUNG: It is the business administrator.

ASSEMBLYWOMAN REYNOLDS-JACKSON: OK.

MS. YOUNG: Then you have to take the next step, which is implementation. That's where things go awry.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you.

MR. VRANCIK: Madam Chair, a budget is being certified by the BA without the final numbers being available, though. That needs to be clear--

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes--

MR. VRANCIK: --that it's possible that doing the best job possible to project what revenues are available and saying, "This is our budget." And, then the State finding out that their revenues are short, et cetera, et cetera; making cutbacks. Things change.

So, it's possible that a budget that's presented -- to say that it's certified--

ASSEMBLYWOMAN REYNOLDS-JACKSON: It's going to change.

MR. VRANCIK: Yes, all the revenues are going to be there based on what everybody is telling us.

ASSEMBLYWOMAN REYNOLDWS-JACKSON: Right, but the health-care costs are driving-- You don't know what that's going to be in the midst of your planning. Am I hearing that as well? Salaries, we should know what that number is.

MS. YOUNG: Yes. So-- Yes.

ASSEMBLYWOMAN REYNOLDS-JACKSON: OK.

Thank you.

Assemblywoman -- Vice Chair Bagolie.

ASSEMBLYWOMAN BAGOLIE: It's still morning; good morning.

(laughter)

ASSEMBLYWOMAN BAGOLIE: I have the esteemed honor of being a school superintendent; wear the hat of principal as well. And, I am a certified business administrator, who has a business administrator who comes in two days a week, so, I also have to wear the hat the other three days of the business administrator.

When we're asking what went wrong here, I need us to also be a little honest. Now, when I looked at what was happening, as someone who is doing the job every single day, we have to all be honest and say something went wrong here; something more than beyond our controls. Because when I hear the auditor saying that we're confirming orders -- you remember Pat

Moran; that was his pet peeve. And, I worked under Pat Moran. God -- may he rest in peace. We don't do that; we're not allowed to legally do that.

Some business administrators are required to certify to the Board that there are not account lines are running into the red on a monthly basis in our reports, in our Board meetings. So, the Board is hearing that there are no account lines in the red and they are not saying something; nothing is wrong. When you have open POs -- and, maybe they're not under the test or controls of the auditor, but at a \$21 million deficit from year to year, or school districts that don't pay their bus bills for two years, I can see where maybe the auditor *did* find it, and it went into a cap, and somewhere the cap wasn't implemented and then we're seeing anything it in year three where that payment wasn't made.

It can happen because we know that we have business administrators -- county business administrators -- who are all pointing to the executive county superintendents. But, we know that county school business administrators exist as well and, yeah, they are pressured with maybe having four counties that they're running to, and they do not have the time to visit every single school district four times a year within those counties -- we're not talking municipalities. And, then the executive business administrator is also stretched thin.

I understand one thousand percent, because I sit in the role every day. And, we have amazing superintendents and business administrators who do the right thing every single day for our students. But, something here went wrong, and I think what this Committee is trying to find is where the controls did not work; where maybe the position control rosters were not complete; where maybe the health benefits costs weren't anticipated; where

POs weren't paid timely; and where account lines may have ran into the red without being acknowledged to the Board of Education. Where a busing charge goes unpaid, maybe sometimes we don't get the bill from the agency that we may be contracting with in time to have that paid out by the end of the year -- that could happen as well. Sometimes I'm chasing bills, and I know that that happens.

But, to the tune that we're hearing-- And, also, it's concerning for me to hear situations like Hackensack, where the superintendent is now -- and the business administrators are now being sued and held liable for those events. But, then, you look at Perth Amboy, who didn't raise their tax levy for 11 years, and I see the constraints of business administrators, once they develop a budget, having to do it again.

So, I guess what I want to bring us back to after having said all that, and understanding where we go, but also understanding what we have to do and the controls that do exist from day to day. How do we fix it? How do we mitigate it? That's what we're kind of here to find out, when everybody says to us, "That's a policy issue." We want to know the policy issues that we can implement in order to be able to help school districts not run into these situations again.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you.

MS. YOUNG: Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes, Sue.

(laughter)

MS. YOUNG: So, as a business administrator, sometimes you get used to being the bearer of bad news.

So, I'm going to be very clear -- you're going to see more deficits, if that's your primary concern. I am hearing-- Matt and I are hearing from our members, we see them every month, "I have a million-dollar deficit projected," "I have \$4 million." And, I believe that-- I don't want this to sound wrong, but the county business administrator who reviews the budget may have 85 budgets to review within a month's time. It's an impossible task.

I have business administrators that have said, "I told them I can't find anything more to cut, and I still have a million-dollar gap." And, the response is, "Well, you figure it out." Because they have no resources at the county level to help. It just gets tossed right back to the district, to say, "You'll figure it out." That's a common saying -- "You'll figure it out." During the year, you can have a perfect budget. If you're a small district, and a special ed. student moves in, sometimes the transportation is \$100,000 -- just the transportation is more than the tuition. It can destroy your budget. Finding out a 31.9% health benefit increase in January -- that you were not, by statute, allowed to budget for; by statute -- is going to throw some districts into deficit.

So, yes, will there be some situations -- and, I think you heard the previous speakers talk about it -- let's remember these are selected situations. There's 600 districts. But, there has also been turnover, quite frankly, in school business administrators. They sometimes will move from district to district if they don't have the support for what they're proposing. These are people who come to us at 40 years old with careers in finance, with CPAs. And, they have gotten to the point where my experienced business administrators are saying, "I can't do this anymore; I'm out; I'm retiring."

So, some of these districts you've seen, they talked about is turnover in administration. We've talked very much about turnover in teachers -- well, if we keep going down this route, the only answer is laying off more staff. There are going to be teachers looking for jobs. I need school business administrators supported, and I need people to understand what needs to be done to support them, whether it's legislatively; whether it's procedurally at the county level. We have reached a crisis.

ASSEMBLYWOMAN REYNOLDS-JACKSON: I agree.

Thank you, Sue.

Yes.

MR. VRANCIK: This is sort of off the cuff, and just a reflection on my somewhat long experience in government. I worked for nearly 20 years in the State Budget Office, and during that time one of the things we did, besides preparing the budget for the year -- to come and working on what that should look like -- is monitoring current expenditures.

That said, in Treasury -- because it's really the State's Department of Administration -- we had access to everything, including all the district -- or all the department, rather -- financial information; all their transactions were on the State Accounting System, which we could access. There's no such statewide system that is in place currently to allow people at the Department of Education or at the county office to say, "Perth Amboy has outstanding bills from this long," et cetera, et cetera. I'm not saying that that's something that can magically happen, either. I suspect that putting something like that in place with a number of districts and the details would take quite a bit of time.

But, I think that was what you guys were looking for, and it kind of doesn't exist at the moment. So, you're relying on paper reports or transactions that go up the chain, and it's a lot of work and there's not enough staff to do all that stuff.

MS. YOUNG: They're wearing multiple hats.

MR. VRANCIK: Right.

MS. YOUNG: Finance and operations.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes.

MS. YOUNG: And, they don't have the time or the resources sometimes.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Assemblywoman Brennan.

ASSEMBLYWOMAN BRENNAN: Just briefly; thank you.

And, to the Chairwoman and the Vice Chair's point, that's really what we're looking for. Yes.

As someone who has been on the side of trying to implement any kind of State system, it's expensive; it's going to take forever. But, that doesn't mean we shouldn't try, and I would love to see if there are models like that from other states -- understanding New Jersey has unique challenges.

And, to your point about-- I know this is easier said than done, but all of the issues of the points at which there are mismatch. I represent Jersey City and Hoboken, and one of the main issues when we then raised our school levy by 20-plus percent over the past few years was because of when we found out about certain cuts and losses of funding.

And, I look forward to seeing your recommendations about, OK, what are the points at which perhaps we could suspend our changed statute;

what would that look like; is that an impossible task; where are those checkpoints? Because those are very real realities. And, help us help you.

Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Assemblyman Venezia.

ASSEMBLYMAN VENEZIA: I just want-- Are you going to hand in that -- you have a list of recommendations, are you going to hand that in for the record?

MS. YOUNG: I do. Yes.

ASSEMBLYMAN VENEZIA: OK, perfect. So, we can have--

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes--

ASSEMBLYMAN VENEZIA: --them for our own reference.

MS. YOUNG: Yes, if you would like, I can share the top two, three.

ASSEMBLYMAN VENEZIA: Yes.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes.

MS. YOUNG: OK, perfect.

I will give you the testimony and the solutions, as we call it.

Immediately sunset Chapter 44 and return health benefit plan design and contribution structures to local control. As you see from your diagram, that is the biggest pressure point right now.

Re-examining the categorical aid formulas is also important.

I'm just going to save you time.

And, restrict hiring to the position control roster. During the year, "We need another teacher." Well, it's not budgeted. "Well, you'll find the money." So, those are internal controls that could take effect.

So, I'm going to stop there; there's a whole list. I'm happy to discuss them in more detail.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Perfect.

ASSEMBLYMAN VENEZIA: And, then, just, my other question.

I was mayor for 10 years and my CFO was very-- When I told him I wanted a zero, he used to tell me, "Absolutely not." We raised the budget a little bit so we could grow -- especially grow our surplus.

And, I know most districts don't have the capability to have a surplus right now, but when times are good, do you think we should -- statutorily -- we could try to give school districts a bigger surplus--

MS. YOUNG: Absolutely--

ASSEMBLYMAN VENEZIA: --than they're allowed to right now? Just when times are bad.

MS. YOUNG: They don't have money to put towards it right now, but--

ASSEMBLYMAN VENEZIA: Right, right--

MS. YOUNG: --yes, yes; absolutely.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Vice Chair Bagolie.

ASSEMBLYWOMAN BAGOLIE: I just have one last question, because for smaller school districts, you said that we have a BA shortage in the state. It's something I run into. Every two years, I have to get to know another business administrator. Because, I'm a very tiny school district that only has a BA two days a week, I don't have the benefit of being able to hire a full-time BA given administrator cost caps, and it's a small district.

Do you think one of -- a way to fix and maintain continuity, maybe, in the smaller districts that are throughout the state is maybe allowing retired business administrators to come in for more than two years without affecting their pension, without gaining tenure rights, but having that institutional knowledge that stays within the smaller districts from year to year?

MS. YOUNG: Yes, that absolutely would help.

Just as a side note, all of our individuals who are listed with us as interims are all working.

ASSEMBLYWOMAN BAGOLIE: Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: I believe it.

Assemblywoman Fantasia.

ASSEMBLYWOMAN FANTASIA: Thank you, Chairwoman.

You kind of pre-answered my one question, and that was about Chapter 44, which predates me, my joining of the Assembly -- I think that was in 2020 -- where we went from the percentage of premium contributions to the percentage of salary structure.

So, did you notice from that point, from your vantage point, was that a huge tipping point, and where you started to see an increase in deficit when that was instituted?

MS. YOUNG: It was gradual at the beginning because -- remember, we can't forget -- we were all in a pandemic, so those first couple years benefited by the fact that people weren't going to the doctors, so when we came back to reality, absolutely. When Matt and I were both business administrators, Chapter 78 was in effect -- and, quite frankly, that helped

buoy up our budget, because the employees and the employer both had to share in the health benefit cost.

So, in our report that you have linked on the QR code, we, again, OPRAed the information from the Department of Ed. on the actual cost. And, we contend that the law as it was written indicated we were to save \$300 million in the first three years. We don't see that at all. So, it has become a larger and larger problem as health benefit costs in general have increased, and that has been the primary strain on our school budgets over the years. I am told that the benefit level is better than Google's.

ASSEMBLYWOMAN FANTASIA: Thank you.

So, to be clear, Chapter 44 then shifted the percentage whatnot towards the district and the taxpayer, per se, by increase of local levy, versus a responsibility on the actual employee?

MS. YOUNG: Correct.

ASSEMBLYWOMAN FANTASIA: Thank you, I just wanted to make 100% clear.

MS. YOUNG: Yes.

ASSEMBLYWOMAN FANTASIA: Thank you for that.

And, Assemblywoman Bagolie, thank you so much for sharing that perspective when you asked those questions. It was very helpful.

ASSEMBLYMAN VENEZIA: Chair, I just have one more.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you.

Yes, Assemblyman.

ASSEMBLYMAN VENEZIA: You had mentioned about support -- business administrators need more support. Are you referring to

maybe board of ed. members overstepping their boundaries today moreso than ever, or-- What were you referring to with that?

MS. YOUNG: Multiple things. Because, there are times-- And, trust me, I had considered becoming a board of education member and decided not to--

(laughter)

MS. YOUNG: --because it's a tough volunteer position where, if you vote to raise taxes, you're going to get accosted in the supermarket. But, there are boards that will hang tough and say, "It can't be raised more than X percent." So, that forces really, really tough decisions. I'm a grandmother. I don't want my grandchild's classroom size changed, either. So, there are no good decisions for them to make.

So, that's one; so, yes. Sometimes, a lack of support from the Board-- And, that sounds negative, but I get it; I understand it. But, also, we are handcuffed statutorily. We are just absolutely-- There is nothing districts can do to negotiate health benefits, as an example. When they tried some things that were interpretations of the law, they were aggrieved and lost in arbitration initially. It was overridden eventually, but it's a tough road.

So, it's a combination of factors.

ASSEMBLYMAN VENEZIA: Right.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Well, thank you so much for your testimony today.

We're definitely going to have some more questions and follow up with you, but thank you so much for bringing your perspective; I appreciate it.

MS. YOUNG: We'll leave the copies of the documents.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes; thank you.  
Thank you so much.

We're going to move on now to introduction of the bills.

First up we have A1732.

MS. CHAMBERS: Assembly Bill No. 1732 appropriates \$3 million annually from funds collected from the Social Equity Excise Fee that is assessed on cannabis to the Department of State to support funding for Freedom Schools in New Jersey. Freedom Schools provide academic summer programming, as well as continuous follow-up homework and tutoring services throughout the academic school year.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you.

I am the prime sponsor of this bill, and when I tell you I absolutely love Freedom Schools, I love everything that they stand for, in terms of educating our community about their culture. It's a fantastic program, and the prior Governor administration has embraced it as well.

We also have-- The current Lieutenant Governor Dale Caldwell is also keeping these initiatives. There are 21, I believe, throughout the county. And, the primary focus was on African American culture and enrichment. And, I want to continue to support that.

I'm going to call up our testimony -- people who want to come testify. I'm going to call up Diana Rogers, from Mount Zion CDC; and Racquel Henry from Salvation and Social Justice.

The floor is yours.

Good morning.

**D I A N A R O G E R S:** Good morning.

Good morning, Chairwoman Reynolds-Jackson, and Vice Chairwoman Bagolie, and members of the Committee.

My name is Diana Rogers; I am the Executive Director of the Greater Mount Zion Community Development Corporation.

Thank you for this opportunity to provide testimony in strong support of Assembly Bill A1732.

I am honored to speak not only as a Freedom School sponsor, but as a youth advocate; former Director of Programming for Justice Involved Youth; and community leader, who has witnessed firsthand the transformative impact of high-quality, culturally-responsive summer and out-of-school learning programs.

Our Jasper Clark Freedom School is modeled after the nationally recognized Children Defense Fund's framework, and exists to ensure young people -- particularly those in historically underserved communities -- develop strong literacy skills; confidence in their voices; and the social-emotional tools necessary to thrive academically and personally.

As you know, across New Jersey, families and educators continue to confront academic and social impacts of disruptive learning environments, widening opportunity gaps. Research consistently shows that summer learning loss disproportionately affects students from low-income communities, causing months of lost academic progress each year, and compounding academic gaps over time. Literacy is especially critical; reading proficiency by middle school strongly predicts graduation rates, workforce readiness, and long-term life outcomes.

Last summer, our inaugural Freedom School offered 30 scholars in grades six through 10 through a model intentionally designed to support

both academic achievement and whole child development. They receive rigorous literacy instruction, which form core -- the core program goals. Scholars engaged in daily culturally relevant reading, guided discussions, and structured writing activities focused on comprehension, vocabulary, and critical thinking. They also participated in expressive creative activities to enforce and strengthen their learning. These activities included music, poetry, writing, and performance. These activities connected literacy and creative activities that were designed to center the young people's voices.

We have measurable outcomes which were required by CDF Freedom School, as well as the Office of Faith-Based Initiative. We-- Our children participated in pre- and post-test assessments. These tests showed that our scholars showed a 92.9% of them either maintained or improved their reading through the activities that they participated in over the summer. We also required that the students participate in restorative practices and social and emotional development. They were embedded through the daily practices of peace circles and conflict-resolution activities.

The scholars strengthened their empathy, their communication skills, and their accountability -- skills all directly linked to academic success. In addition, we required -- as well as CDF Freedom School required -- weekly parent engagement participation. So, parents had to work and participate in workshops every week during the summer. And, each week, the children participated in educational field trips. We recognize that the young people also needed downtime, but the one thing about the field trips is that the field trips also had to be tied to literacy. Even when they went to the beach, there was understanding about the beach. When we talk about STEM, and we talk about the ocean, what were some of the things that -- how does the ocean

relate to some of the issues around climate control, and things of that nature? So, everything was tied to literacy, everything was tied to education.

And, so, because of the measurable success and strong community response, and strong response from our parents, we are expanding in 2026 to include grades three through five. So, we will increase the available slots available to the scholars to include another 10-20 slots, specifically for levels three through five. And, we recognize that the essential -- that this is an essential period when students transition from learning to read to reading to learn.

So, I've talked about the numbers and our success. I want to share with you just a human story from Freedom School. One of our rising high schoolers -- so, this would have been an eighth grader going into the ninth grade -- came into the program reading on an elementary school level. She recognized that her-- She recognized her academic limitations, and she was very reluctant to read aloud or answer questions during circle time. However, over the course of the six-week program, she improved her reading level by two grades. And, while some might say she was reading on an elementary school level when she came in, the fact that she was able to increase her reading by two grade levels during a six-week period is significant for her.

And, one of the things that we like to share with people, again, when we talk about our summer field trips, our final field trip was to SSAAM museum in the Sourland area. They have a reading scavenger hunt as part of the activity. And, this young person, when she found out that her reading had improved by two grade levels, the thing that we did not expect was that she would voluntarily read during that field trip, because she was confident

enough to share how she had improved. And, so, these are the things that we talk about when we talk about the importance of Freedom School, and how it improves the confidence of the young people.

And, so, when we talk about this investment, we recognize that this investment is critical. And, so, we-- While we strongly support this bill, we also ask that, as you look further in the future, that you look to potentially increasing the amount that's available.

And, also, we want to thank the sponsors of this bill for recognizing the value of summer learning, and that it is necessary so that we are not losing any information over the summer.

Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

Thank you so much.

Racquel, do you have testimony?

**RACQUEL ROMANS - HENRY:** Good morning.

Thank you Vice Chair, and Chair, and members of the Committee.

My name is Racquel Romans-Henry; I am the Director of Policy for Salvation and Social Justice.

I want to thank you for the opportunity to provide testimony today in support of Assembly Bill 1732, which would appropriate funding to support Freedom Schools in New Jersey.

I want to begin by thanking Assemblywoman Reynolds-Jackson and the sponsor of this -- and Assemblywoman Carter, for championing this bill; for their leadership; and for their commitment to educational equity.

This legislation recognizes what many of us in our communities already know, and that's simply this: Freedom Schools work. However, while we are enthusiastically supporting this bill, we'd like to respectfully urge you to consider amending the bill to increase the annual appropriation from \$3 million to \$10 million, so that each program can really meet the true scale and the need that's in the state.

Freedom Schools have a long and powerful history in this country. They emerged during the 1964 Mississippi Freedom Summer to address the exclusion of Black children and other marginalized communities from quality education and civic participation. From the beginning, Freedom Schools were about more than academics. They were about literacy; they were about civic engagement; leadership; and empowerment. Regrettably, that mission remains just as urgent today -- particularly in New Jersey, which continues to have one of the most racially and economically segregated school systems in the nation. These patterns of segregation contribute directly to disparities and academic outcomes; access to enrichment; and opportunity. Freedom Schools help to remedy these inequities by delivering culturally-responsive, high-quality learning experiences in communities that have long been underresourced and overlooked.

Modern Freedom Schools fill critical gaps in our education system by addressing literacy disparities; expanding STEM exposure; strengthening civic knowledge and confidence -- particularly during out-of-school time, when students are most vulnerable to learning loss. Nationally, these programs have demonstrated strong outcomes, including improved reading; achievement; higher student engagement; and reductions in summer learning loss.

Here in New Jersey, the State has already made meaningful progress. The currently operational Freedom School serving students across the state -- their investments are important, but we know that the need is great and, unfortunately, it's going to require more resourcing. Demand far exceeds available funding, and without increased resources, we cannot both sustain existing programs and expand into segregated and high-need communities where these supports are most urgently required.

I want to briefly-- Well, actually, I don't even need to, because your testimony really hit the nail on the head. I was going to touch on all that's going on in Trenton. But, in closing, I think I will just say that it's not just about expanding the sites and creating more sites, it's about supporting the programs that currently exist -- keeping in mind that a lot of the support that these programs are receiving are from donations in the community. That also puts a toll on the communities that are already in need.

So, I want to thank you again for the time, for the commitment.

And, if there's any other questions or concerns, I'm happy to work with you to address them.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

Is Paula White here to testify also?

**P A U L A W H I T E:** I am.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Can you please come up?

I'm sorry, I want to have all three of you at the same time, and then we can begin to take questions.

And, as she comes up, we have Elisabeth Ginsburg -- in favor; no need to testify. John Bird -- Burns, New Jersey Public Schools Association -- in favor; no need to testify. And, Colleen -- in favor; no need to testify.

Ms. White.

MS. WHITE: Thank you so much.

Committee members, I am Paula White. I am the Executive Director of JerseyCAN, where we are committed to the pursuit of access to a high-quality education for all.

And, I am providing testimony here of course in support of A1732, which would appropriate \$3 million annually to Freedom Schools in New Jersey, using funds collected under the cannabis-related Social Equity Excise Fee.

As the organization that leads the New Jersey Legacy of Literacy Coalition; as the organization that authored the policy paper "*Leveraging Literacy: The Path to Education Recovery in New Jersey*," and as an unrelenting -- sometimes annoying -- voice for advancing literacy outcomes in our state, we firmly believe that any investment made in ensuring that New Jersey's children can participate in safe pro-social and pro-academic summer pursuits is worthy of support. And, certainly, any attempt to improve, in a measurable way, children's mastery of core academic content and literacy should be applauded.

By steering funds collected under the excise fee to Freedom Schools in New Jersey, many students will have the opportunity to engage in a meaningful academic and social summer opportunity that can extend throughout the school year.

Less than 50% of New Jersey's third graders are reading at grade level. For most Black student subgroups, the outcomes are typically significantly worse. Reading is fundamental; reading is freedom. This is what the Freedom Schools understand, espouse, teach, and promote. Birthed from the struggle of the Civil Rights Movement, Freedom Schools have a long, strong history of nurturing and addressing the needs, the legacies, and the future of children whose futures have been intentionally underinvested in, or even sabotaged.

It is good to see New Jersey's Office of Faith-Based Initiative housing the Freedom Schools Initiative, and it is equally good to see efforts being made to fund the contemporary iteration of this important work -- which, I might add, has been championed by Children's Defense Fund founder and my Spellman sister attorney Marian Wright Edelman. And, JerseyCAN is heartened to see the proposed thoughtful, innovative use of this excised revenue to benefit our State's most valuable asset -- its children.

In sum, A1732 supports a great program, and it pairs this great program with State funds that should be put to good use for reinvestment in our State's progeny. As such, JerseyCAN supports this bill, and we applaud its sponsors.

So, thank you so much Assemblymember, or leader, Ms. Reynolds-Jackson.

Also, to Assemblymember Carter and to Assemblymember Venezia for sponsoring this legislation.

And, thank you to this entire body for your consideration of this testimony, and for your leadership on behalf of our students.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

Members, do you have any questions?

ASSEMBLYMAN VENEZIA: I don't have any questions--

ASSEMBLYWOMAN REYNOLDS-JACKSON: You want to have a comment? (laughter)

ASSEMBLYMAN VENEZIA: Yes.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes.

ASSEMBLYMAN VENEZIA: I just want to-- I want to mention that in my town of Bloomfield, we had-- They started a Freedom School last year at New Life Baptist Church. It was absolutely-- I visited it, and it was absolutely excellent. The kids were amazing. They even got me to dance, which was a whole other story.

But, that-- After the fact, talking to some of the parents in October and November, the children that-- Some of the children who went there are seeing more confidence in their reading, and the literacy.

And, this program is successful, and if the sponsor wants to put more money in it, I am absolutely in favor of putting more money in it. I love the bill, and it's great that we can continue to put money in the programs that are existing, but then also try to expand it in the future. So, thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

MS. WHITE: And, shoutout to Bloomfield.

ASSEMBLYMAN VENEZIA: (laughter)

(laughter)

ASSEMBLYWOMAN REYNOLDS-JACKSON: Assemblywoman Fantasia.

ASSEMBLYWOMAN FANTASIA: Thank you.

Not a question, just thank you. Thank you for what you do.

Thank you, Paula, for always being the loudest voice for literacy in New Jersey.

The testimony that you gave talking about the summer slide and how students fall back-- For those of you who maybe don't-- I've done a summer enrichment program for literacy for consecutive years, and a win is staying where they are when they end the year and starting again in August or September at that level, because the slide -- especially in underserved communities -- is very, very real. And, oftentimes children will test at a certain grade level at the end of the year and come back almost appearing at a lower grade level for not practicing.

So, again, thank you for what you're doing.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

With that, can I get a motion to move the bill.

ASSEMBLYMAN VENEZIA: Motion.

ASSEMBLYWOMAN SWAIN: Second.

MS. CHAMBERS: This is a vote on the motion to release Assembly Bill No. 1732.

Assemblywoman Fantasia.

ASSEMBLYWOMAN FANTASIA: Assemblywoman, may I just make a brief statement--

ASSEMBLYWOMAN REYNOLDS-JACKSON: Sure--

ASSEMBLYWOMAN FANTASIA: --before I vote?

As you can tell, I do support Freedom Schools. This \$3 million does come from the marijuana tax revenue collected statewide, and that's from all over the state -- so, that's money that's collected from these regions, *and* where I'm from, in the Highlands. And, we obviously are not eligible for this social excise fee, so I know we had spoken earlier, Chairwoman, about applications for it, but it does not apply in our area because we are not identified as an area that was disproportionately affected by prior cannabis laws or actions. Yet, again, the revenue that's collected from us is again redistributed.

So, although I support this at the \$3 million, and I know this is not a pot of funds that could ever go to the Highlands, I just caution against-- Again, we are really, really stretching funds coming from the Highlands without putting money back educationally.

But, with that being said, I'm a yes.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you.

MS. CHAMBERS: Assemblyman Simonsen.

ASSEMBLYMAN SIMONSEN: Yes.

MS. CHAMBERS: Assemblywoman Brennan.

ASSEMBLYWOMAN BRENNAN: A brief statement.

Thank you all, truly.

We have a couple of Freedom Schools in Jersey City that serve our population, and I'm just so grateful for that incredible resource in our community. And, we have been disparately impacted, and, so, I'm-- It's extra sweet to see the funding source for this.

So, thank you all for your work.

I am a yes.

MS. CHAMBERS: Assemblyman Venezia.

ASSEMBLYMAN VENEZIA: Yes.

MS. CHAMBERS: Assemblywoman Swain.

ASSEMBLYWOMAN SWAIN: Yes.

MS. CHAMBERS: Assemblywoman Bagolie.

ASSEMBLYWOMAN BAGOLIE: Yes.

MS. CHAMBERS: Chairwoman Reynolds-Jackson.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes.

MS. CHAMBERS: The bill has been favorably released.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

Thank you.

Next, we'll have up Assembly Bill A3887, and the sponsor is here, Chairman Karabinchak.

MS. PLOUCHA: Assembly Bill 3887 authorizes the use of school bus monitoring systems and establishes certain enforcement procedures and penalties for certain violations captured by the school bus monitoring system.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much, Assemblyman.

I know you're tag teaming it, but thank you for coming in to uplift your bill.

Please.

**A S S E M B L Y M A N R O B E R T J. K A R A B I N C H A K:**  
Chairwoman, thank you so much.

And, thank you, Committee, for taking the time to listen to a few of my comments.

Just as a little background, in the last couple years, I've seen violations with cars and trucks passing school buses with their red lights flashing, and the red arm down, putting all the students being either picked up or dropped off in harm's way. And, I think the one that really got to me was I was stopped behind a bus, and there were two cars in front of me. And, the students were coming across the street -- because the actual door of the bus was on the right side -- and here came a car, flying by us, and the kids had to run off the street. They had to run off, because the car just was accelerating and they had to run off. That's what got me to do this.

And, I have to say, just as of last week, coming out of my street, a bus was there, stopped, picking up students. And, a truck coming the opposite way-- If I had the opportunity to get his license plate, I would have went out of my way to make sure he got a ticket.

The laws we have today are in place; there's a fine; and there's a penalty. However, there's no police person that's following every bus. The bus drivers are more concerned with making sure the students get on the bus safely, and going to their next stop. And, unfortunately, distracted drivers are the prominent factor here. I've said in many places, there's nothing that important that you can't stop for 60 seconds and wait for those students to get on that bus -- or dropped off, one or the other.

So, this bill has been worked on and amended for over two years now. We in the Assembly passed it unanimously last year, and sent it to the -- we couldn't send it to the Governor's Office, because the Senate didn't vote on it. The Senate, our own people here in the legislation, didn't vote on it;

however, we have among us a large amount of senators who have signed onto this bill.

So, let me just give you a little background on the bill. The bill is permissive, Number 1. It's not mandating that every school district does it. The information that's here -- it's not just me saying this -- but Woodbridge actually did a pilot the year before. Now, only of 10 buses in their fleet -- only 10 -- and there was 3,000 violations.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Wow.

ASSEMBLYMAN KARABINCHAK: Three thousand.

I was asked, "Well, the data doesn't show anybody getting killed; it doesn't show this; it doesn't show that." Well, during that conversation last year, unfortunately, a young girl got seriously injured in Ocean County; was in the hospital for weeks. You think that would have moved some people? Unfortunately, it didn't. In our House, it did; it didn't in the other House.

So, I've been an absolute advocate anywhere I can speak. This is about our children's safety. It's not a money grab, as you may hear from some other people. We're not grabbing money; this isn't the red light district, where if you are a nanosecond late making that turn, you are getting a ticket. That's not this. This is if you pass a school bus picking up or dropping off children. While that school bus is still driving around, it's not doing this. You can't put this responsibility on the driver, that if he sees it he's supposed to take a license number down, or this. It's not on that driver to try and go across the road -- because I've heard that one, too -- to stop the traffic going both ways. That's not what his purpose is.

Because every street here in this great state is different. If you have the ability to drive anywhere in the state, go all over the state -- every road is different. Where our children are being picked up is different.

The fine on this, as was discussed in numerous conversations -- it was originally \$200; \$300; some people wanted it to be nothing. However, you have to think about all of the board of eds that have to deal with their financial hurdles every single year. I'm sure you've heard some stuff today, this morning. I couldn't be here because I was in another committee, but I would have loved to have been here.

It's hard and expensive to educate our children. And, this State, and a lot -- a lot of schools are doing a phenomenal job. There's districts that are doing fantastic; other ones need more help. And, we're here to make sure our children go to school safely; go home safely; and are educated -- that's it. And, that's what we want. Because, that breeds success, goal-driven education, and I can't say enough about it.

So, the funding here on a ticket. If you just took Woodbridge as an example, and if it's \$300 times 3,000, you do the math. So, the funds could actually -- or, the fines, if I could say it that way -- would actually fund the Board of Ed. to either put it on their own buses, or put it on the area buses that are leased. Because, some buses do multiple boards, multiple areas. It's not just one. And, I'm a firm believer of technology and the changes that we're seeing every single day. Can this technology be put in this bus so if they're in one town here taking care of it, and they go to another, the answer is absolutely yes, it's there. We just have to be able to say, "This is what we want."

With speaking with the Governor-- I'm going to give you the whole picture here, because with speaking with the Governor, he liked the idea -- and, that was Governor Murphy -- he liked the idea. He was concerned about the money; would the State have to put up money for this? And, I never got that chance to sit down and say, "I don't know how you look at the funding, but if the tickets or the fines help fund this, and the individual monitoring company and the Board of Ed. make a deal, I don't see how it directly affects the State."

There's 26 other states in this great nation that are doing it right now. I'm just going to give you the ones around us. New York -- and they have even harder fines and harder penalties than we do; Pennsylvania; Connecticut; Massachusetts. These are all of our friendly states here that we deal with all of the time. And, this is just a law, again, to protect our children. And, if I could say this, this is a way to educate our drivers, too -- because when you do it the first time, you might not do it a second time.

This has gotten a lot of different media, between CBS, NBC, New Jersey 101.5, NJ.com, plus more. All positive reporting that this is a good idea.

So, I'm here today -- would answer any questions here, privately, anywhere you'd like. However, I would promote this until this actually gets passed into law.

One of the other things I just wanted to mention is that there may be an amendment to this, to remove any mandated court appearance because of the violation. If you want to protest it, go ahead, then go to court. But, I'm saying that you don't have to go to court, because you're paying a fine. So, I have to look into that, but I just -- this just came up in the last

week to me; I'll look into it. If they don't have to show up, I'll make sure that they don't have to show up, just pay the fine and be a little smarter about it, too.

So--

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you--

ASSEMBLYMAN KARABINCHAK: --with that, if there's any questions, I'd be happy to answer anything. You can grab me today, you can grab me anytime, anywhere, about anything.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

Assemblywoman Fantasia, I know--

ASSEMBLYWOMAN FANTASIA: Thank you, Chairwoman--

ASSEMBLYMAN KARABINCHAK: Yes--

ASSEMBLYWOMAN FANTASIA: Thank you for coming and talking to us.

So, that one amendment is something that could be happening--

ASSEMBLYMAN KARABINCHAK: Yes--

ASSEMBLYWOMAN FANTASIA: --but is there any change from when we all supported it on our vote, to today, besides that?

ASSEMBLYMAN KARABINCHAK: It's exactly the same.

ASSEMBLYWOMAN FANTASIA: Exactly the same bill.

ASSEMBLYMAN KARABINCHAK: And, there has to be more conversation, and I'm going to be doing more with the Senate. There was issues that came to me during that; they were worried about privacy issues

and transparency issues. All of those still fall into place. There's still privacy that if somebody passes, that that level of privacy stays with that violation.

The one that came up to me today was that they didn't want to fill the courts with the people who have the violation to go to court, that are just going to pay anyway. So, again, as I said, I'm going to look into that.

But, that's the only-- Assemblywoman, that's the only change that I'd be looking to make here. Otherwise, everything else stays the same.

ASSEMBLYWOMAN FANTASIA: Thank you.

For-- So, if it's a court-filling kind of thing for that amendment I understand that. But, I say the shame is worth it, and I say don't amend it. And, make them go to court.

(laughter)

ASSEMBLYWOMAN FANTASIA: And, then, just to be clear, for the naysayers on the Senate -- whether it's on your side of the aisle or my side of the aisle-- I'm going to try to help as best I can, with the understanding that school bus cameras are absolutely not the same as the red light cameras. We get caught up with this argument all the time. Red light cameras were up; they were mounted; they were automatic. Snap, they could misfire. It ended up not being admissible in court.

You've got the automatic ticket that's not this. This is narrowly tailored; it's on the school bus; it has to be reviewed by a law enforcement officer before you're even contacted with the ticket. I am a huge advocate, and I'm with you on this, so if you need any help on this side of the aisle, I am happy to give it.

Thank you.

ASSEMBLYMAN KARABINCHAK: Assemblywoman, I always want your help, because it's on both sides.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

ASSEMBLYMAN KARABINCHAK: Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: All right, seeing no other questions, may I have a motion to-- Oh, wait, I'm sorry, I've got more testimony.

You did such a fantastic job, I'm ready to just go take the vote.

(laughter)

ASSEMBLYMAN KARABINCHAK: I would be fine with that.

ASSEMBLYWOMAN REYNOLDS-JACKSON: But, thank you--

ASSEMBLYMAN KARABINCHAK: We have the other people.

ASSEMBLYWOMAN REYNOLDS-JACKSON: --so much for your testimony, Assemblyman.

I'm going to move on to some other people who would like to speak on your bill.

ASSEMBLYMAN KARABINCHAK: OK; thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Lauren Paterno, AAA Clubs of New Jersey -- in favor. Would you like to testify?

Sangeeta Badlani -- in favor. Would you like to come and testify?

**SANGEETA BADLANI:** Yes.

ASSEMBLYWOMAN REYNOLDS-JACKSON: And, we have Burhaan Khurran -- in favor. Would you like to come and testify?

Thank you.

We'll start at-- You can all sit at the same time.

We'll start with you first.

**LAUREN PATERNO:** Thank you.

Hi, everyone.

My name is Lauren Paterno; I am with AAA. We represent about two million drivers across the state.

I do want to say we *are* in favor of the legislation, but we do have a few recommendations for the bill as well.

So, AAA supports automated enforcement programs, including school bus monitoring systems, when they are preceded by public education, supplemented by traditional law enforcement, and when generated revenue is reinvested into safety. And, I would say that's probably our biggest thing that we strive for in all automated enforcement programs, that the money goes back to safety.

These programs should undergo regular evaluations that are shared with the public. When implemented appropriately and transparently, school bus camera programs improve safety for children. Below, we have a few recommendations to strengthen and support a successful implementation.

First, we'll start with public awareness and education. Implementing an education program prior to the launch of a school bus monitoring program will help ensure drivers understand the new law, the consequences of non-compliance, and how the monitoring system will be used to enforce violations. AAA recommends a public awareness and education campaign at least 60 days prior to the onset of the program.

Each program should also include a probationary period, when only warnings are provided, enshrining a warning period in law ensures community awareness, but also allows municipalities and school districts to work out any operational issues that may arise at the onset of the program.

What we've also found to be effective as well is a local school bus camera advisory committee, consisting of local stakeholders like school and municipal officials, law enforcement, and parents and community groups, which can help establish education as well as support the implementation of the program.

Also, in terms of reporting, it's important that the legislation require reporting that-- So, basically, they should consist of annual reports that are made available on a public-facing website, which could include the number of violations captured; the number of citations issued; buses -- the number of buses equipped with cameras; revenue generated from the citations; and a distribution of funds between the vendor, the municipality, and the school districts. Also, the number of crashes involving illegal passing of a stopped school bus, both in the year past and also prior to the year of implementation.

Above all, to preserve the integrity of school bus monitoring programs, all revenue above the cost of implementing and maintaining cameras should be reinvested into safety. It is imperative that the public believe that these programs are implemented for safety purposes only. Reinvesting revenue to safety reinforces that the purpose of the camera enforcement is to reduce dangerous driving behavior, and not to generate money for the State, municipality, or school district. Additionally, payment to the vendor should not be based on number of violations issued. This type

of payment structure can be perceived as revenue-driven, and undermine the program's integrity.

AAA has found that the more safeguards that are incorporated into legislation and consistently implemented at the local level, the greater the public's confidence is into the integrity of the program, and the more effective the program becomes.

Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you.

MS. BADLANI: I'm going to have the young man go first.

ASSEMBLYWOMAN REYNOLDS-JACKSON: OK; awesome.

**BURHAAN KHURRAN:** Good afternoon, Assembly Education Committee; I hope you're all doing well today.

My name is Burhaan Khurran, and I am the President of the West Orange Nikhil Badlani Foundation Youth Advisory Board. But, more importantly, I am a high school senior.

Every day, hundreds of thousands of students all across New Jersey, just like me, rely on their school buses to get to and from school. That safety is an unspoken expectation. Nonetheless, it is one that is often threatened by the careless, neglectful decisions many drivers choose to make daily. As students, we are the ones stepping on and off those buses every morning and every afternoon, and worrying about our safety should never be part of our routine. Yet, I can personally count more times than I'd like when I've seen cars roll right past my bus as it was stopped -- completely disregarding the flashing lights meant to protect us.

In fact, just a few days ago as I was stepping off my bus, my bus driver had to quickly call out for me to stop as a car buzzed right past. In

that moment, and other moments alike, I realized something unfortunate: Even with the red flashing lights and the stop arm extended, I couldn't rely on just that to ensure I can make it to school or even home safely. As a student, simply said, that's not how this should work. When the bus stops, we should be able to step forward knowing that the system around us is functioning as intended.

My experience isn't isolated. I've heard countless classmates describe seeing or facing the exact same issue. It's only a moment of time when, again, a car driving past and a student crossing the road happen to line up. Just because tragedy doesn't occur every day doesn't mean it hasn't already occurred, or that nothing should be done. It's these repeated instances -- the ones that we see; the ones that we talk about; the ones that we face; and the ones that go unreported -- that make me think about how widespread this issue truly is.

Across every school and every district in New Jersey, students are placed in situations where their safety depends on whether the driver decides to follow the rules. This bill isn't just about enforcement; it's about reinforcing accountability and protecting vulnerable students by preventing tragedies before they ever occur. It's about sending a clear message that when a school bus stops, everybody else should, too, ensuring that students -- ensuring that student safety at no point is an afterthought.

We as students continue to do our part; we follow the rules. We are simply asking that drivers be held that same responsibility. Supporting this bill ensures that they do.

Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you.

Thank you.

MS. BADLANI: Good morning, Chairwoman--

ASSEMBLYWOMAN REYNOLDS-JACKSON: Good morning.

MS. BADLANI: --Reynolds-Jackson and members of the Committee.

Thank you for giving us the opportunity to testify today in support of Bill A3887, a legislation that will help protect children across New Jersey by authorizing the use of bus monitoring systems.

My name is Sangeeta Badlani; I am the Founder of Nikhil Badlani Foundation and Families for Safe Streets New Jersey.

This issue is deeply personal to me. My 11-year-old son Nikhil was killed by a driver who failed to stop at a stop sign. Since that day, I've dedicated my life to preventing other families from experiencing the same heartbreak. Every time I hear about another child hit or killed because a driver ignored a stopped school bus, I relive that pain.

Last October, Fleur Greenfield was crossing the street to board her school bus at 7 a.m. when a driver illegally passed the school bus and struck her while her mother was watching to make sure that she got on the bus safely. Fleur had no pulse when first responders arrived. She was rushed to the hospital, where doctors performed emergency surgery. No parent should ever have to witness that. No child should ever have to pay the price for a driver's impatience or carelessness.

Tragically, what happened to Fleur isn't an isolated event. Across the country, drivers illegally pass stopped school buses more than 39 million times each year. In New Jersey, Assemblyman Karabinchak already talked about the Woodbridge Township pilot program where they recorded

2,840 illegal passes between September and June -- that's an average of more than two violations per bus per day.

The technology exists to stop this. The camera automatically captures vehicles that pass when the red lights are flashing. Law enforcement reviews the footage and, if confirmed, a citation is issued. More than 26 states have already authorized this technology -- it works. Over 90% of first-time offenders never do it again once they're held accountable. Why should kids in New York, Connecticut, and Pennsylvania have better protection than our kids in New Jersey? Geography should not determine a child's level of safety.

This bill is about prevention; about protecting children before tragedy occurs. We have the data, the model, and the technology. What we lack is time. Every day we delay, we risk another child's life. It's time that we act now.

Thank you.

And, I just want to also respond to a comment that Assemblywoman Fantasia made about the red light camera program, which was disbanded in 2010. I do want to say, technology has changed so much and evolved since then. We did not calibrate cameras then. But, right now we have so many cities adopting automated speed enforcement camera programs around school zone areas, as well as work zone. So, there is -- the technology is there for us to implement it. We have so many other states doing it, what makes New Jersey different?

So, I want to thank you for giving us the time to speak today.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you for your testimony.

Thank you for sharing your lived experiences with us.

I live on a high-density road; I have school buses come all the time. And, to your point, just because I might be running late doesn't mean that I should be running that. And, you just have to sit back and you have to plan for more time and you just have to wait.

And, I'm thankful that you're here to testify in support of the bill. So, thank you so much.

MS. BADLANI: Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Any other questions?

ASSEMBLYMAN SIMONSEN: I just, I would like to--

ASSEMBLYWOMAN REYNOLDS-JACKSON: Go ahead.

ASSEMBLYMAN SIMONSEN: I would like to make a comment.

And, thank you for your testimony. And, as a longtime, many years as a teacher and administrator, I've seen it happen, actually, kids get hit. Luckily, thank God, there weren't any as far as casualties.

And, in speaking to-- I reached out to many of the transportation administrators, and this is actually-- This is on the rise, when you look at the data. There's a lot more incidents than there used to be, which, I'm sure cellphones and other things attribute to that.

And, I agree with some of the recommendations. I don't agree with-- I don't think you need committees and things to go out, waste money on public awareness. I think if you're stupid enough to run through a blinking light with an arm out at a school bus, you deserve everything you get until we start doing that. Because, if there was a police officer on site,

they'd be getting a ticket anyway. So, this helps law enforcement to enforce that, but it also keeps our kids safer.

And, I am a co-sponsor on this. I've been an advocate of this for years. But, I think-- And, we have the technology now that we can do that, and we should use it.

Thank you.

MS. BADLANI: Thank you for your support.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much for your testimony.

We're going to call up the next group now.

Thank you.

Corey Hannigan from Tri-State Transportation Campaign -- in favor. Would you like to come and testify?

Sharon Levine, Mercer Arc of New Jersey -- in favor; no need to testify. Francine Pfeffer, NJEA -- in favor; no need to testify. Elisabeth Ginsburg, Garden State Coalition of Schools -- in favor; no need to testify. John Mullholland, New Jersey Association of Special Education Partner Schools -- in favor; no need to testify. Paul Penna, New Jersey League of Municipalities -- in favor; no need to testify. John Burns -- in favor; no need to testify. Chris Nelson, New Jersey Principals and Supervisors Association -- in favor; no need to testify. Harry Lee, Public Charter Schools Association -- in favor; no need to testify. Melanie Schulz -- in favor; no need to testify. And, Stephen Carrellas, New Jersey Chapter, National Motorists Association -- opposed; no need to testify.

The floor is yours.

**COREY HANNIGAN:** Thank you.

With all those slips in support, I feel like I don't even need to say anything.

(laughter)

MR. HANNIGAN: But, I prepared a statement, so here I go.

So, good afternoon.

My name is Corey Hannigan; I am the Active Transportation Program Manager at Tri-State Transportation Campaign. We chair the statewide Vision Zero New Jersey Alliance, and we are a supporting org for Families for Safe Streets New Jersey, along with my colleague Sangeeta who spoke earlier.

We strongly support A3887, which proposes to equip school buses with devices that would ticket drivers who illegally pass stopped buses. A pilot study in Woodbridge Township last year saw nearly 3,000 drivers blow past school buses actively picking up and dropping off children. That's roughly two illegal passes per school bus per day.

We do not have enough police officers to follow every school bus and enforce the law, but we also don't have to. As Assemblyman Karabinchak said, at least 26 states have laws allowing municipalities to install cameras on school buses, and they are effective. The Woodbridge study found that 98% of drivers who received a violation ticket did not receive a second.

This bill was also identified as a priority in legislative action in New Jersey's brand new, first-in-the-nation 13-agency Target Zero Action Plan, which would seek to eliminate fatalities and serious injuries in New Jersey by 2040 -- a very aggressive timeline. In fact, Sangeeta and I just finished testifying the same support in a parallel hearing for that over in

Committee Room 11, and I would strongly encourage you to read over the full list of recommended legislation there.

I'll share with you what I shared there. Our children and teenagers are living in a culture of violence and fear. They do not have the freedom of mobility to safely move around their own communities. And, as a result, their parents often bear the burden of shuttling them around, inadvertently contributing further to the problem of dangerous high-traffic roadways. This is not good for anyone, particularly our children's own mental and social development. Young people should be busy developing their own independence, confident in their freedom to come and go safely. Parents are busy, and their children shouldn't have to depend on them for basic transportation, or else worry about getting home from their own school safely. Everyone deserves mobility and independence, no matter their age or ability, free from the fear of violence.

And, while this bill won't solve everything on its own, automatic enforcement for illegal school bus passing is a key part of the comprehensive solution proposed by the Target Zero Commission, which would create a safer environment for everyone.

Thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you for your testimony; I appreciate it.

We're all done with our testimony, so with that I'll ask for a motion to move the bill.

ASSEMBLYWOMAN SWAIN: Motion.

ASSEMBLYMAN VENEZIA: Second.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Second.

MS. PLOUCHA: This is a vote on the motion to release Assembly Bill No. 3887.

Assemblywoman Fantasia.

ASSEMBLYWOMAN FANTASIA: Yes.

MS. PLOUCHA: Assemblyman Simonsen.

ASSEMBLYMAN SIMONSEN: Yes.

MS. PLOUCHA: Assemblywoman Brennan.

ASSEMBLYWOMAN BRENNAN: I hear about this issue every single day. Not just school buses, but actually folks in my community asking for red light cameras. Corey knows this -- he works with a lot of advocates, and as a high pedestrian area.

So, thank you; thank you all.

Thank you Assemblyman Karabinchak.

And, for everyone who has been working on this.

I am-- Yes.

MS. PLOUCHA: Assemblyman Venezia.

ASSEMBLYMAN VENEZIA: Yes.

MS. PLOUCHA: Assemblywoman Swain.

ASSEMBLYWOMAN SWAIN: Yes.

MS. PLOUCHA: Assemblywoman Bagolie.

ASSEMBLYWOMAN BAGOLIE: Yes.

MS. PLOUCHA: Chairwoman Reynolds-Jackson.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes.

MS. PLOUCHA: The bill has been released.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

(applause)

ASSEMBLYWOMAN BAGOLIE: I'm sorry, I just have to make one comment.

I want to really thank my West Orange community and my high school student who came out today--

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes--

ASSEMBLYWOMAN BAGOLIE: Thank you so much.

MS. BADLANI: (indiscernible)

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes, he did.

Yes, thank you for your testimony. He was awesome.

Thank you; thank you for sharing your lived experience.

Next, we'll have 3882.

MS. PLOUCHA: Assembly Bill No. 3882 requires public schools to post a link to the subsidized school meals application in a prominent location on the school's website.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much.

So, we have a few slips. Elisabeth Ginsburg -- in favor; no need to testify. John Burns, New Jersey School Board Association -- in favor; no need to testify. Harry Lee, Public Charter School Association -- in favor; no need to testify. Colleen Eskow -- in favor; no need to testify. Melanie Schulz -- in favor; no need to testify. Chris Nelson, Principals -- New Jersey Principals and Supervisors Association -- in favor; no need to testify. Osner Charles, MBIA -- Sodexo, I'm sorry -- in favor; no need to testify.

Members?

ASSEMBLYWOMAN FANTASIA: I only have one very brief question.

I don't believe there's been any changes to the last time it was before us, correct?

ASSEMBLYWOMAN REYNOLDS-JACKSON: It wasn't, no.

ASSEMBLYWOMAN FANTASIA: All right, thank you.

ASSEMBLYWOMAN REYNOLDS-JACKSON: All right, seeing no questions or--

ASSEMBLYWOMAN SWAIN: I'll move the bill.

ASSEMBLYWOMAN BAGOLIE: Second.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you so much; thank you so much.

MS. PLOUCHA: This is a vote on the motion to release Assembly Bill No. 3882.

Assemblywoman Fantasia.

ASSEMBLYWOMAN FANTASIA: Yes.

MS. PLOUCHA: Assemblyman Simonsen.

ASSEMBLYMAN SIMONSEN: Yes.

MS. PLOUCHA: Assemblywoman Brennan.

ASSEMBLYWOMAN BRENNAN: Yes.

MS. PLOUCHA: Assemblyman Venezia.

ASSEMBLYMAN VENEZIA: Yes.

MS. PLOUCHA: Assemblywoman Swain.

ASSEMBLYWOMAN SWAIN: Yes.

MS. PLOUCHA: Assemblywoman Bagolie.

ASSEMBLYWOMAN BAGOLIE: Yes.

MS. PLOUCHA: Chairwoman Reynolds-Jackson.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Yes.

MS. PLOUCHA: The bill has been favorably released.

ASSEMBLYWOMAN REYNOLDS-JACKSON: Thank you  
everyone.

That is the conclusion of our meeting.

(MEETING CONCLUDED)