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# *Public Hearing*

before

**SENATE EDUCATION COMMITTEE**  
and  
**ASSEMBLY EDUCATION COMMITTEE**

**SENATE BILL No. 40 and ASSEMBLY BILL No. 20**

*(The "Comprehensive Educational Improvement and Financing Act of 1996")*

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**LOCATION:** Committee Room 11  
State House Annex  
Trenton, New Jersey

**DATE:** July 25, 1996  
9:00 a.m.

**MEMBERS OF SENATE COMMITTEE PRESENT:**

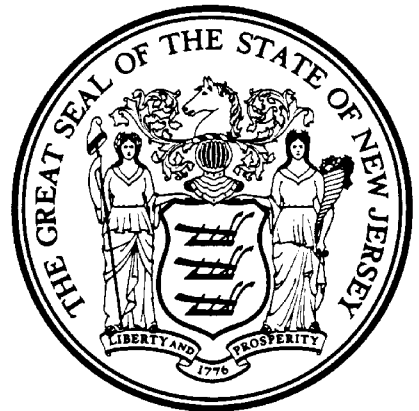
Senate John H. Ewing, Chairman  
Senator Joseph A. Palaia, Vice-Chairman  
Senator Robert J. Martin  
Senator Gordon A. MacInnes

**MEMBERS OF ASSEMBLY COMMITTEE PRESENT:**

Assemblyman John A. Rocco, Chairman  
Assemblyman David W. Wolfe, Vice-Chairman  
Assemblywoman Barbara W. Wright  
Assemblyman Raul "Rudy" Garcia  
Assemblyman Craig A. Stanley

**ALSO PRESENT:**

Kathleen Fazzari  
Office of Legislative Services  
Aide, Assembly Education Committee



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

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**SENATOR JOHN H. EWING (Chairman, Senate Education Committee):** Good morning. We would like to get started. I think Assemblyman Felice is here. We will put him on first.

What we are trying to do today-- We have assigned hours to people and we will call them up at that particular time.

Assemblyman Felice?

**A S S E M B L Y M A N N I C H O L A S R. F E L I C E:** Does someone have us on override?

SENATOR EWING: Mark, are you on the list? (no response)

**ASSEMBLYMAN JOHN A. ROCCO (Chairman, Assembly Education Committee):** Hold it a second, Nick. Try it now? (referring to microphone)

ASSEMBLYMAN FELICE: With me I have Mark Stanwood.

ASSEMBLYMAN ROCCO: Wait a second, Nick. That is still not working.

ASSEMBLYMAN FELICE: Okay now. Thank you very much.

Messrs. Chairpersons and members of the Committees, I thank you for the opportunity to come down here to testify briefly on something that is very important to us.

SENATOR EWING: Wait, Nick.

ASSEMBLYMAN ROCCO: Wait, Nick, yes. That is not working. The mike is not working.

SENATOR EWING: Try it now.

ASSEMBLYMAN FELICE: Okay, now you have it back on. If you override me, you knock everybody off. Thank you. Of course, you can do that at your pleasure.

I have with me Mark Stanwood, who is the Superintendent of the Atlantic County Special Services School District.

Why I am here this morning -- and I thank you for the opportunity -- is, during our task force, which was the task force headed by Assemblyman Stuhltrager for new methods of funding for education, one of the things that was very hotly discussed, with input given to us by many different sources, of course, was the education for county special services school districts. Right up to the end, in our recommendations among ourselves and the Committee, one of the things that was most concerning to me was the fact that funding be guaranteed for programs and services to our most severely disabled population, and that that not be interrupted or made uncertain in any way.

I am here today to ask that this Committee consider very strongly means of directing funding, as they had the county special services facilities, or some other means to guarantee that one of the most important services in this State, our county special services for our special education needs -- that that be continued whether it be through grandfathering or -- but make sure that they are held harmless in any way. Of course, we would hope that they would even continue the funding directly to the county special services.

This is extremely important to those people who are most severely affected by this means of funding for the services that they perform. I think we all know how important, or those who have been involved or had anything

to do with our school districts, whether at the local level as a member of the school board, or local mayor, council, county freeholder, or legislator -- how important these county special services have been to those who have been most severely disabled or developmentally disabled in our population.

I ask each one of you, as you go through your considerations today, to look to see what way we can ensure that funding is continued for these special services for these people who most need it for the continuation of the services that they have performed.

I have with me -- as I told you -- Mark Stanwood, who would like to add input into the considerations we have for the county special services school districts.

SENATOR EWING: That's fine, as long as he stays within the five-minute time limit. I just want to remind everyone that we have a five-minute time limit. There is a red light there, and when it goes on we would appreciate your winding up your statement.

ASSEMBLYMAN FELICE: Thank you. I'm sure we will.

SENATOR EWING: Mark, you are not on the list, though. Everyone who has called in has been given a time, but we will give you part of Assemblyman Felice's time.

ASSEMBLYMAN FELICE: That's my fault. I apologize that I did not include his name with mine.

Thank you.

**H. MARK STANWOOD:** Thank you, Assemblyman.

I am here representing the Joint Council of County Special Services School Districts, which is an informal association of educators and

parents of almost 5000 children whose disabilities are so severe and so complex that their neighborhood schools cannot serve them effectively.

Some of our youngsters are so severely involved that they risk asphyxiation on their own saliva. Some are fed through gastrointestinal tubes. Other children have behavioral disorders so disruptive that they risk injury to themselves and to others.

We would like to talk about the difference between teaching these children and containing them; about how to get the biggest bang for the taxpayers' buck; about accountability and results; about training students to be employed, rather than institutionalized and incarcerated. Special services school districts are a prime solution through a regional cost-effective model for the delivery of educational programs. One reason this is so is the three-way partnership we have in sharing revenue between the State of New Jersey, county governments, and local school district tuition.

In a formula like that, whenever any one of those revenue sources is diminished, something else has to be increased. The State's elimination of aid will, no doubt, have significant implications on local property tax dollars or, worse yet, the level of services to our youngsters. For these reasons, we find the policy from the administration extremely shortsighted and it will, no doubt, substantially raise costs. At a time when regional partnerships should be encouraged and promoted, this policy is destructive to those cost efficiencies.

Let's talk for a moment about regionalization. Commissioner Klagholz said, when he first took office, "If the regionalization of school districts is not going to occur, then the next best objective would be the regionalization of programs and services." In fact, his Task Force on the

Consolidation of Services -- on which I sat -- recommended that, "Districts must be encouraged to send special education students to public school programs operated by intermediate units to decrease the number of more restrictive placements."

MGT, Inc. also stated, in its statewide policy study of special education, that, "State policy should support a uniform regionalized system to support local efforts."

Regionalized services are desirable. Through these regionalized services, we can offer a better coordinated and sequential system, and we can do so by efficiently pooling the limited resources for those who need those services the most.

Some have said that the flow of funds to the special services school districts will affect the placement decision of the local child study team. We say, "Not true," because the sending district and the parent should jointly make that decision. Then, the funding should follow the student after that decision has been made.

Some say a special categorical factor for special services school districts would lead to inappropriate placement decisions. We agree. That is why we recommend a three-tiered funding design which funds intensity and duration of programs and service, regardless of where it is provided.

Some say that we are too expensive and the existence of special services school districts and the flow of funds contribute to too many restrictive placements. Again, it is simply not so. Please consider the following facts:

1) Virtually every placement to a special services school district is approved by the Department of Education. If the Department of Education believes that a placement is inappropriate, they already have the authority to block that placement.

2) Many special services school districts have programs in neighborhood schools, in not so restrictive settings.

3) Private schools for the handicapped serve more than two times the number of youngsters we serve, yet we have a public policy diminishing the effectiveness of the public sector.

4) Private schools are \$4801 more expensive than special services school districts, and that is actual costs. I am not talking about flow of tuition, that is actual costs using Department of Education data for the same youngsters.

Why are the costs lower? Because there is no profit motive for the special services school districts.

SENATOR EWING: Mark, will you wind it up, please?

MR. STANWOOD: Sure. I'm sorry.

I will get to the bottom line: Public policy needs to endorse and promote regionalization of services. The policy proposed by this administration, in fact, diminishes that.

We believe we are and should be considered part of the solution. For some reason, we are being treated as part of the problem. I think it is grossly unfair. We think we can make the investment now, or we can make a much greater investment later by supporting welfare and incarceration costs.

Thank you.

SENATOR EWING: Thank you.

ASSEMBLYMAN FELICE: Thank you, members of the Committees and Chairpeople.

I would just like to leave with you this petition signed by thousands of parents asking -- imploring the Legislature to continue to fund the county special services school districts which provide this type of special educational needs to our disabled children.

I thank you very much for your courtesy in allowing me to speak.

SENATOR EWING: Thank you.

ASSEMBLYMAN ROCCO: Wait a second. Before you leave, Nick, let me make clear that you, as well as a number of other legislators, have concern with regard to the special services area. I certainly hope that by the time we finish with this legislation it will take into account a number of factors.

What we would like -- at least what I would like -- is to have you feed back to us some possible alternatives to what has been presented. You know, there are various ways that we can go about it. Number one, you know, we could maintain the status quo of the existing districts and just not create any new ones. I think one of the things that we want to do in this formula is not create the disruption that occurred after QEA. We don't want the entire system statewide to be disrupted and out of sync with -- you know, with too many financial problems, and also in terms of procedure occurring.

That is part of what I am trying to do. I know Senator Ewing is trying to do the same thing. But there is a great deal of interest in trying to resolve the issue of the existing special services districts. If they would get

together and kind of feed back to us what they think might be a good alternative, I think all of us would be happy to see that.

SENATOR EWING: Thank you.

ASSEMBLYMAN FELICE: Thank you very much.

SENATOR EWING: Commissioner Klagholz. Commissioner, do you want to take that other microphone?

**COMMISSIONER LEO F. KLAGHOLZ:** This one?

SENATOR EWING: Yes, please.

ASSEMBLYMAN ROCCO: Commissioner, please go ahead.  
Good morning.

COMMISSIONER KLAGHOLZ: Good morning, Senator Ewing, Assemblyman Rocco, and members of the Senate Education and Assembly Education Committees. I appreciate having this opportunity to comment in support of Senate Bill No. S-40, which concerns the funding of public education.

Before I do, I want to thank Senator Martin for introducing the bill in order to allow public discussion of what is a very important issue.

I believe we have a major opportunity to solve a long-standing problem. The school funding debate has gone on now in New Jersey for about a quarter of a century. Debate is healthy, but endless debate without resolution can be very unhealthy. This issue has, indeed, rendered our education laws unstable for too long a period, and it has undercut the ability of the system to function in a coherent and proactive manner.

More importantly, we have not substantially improved educational results. Education is a complex process. Yet, we have been treating it

simplistically, as though school finance were the only variable that has a determining effect on students' learning. In fact, our emphasis has been placed even more narrowly on amounts of money, rather than also on how public funds might be used efficiently and strategically to achieve specific goals.

We have reaped what we have sown. New Jersey leads the nation in educational spending, but our results have not improved substantially in the last 25 years. In particular, our Special Needs districts now spend significantly more than the national average. In the current year, they will spend about 90 percent of the amount spent by the wealthiest districts in this, the highest spending state in the nation. Yet, last year's combined SAT score for those districts was only 718.

Some argue that this lack of success is evidence of the need to continue pursuing the same strategy with renewed vigor. I think clearly it is evidence of the need for a new and more comprehensive approach, one that recognizes the full complexities of the challenge we face, and that is what our Comprehensive Plan is intended to do. It has as its main purpose the improvement of student learning, not merely the achievement of mathematical consistency in funding distribution.

As embodied in S-40 and regulatory actions of the State Board of Education, the Plan would do a number of things. It has already leveled up our educational standards. Until now, State standards have consisted mainly of testing requirements in the three *R*'s, a handful of required graduation courses, and a number of other disjointed mandates that have accumulated piecemeal over the years. On May 1, the State Board of Education adopted

a new coherent set of standards for seven academic subjects and one area of cross-discipline learning.

These standards are unquestionably higher than any others we have ever had in New Jersey, and they resulted from more than two years of study, research, and public discussion. In a very real sense, the standards represent a strong consensus among citizens and educators concerning what the thorough part of a thorough and efficient education ought to comprise.

We have also proposed leveling up financial support of education in several ways.

One important qualitative improvement contained in S-40 is its requirement that the executive branch present the Legislature, every two years, with an educational rationale for the spending and funding amounts it recommends. That rationale is predicated not on the status quo, but on the efficient uses of money to improve education.

Past funding laws have contained per-pupil spending amounts, but they have not provided any rationale. We have provided more than 30 pages of analyses based on the new curriculum standards and standards of efficiency -- thoroughness and efficiency, in fact. These analyses, which were revised 3 times based on numerous public hearings, would add \$235 million of State funds to a system which, again, is already the highest spending in the nation.

Senate Bill No. 40 would also provide additional resources for the Special Needs districts and other districts that serve disadvantaged communities. More importantly from the perspective of improving education, the bill would dedicate substantial portions of this funding to programs that

can help children in those communities to reach the new standards -- preschool, full-day kindergarten, and other demonstrably effective programs.

Senate Bill No. 40 would also provide educational and fiscal accountability. If a district consistently does not enable its students to reach the curriculum standards, then the bill would allow the State to intervene and direct any changes in practice that are needed in order to serve students more effectively. This provision recognizes the State's ultimate responsibility for providing children a thorough and efficient education. However, the accountability provisions also recognize that the State cannot improve educational quality if it defines its responsibility as merely distributing funds to local districts.

In summary, S-40 would establish, in more meaningful terms than ever before, a process by which the State would define, fund, and oversee the provision of a thorough and efficient education in each school district. Having done so, it would eliminate the need for those past practices by which the State, without a clear and specific educational reason, has attempted to overregulate local spending. There would be no compelling reason for the State to prevent individual local communities from spending local funds on perceived local needs. Nor would there any longer be a compelling reason for the State to direct one community to spend money solely because another one had decided to do so.

Senate Bill No. 40 would establish a local election as the means by which each community would make its decisions about such local spending. This is a continuation of an established practice that has a sound rationale. That rationale is that local voters must pay for local spending and, therefore,

they ought to know what they are paying for and have a say in the matter. School boards and administrators should readily assume responsibility for explaining and defending what they expect their communities to support.

We in the Department of Education look forward to working with the Legislature on these issues in the coming weeks.

Again, I appreciate having this opportunity to address you on this important topic. Thank you for your kind attention.

ASSEMBLYMAN ROCCO: Thank you, Commissioner.

Assembly Bill No. 20 is also in your packet there. Have you had an opportunity to--

COMMISSIONER KLAGHOLZ: I'm sorry. This statement was written before we had that.

ASSEMBLYMAN ROCCO: I said that only because the Stuhltrager committee, which met often and tried to look at taking the base of what you have presented, looked at other potential modifications or improvements, or what have you-- They have been presented in A-20 as well. We would like the Department to look at that carefully to see what you can work with us on and what will be acceptable. I think that would be very, very helpful.

I think there are going to be other modifications as we go along. That is the reason for the hearings. I know you are open to additional changes, if necessary. We want to try to get the best possible funding formula, because it is going to affect a decade or more of young people in the State of New Jersey. We want to do our best to try to touch all bases.

Again, I personally -- and I think I speak for a number of the legislators -- want to have something that provides stability and not be in a situation where districts go into upheaval because of what we present to them.

COMMISSIONER KLAGHOLZ: I concur with your comments. I have read the committee report. I was very impressed with it. We have already begun to go through the specific provisions to review them from a substantive point of view, and also from a fiscal point of view. We look forward to future discussions with you on that.

ASSEMBLYMAN ROCCO: Thank you.

SENATOR MacINNES: Mr. Chairman, may I ask a question of the Commissioner?

SENATOR EWING: This is for the public input. We will do that when we get into our Committees. As I told you before in Parsippany, we will have them come in to a Committee meeting itself. Otherwise, the people who have been given hours to come down here will never get on. Up in Parsippany, some people waited four and five hours to be heard.

SENATOR MacINNES: I understand that, and I waited four and five hours to hear them.

The problem is, the Commissioner has presented a statement which is left as the sole residue of this hearing. We are here to listen, to confirm that the Commissioner is able to read. I would like to have the--

SENATOR EWING: We will do that in an Education Committee meeting where we will have him come in and talk to us alone and spend a whole day at it, if you so wish. But here it is unfair to the public, who have

come a long way down here to this hearing to have their input put in. This was only part of the overall process.

SENATOR MacINNES: What is the purpose of the hearing if it is not to illuminate the areas of disagreement?

SENATOR EWING: To let the public express their opinions.

SENATOR MacINNES: Without any inquiry beyond the written statements?

SENATOR EWING: We do not have time for it. We said we would continue the hearing beyond this one and the one in South Jersey.

SENATOR MacINNES: If I can get the written record for this hearing through the handed out testimony, I have the full hearing. There is no illumination, there is no examination, there is no analysis of what has been presented. That is certainly not the best use of the time of the legislative members of the Committees, because there is no--

SENATOR EWING: As I say, Gordon, we can continue the hearing after this, but certain people have been given times to come down to this, and I think it would be very unfair to the public. The idea is to get their input. That is what they were told -- period.

ASSEMBLYMAN GARCIA: Mr. Chairman, if I may just-- The Commissioner just testified on S-40. I think Assemblyman Rocco correctly pointed out that there is another bill in here, A-20--

SENATOR EWING: Right.

ASSEMBLYMAN GARCIA: --which drastically, in many respects, differs from S-40.

I think it is very important, it is crucial, especially as a member of the Education -- that Funding Task Force committee, that spent over three months on this. We would like to get the Commissioner's feedback on what he feels about the changes that were made to A-20, the grandfathering, the--

SENATOR EWING: He will, Assemblyman Garcia. He stated here publicly that they have not had time to thoroughly analyze it. I don't even have a copy of the bill yet. We certainly have to compare the two. There are going to be changes made.

ASSEMBLYMAN GARCIA: It is right here. It is in your packet.

SENATOR EWING: I am not going to read it this minute. There are going to be changes made, there is no question. There will have to be compromises, very definitely, on this particular A-20. We can have additional hearings. We will do some, maybe, just on A-20.

ASSEMBLYMAN GARCIA: If I may, the only reason I think it is vital today that the Commissioner speaks as to the changes that were made in A-20 is because the Senate is going to take a very important vote today on the other--

SENATOR EWING: But they have not had a chance to analyze it.

ASSEMBLYMAN GARCIA: If I may, just one second. Let me finish my point. The Senate is going to take a very important vote today on the constitutional dedication of the cigarette tax and/or on the cigarette tax itself. If some of the provisions in A-20, which differ from S-40, will effectuate the distribution of those cigarette taxes in that dedication, and if the Senators do not even know the Commissioner's point of view on that, how are they

going to make an informed choice, because they really will not know what the districts will be receiving in terms of aid?

SENATOR EWING: Well, Assemblyman Garcia, if you had listened, the Commissioner stated that they have not had time to analyze it thoroughly to give what they feel about it. I think it is only right that someone should analyze a bill, and that is what they are doing. We will have another hearing for A-20, or for both of them.

ASSEMBLYMAN ROCCO: We'll check with the Commissioner. Commissioner, you have not had an opportunity to analyze that, have you?

COMMISSIONER KLAGHOLZ: No, we haven't. We are in the process of doing that. I have read Assemblyman Stuhltrager's committee's report, but I have not read the bill. As soon as we do that, we will give you our full reaction to it.

ASSEMBLYMAN ROCCO: Okay, Rudy. We will certainly have the Commissioner's--

SENATOR EWING: Certainly. We have to go over both bills, but not at this point with the Commissioner. It is just not there, Rudy.

The next speaker will be--

ASSEMBLYMAN STANLEY: Mr. Chairman, I'm sorry. I just have a couple of questions regarding the Commissioner's testimony here today. Could the Committee just indulge us, maybe, with two questions, or something like that?

SENATOR EWING: Excuse me. No, we are not going to do questions. We will never get to the people. There are over 53 people who have signed up to testify.

ASSEMBLYMAN STANLEY: If we limit our questioning, is there any possibility of--

SENATOR EWING: No, it won't happen. We can do that when they come before our Committee when we get a final bill. That is the other thing. There are going to be compromises. It could be A-20, S-40, or a combination of the two. There is no question about that whatsoever.

ASSEMBLYMAN STANLEY: I just have a couple of questions regarding the Commissioner's testimony, Mr. Chairman.

SENATOR EWING: Once we start, it's everybody, and it is unfair to the other legislators.

ASSEMBLYMAN ROCCO: Craig, we will certainly have the Commissioner back.

SENATOR EWING: Yes.

SENATOR MacINNES: Mr. Chairman?

SENATOR EWING: Yes?

SENATOR MacINNES: Just one last plea on this point.

SENATOR EWING: A statement?

SENATOR MacINNES: No, it is a question to you: As one who sat through five and a half hours of testimony in Parsippany, the wave of that testimony was on the problem for many districts in northern New Jersey. It seems to me that with the Commissioner here, and with probably a lot of those 53 people on the witness list testifying to the same points that we heard in

Parsippany, wouldn't this be a very good opportunity to see if we have the groundwork for a compromise on what is a fatal problem in S-40 as it is presently written? I would love to be able to ask--

SENATOR EWING: In your mind it is fatal, but also, I think, it is only fair that we hear people from South Jersey. I hope you will come down to Voorhees and listen to that testimony.

SENATOR MacINNES: Oh, I plan to be in Voorhees, because it is one of my favorite towns.

SENATOR EWING: Fine. Do you know where it is?

SENATOR MacINNES: I have been advised that it is located on most New Jersey maps. I will be there.

SENATOR EWING: You can read the map.

ASSEMBLYMAN ROCCO: Senator Ewing is right there. I think, Senator MacInnes, certainly with the others here from South Jersey, we have never had regional differences. I don't know that we want to start now, nor do I think we have time to get into that today.

SENATOR MacINNES: I think it is unfortunate.

SENATOR EWING: Ed Meglis, please.

ASSEMBLYMAN STANLEY: Excuse me, Mr. Chairman. As we are speaking about Committee hearings coming up, I would like to just ask the Committee to convene a hearing -- a Joint Committee hearing in Newark, which is a Special Needs district. I ask both Chairmen to consider having a hearing in Newark, where the majority of special needs students reside.

**EDWARD MEGLIS JR.:** Good morning, Senator Ewing, Assemblyman Rocco, members of the Joint Education Committee. My name

is Ed Meglis Jr. I am the Executive Director of the New Jersey Association of School Business Officials. With me this morning is my Assistant Executive Director, Dr. Gene Keyek, who is the Business Administrator for the Red Bank School District.

First of all, I would like to thank you for the opportunity to testify on the Comprehensive Plan. We have had the opportunity to testify before this Committee, and a variety of other committees at other hearings, and many of our recommendations have been incorporated in the proposed legislation. However, we still have many concerns that exist, and it is our intent to review them with you and provide some specific suggestions for your consideration.

Paramount to this entire discussion is the process utilized to arrive at the base calculation for the cost of “thorough and efficient” education. While it has been stated that the model utilized -- the Comprehensive Plan -- is illustrative in nature, it still remains the basis for the development of the formulas for the distribution of State aid. There has been little attention given to the process utilized to arrive at these figures, and it is our contention and concern that this is most -- that this is a critical variable in the entire funding equation.

The arbitrary selection of cost parameters throughout the model can be challenged and, in many cases, reflect an apparent disregard of the realities of operating a school district. As the impact of the distribution of State aid is completed at the local level, it is evident that there is a serious inequity in the application of “one model fits all.” The recent release of information from the Office of Legislative Services analyzing the required

amount to be presented to the voters is an excellent example of the confusion surrounding the calculation of the T&E budget.

It is our recommendation that the Office of Legislative Services be directed to complete a cost analysis of a district budget to determine the actual cost of providing a thorough and efficient educational program in a local district. It is also recommended that OLS involve the educational organizations and selected representatives from the New Jersey CPA Society in this study. I will point to two examples which are not in my testimony.

Mount Laurel Township, in Burlington County: OLS, in the report that came out, said that they would basically be about \$300,000 over, and that is the amount that would have to be brought to the voters. When we did our own study and Mount Laurel ran their own numbers, it was closer to \$900,000.

Highlands, in Monmouth County: A small K-6 district, same thing. One hundred and fifty thousand dollars from the OLS survey, closer to eight hundred thousand dollars when they did their calculations.

So we subscribe that certainly disparities exist.

A second issue in the formula proposed is transportation. The first part of the formula is acceptable and will provide districts with the funds necessary to transport their students. The second part of the formula is a penalty phase, and fails to recognize some important aspects of the developing transportation routes. The most glaring omission is the cost of courtesy/hazardous transportation. This service should not be construed as a courtesy in the true sense of the word. It is a program designed with the health, safety, and welfare of students in mind. Districts must be permitted

to include courtesy/hazardous transportation in their budgets without their having their Part A State aid reduced. The inclusion of these costs are a community decision, and should not cause a reduction in the actual aid calculated for transportation of eligible students.

Part *B* of the formula fails to take into account the acquisition of vehicles for extracurricular activities. If these vehicles are factored into the calculation, the district will see a reduction of their State aid. It is recommended that Part *B* of the transportation formula be adjusted to reflect these concerns, and not serve as a punitive measure for those districts with extenuating circumstances, which, again, do not fit the model.

My final comment concerns facilities. Certainly, I would like to commend both Senator Ewing and Assemblyman Rocco for their proposals on trying to address the educational infrastructure problem. We are very pleased with the efforts being made by the Legislature in this regard. We encourage the Legislature to take action which will restore the State responsibility for debt service. As you know, this has been a decreasing fund. It is down, probably, below 60 percent now. Again, if a district makes a commitment and the taxpayers make a commitment to, in fact, build a school, even through a bonding referendum or lease purchase, we feel the debt service, in fact, should be at that level, and not be reduced in subsequent years.

I thank you for your attention.

I will be happy to answer any questions you may have after a presentation by my colleague. I would like to turn it over to Gene Keyek for his portion of the presentation.

SENATOR EWING: Gene, are you going to be able to keep within the five minutes, all three of you? There will be no questions afterward.

**EUGENE KEYEK, Ed.D.:** Hopefully, yes. I only have two issues, Senator.

The first issue I would like to address is that of special education. I have been involved with a number of educational organizations in the development of a proposal which I think warrants serious consideration by members of the Committees. This proposal incorporates many of the suggestions of the Special Education Task Force, which was promulgated by the Legislature. It is a proposal which takes into account the realities of special education in a school district.

Special education is a unique program which is not as easily controlled by a local school district, as many have stated. Federal law, State law, and court decisions place serious restrictions upon the ability of a board of education to control the number of students referred, the number classified, or the number of students placed in intensive programs.

Current proposals seem to suggest otherwise, and the reduction of State aid based upon arbitrary numbers is inequitable and lends itself to a serious challenge in the courts. The Legislature must ensure that sufficient funding is available for these restrictions -- or for these programs, without restriction or penalty. The proposal will be finalized in the near future and warrants your serious consideration.

I am sure that Mr. Henderson will be addressing this in his testimony from the School Boards.

The other area which I wish to discuss is the presentation of the budget for review by the voters of the district. First of all, I would like to suggest that the amount that is above the figure establishing a T&E budget be characterized as a local support budget, not as excess or any other derogatory comment. This would reflect that there are citizens of our State who view a quality education as separate from a bare-bones minimum T&E budget. This amount should be left to the discretion of the voters. However, once it is in place, it should serve as the base budget for future years. The only time a budget would be taken to the voters is when the district is requesting an increase in the base budget. If a board of education decides that it can live within the parameters of the current base budget, then the local support budget for next year should not be subjected to a vote.

The Legislature should also consider permitting the local support budget to increase without a vote, utilizing the same parameters as the T&E budget. Another suggestion would change the process for the review of a defeated local support budget increase. It is recommended that a review be completed by a three-person committee: one individual selected by the board of education, one individual selected by the governing body, and a neutral third party selected by the other two individuals. The tribunal would be restricted to a review of the requested increase in the local support budget.

There are other issues which our members are reviewing. In response to Assemblyman Rocco, we have just received copies of Assembly Bill No. 20, and our Finance Committee is reviewing it thoroughly. We will be having recommendations back to the Assembly Committee shortly.

SENATOR EWING: Do we have copies of your testimony?

DR. KEYEK: Yes, sir, you do.

I would like to turn this over to a presentation by one of our members.

SENATOR EWING: I'm sorry. The five minutes were up on yours. People were informed. Kathy Fazzari, our staff person from OLS, explained to people when they called in that it would be five minutes, whether it was a group or one. It is unfair to the others, and Mr. Testa is next. We have your testimony. If you want to wait until the end of the day and give your testimony then, that will be fine.

MR. MEGLIS: Thank you.

DR. KEYEK: Thank you, Senator.

SENATOR MARTIN: Mr. Chairman, I just have a point to make. It appears that some of our colleagues have walked out because they can't ask questions of some of the witnesses. I think you explained the rules thoroughly. Everyone, as far as I know, understands that we are here to listen.

ASSEMBLYMAN STANLEY: Excuse me, Mr. Chairman.

SENATOR MARTIN: Excuse me. I am speaking, sir.

ASSEMBLYMAN STANLEY: I think the Senator is making an assumption.

SENATOR EWING: Let him finish, and then if you want to say something, that's fine.

SENATOR MARTIN: I said, "Some of our colleagues," sir. I think that is most unfortunate. I think it is an insult to the witnesses who are here before us who have come specifically to present testimony.

Thank you.

ASSEMBLYMAN STANLEY: Mr. Chairman, none of my colleagues have expressed to me that they have walked out because they cannot ask questions. Now, I don't know if Senator Martin has gotten some feedback from any of the people who have walked out today, but I certainly have not. I think it is presumptuous, and I think it is an insult for him to say that my colleagues have walked out as a result of not being able to ask questions.

SENATOR MARTIN: Well, when we are talking about presumption, I did hear from somebody, sir. That person was a Senator who walked out, saying, "It is a waste of time."

ASSEMBLYMAN STANLEY: Oh, okay. So you heard from one Senator.

SENATOR EWING: Mr. Testa, do you want to start, please?

ASSEMBLYWOMAN WRIGHT: Mr. Chairman, may I ask a question?

I apologize, but I have two questions: One with regard to the testimony that was provided by Mr. Meglis, regarding the OLS analysis that has been conducted. It is vital, in my district, that I get further information on that analysis. It has caused a great deal of consternation. There has been a lot of confusion about figures. I need to have the background information on how OLS has arrived at that, and also some substantive report on that, not what I read in the press. That is my request.

The second thing is, I would also request in the hearing that we hear first from the staff, for example, Mr. Quinn. I would request that once Mr. Testa has testified, that we hear at least two minutes from Mr. Quinn. He isn't on the firing line. I think you have given notice to the subsequent

testifiers. I want to hear from the people who are administering the schools. I would ask, then--

SENATOR EWING: They can come before our Committee when we go over the bill at additional hearings.

ASSEMBLYWOMAN WRIGHT: Well, today Mr. Quinn is here. He has come from Red Bank.

SENATOR EWING: Excuse me. We are going to continue. It is unfair to the other individuals.

ASSEMBLYWOMAN WRIGHT: No, I hear you, Mr. Chairman, and I respectfully support your decision. But I think since Mr. Quinn is here-- It will take three minutes of his time. We are paying for him to come from Red Bank to Trenton, and I don't want to pay for him to come again.

SENATOR EWING: If they are educators, they should understand the instructions. They were told that--

ASSEMBLYWOMAN WRIGHT: I understand that.

SENATOR EWING: --the group would have five minutes.

Mr. Testa, will you please start?

ASSEMBLYWOMAN WRIGHT: Thank you, Mr. Chairman.

I would request that Mr. Quinn be heard--

SENATOR EWING: Fine, we will take that up later.

ASSEMBLYWOMAN WRIGHT: --subsequent to Mr. Testa.

Thank you.

SENATOR EWING: We'll see.

ASSEMBLYWOMAN WRIGHT: I would ask Assemblyman Rocco also to respond.

SENATOR EWING: Mr. Testa, please.

**DENNIS TESTA:** Good morning.

As always, the NJEA appreciates the opportunity to testify before the Committee.

The sponsors of A-20 and S-40 have acknowledged that these complex bills are a starting point to the goal of equitable funding for all schools. The Committees are seeking concrete information and meaningful input that will help to refine this legislation. We come to the table today with both our concerns and our solid recommendations for addressing these concerns.

By now, we are all familiar with the State Supreme Court's school funding directives. The court has clearly defined educational equity as fiscal parity. These two bills, however, attempt to define equity in terms of school programs, services, and staffing.

The idea is to define T&E based on a model of what all schools must provide for all our children. In concept, it is not a bad idea, but if we are going to base the funding of all our schools on a model, we must start with an accurate model.

My recent testimony points out several areas where the NJEA feels there are deficiencies in the model. In the interest of time, I will go by that, but I would hope that the Committee members would review the written testimony.

By the Legislature's own estimate, current expenditures in 309 school districts, totaling \$670 million, would be outside that T&E model. That

does not account for the 28,000 students expected to join our schools next year, or for inflation, for that matter.

The T&E model must, in our minds, be refined. It must reflect what is thorough in our schools, not just what it is for. It must reflect the real costs of educating our children and how little the State hopes to spend. It must address, once and for all, the educational disparity in New Jersey, not pit district against district.

Both bills provide for adjustments in the T&E amount every two years. But that will not help the students whose current educational programs would be at risk under the proposed funding Plan.

Fortunately, the Assembly bill includes an additional provision that will address deficiencies in the current T&E model. The bill allows districts whose regular educational programs exceed the model to begin from their current baseline, adjusted for enrollment and inflation, rather than requiring them to take a step backward. NJEA strongly -- I say strongly -- supports this provision and we commend Assemblymen Stuhltrager and Rocco for proposing this refinement.

Another aspect of the proposed funding Plan that will spell trouble for many communities is its impact -- or lack of impact -- on property taxes. New Jersey's local share of education funding has grown to more than 59 percent. Many districts that have received flat or reduced State aid the last five years have equalized school taxes that far exceed the State average.

In order to provide some measure of relief under the new funding system, we propose that some type of circuit breaker be included to aid districts with exceptionally high tax rates. The formula attached to my

testimony offers one example of how the State could provide tax relief to 102 school districts at a cost of about \$38.2 million. We would be happy to work with the sponsors if you would like to pursue this or other tax relief options.

The last area I want to address is special education. Several aspects of the two bills favor inclusive education for classified children. Inclusion has been successful in many of our school districts, but less effective in others. More often than not, the difference between success and failure is the degree of support provided in the regular classroom by a qualified special education teacher working with the regular classroom teacher. In-service training and collaboration among both teachers are also keys to success.

Placing children with disabilities in the regular classroom without this level of preparation and in-class support is not inclusion. It is just cost cutting. NJEA is concerned that some provisions of the proposed funding Plan place austerity ahead of quality.

The provision of speech services is among these concerns. These services, which are now funded with categorical aid, would become part of the regular educational program. The Department of Education estimates, in its model, that \$15 million of regular education aid or core standards aid would be needed to support speech services. But not all districts will receive core standards aid. Even if they did, \$15 million is less than one-third the funding provided this year for speech services. We cannot assume that districts will be able to provide the same level of services with little or no funding. If they do, the district would have to scale back elsewhere.

The proposed caps on district classification rates and the flat funding of classified students are also troubling. Based on current

district-by-district classification rates, the caps would result in districts serving at least 6000 classified children without any special education aid. The Department has inferred that these measures are necessary to prevent overclassification. We agree that overclassification of children should not be tolerated or funded. However, all districts should not be penalized for the errors of a few.

School districts do not control the percentages of special needs children living within their boundaries or the severity of their disabilities. Educational services for these children cannot be funded on a one-size-fits-all basis. NJEA strongly recommends that special education funding be based upon the real rates of classification in each district and the full cost of serving children with disabilities, including students requiring speech correction.

We further recommend that unusually high classification rates become a trigger for additional State oversight. This would provide accountability for all districts, but penalize only those that overclassify children.

Assemblymen Stuhltrager and Rocco recognized this problem as it applies to county vocational schools, and have included special provisions in A-20. This is a step in the right direction, and we hope you will consider broadening this provision to include all districts.

The Assembly bill also reduces the eligibility threshold for funding high-cost placements from \$50,000 to \$30,000. NJEA supports this important provision, and urges that it be included in the funding Plan.

We also recommend that direct State aid to county special services districts be maintained in the new funding system. The special services

districts are quality low-cost placement options for students with severe disabilities. They continue to be funded just as any other local education agency.

I have tried to cover what NJEA views as the major issues before the Committees in these sweeping proposals.

There is one other major issue among the State Supreme Court's directives which is not addressed here, but in another piece of legislation -- the need to repair, renovate, and rebuild New Jersey's aging school facilities, particularly our urban schools.

I want to close by thanking the members of the Assembly for overwhelmingly supporting ACR-1, legislation asking voters to create a \$4 billion school facilities fund. We hope the Senate will soon approve this measure and place it on the ballot in November. Our children cannot wait any longer for safe, clean schools.

I thank you.

SENATOR EWING: Thank you, Dennis.

Elaine Herzog, Highland Park Board of Education. Following Elaine will be Lynne Strickland. Then we will get to Mr. Quinn for three minutes.

**ELAINE P. HERZOG:** Good morning, Mr. Chairman and members of the Committees.

SENATOR EWING: Could you pull the microphone-- Is the red light on?

MS. HERZOG: Yes, the red light is on.

ASSEMBLYMAN ROCCO: That's fine. Now you can lean into it.

MS. HERZOG: Thank you for having us here for this testimony. I am Elaine Herzog. I am with the Highland Park Board of Education, which is also a member of the Garden State Coalition.

The primary intent of the *Abbott v. Burke* decision is to ensure that the children in the Special Needs districts have access to the same high-quality educational programs that are provided to children in districts with more economic resources. The State Supreme Court's intention is clearly not to decimate the exceptional programs in the suburban districts so that all children suffer. However, the effect of the Comprehensive Plan, as currently proposed, will result in the elimination of many high-quality programs which, rather than being eliminated in the suburban districts, should be duplicated in the Special Needs districts. The Plan of the State Department of Education tries to avoid, to get around, the original intent of the Court mandate by equalizing spending at a low, arbitrary number which will force many public schools to abandon programs that have defined excellence in New Jersey education.

Instead of focusing on reducing school curriculum and reducing school spending to some minimal and artificial mean, we in Highland Park propose that the State Department of Education begin anew by analyzing districts like Highland Park which have developed successful programs for children from all economic backgrounds. By looking at successful programs that serve the needs of all children, the State Department can determine how similar programs can be developed for children in the Special Needs districts.

In Highland Park, well over 20 percent of our students are considered at risk, but last year over 95 percent of our students passed the HSPT; 85 percent of the class took the SATs and their average score was 1011 -- 113 points above the State average; and 97 percent of the graduating class went on to higher education. *Money Magazine* identified Highland Park, along with Somerville, Montclair, Verona, and Fair Lawn, as affordable New Jersey districts with proven records of achievement for a diverse body of students. These and other districts with similar records should be identified and studied to determine how they are meeting the needs of their diverse populations. One thing is clear: The per-pupil spending in these affordable, achieving districts ranges from \$8600 to \$12,000, at least \$2000 above the amounts recommended in the current Plan. Good programs for diverse populations are not cheap, but the investment, if made wisely, is worth it.

Also, the current Comprehensive School Funding Plan does not deal realistically with special education. It fails to recognize that the percent of special education students will vary among districts. It fails to address the many kinds of educational programs that our special education students need: resource rooms, self-contained classrooms, inclusion, and out-of-district placements. Highland Park has an award-winning program for the inclusion of special education students in the regular classroom. While such programs, in the long run, have been shown to be both cost effective and in the educational interests of the students, in the short run they can be expensive. By limiting the number of classified students in each district and by not making provisions for innovative programs, the Comprehensive Plan promises only short-term financial savings. In the long run, the failure to provide the

best programs to the children who need them will have severe financial and societal costs.

In general, the Comprehensive Plan fails to provide a realistic approach to funding. We cannot expect to provide equal opportunity to students in all districts as long as the primary source of funding is property taxes. The current administration wants to appear to provide all the services that the residents of the State of New Jersey need without raising State taxes, when it is clearly impossible to do so. The Comprehensive Plan pretends to meet the mandate of the *Abbott v. Burke* decision. What it really does is undermine the quality educational programs that already exist, and, in doing so, undermines New Jersey public education.

A major fault of the Comprehensive Plan is that it discourages, rather than encourages, support for public education. The Plan labels existing programs in districts whose per-pupil cost exceeds the Plan's arbitrary cutoff as unnecessary or inefficient, and then asks the voters to decide their fate. This policy undermines support for public education and will have a highly destabilizing effect on existing programs. To preserve the integrity of programs in suburban districts, voters should continue to vote on the whole school budget or on only that portion that exceeds current spending levels as proposed in the Assembly version.

As stated earlier, our primary recommendation is that an educational plan for the State of New Jersey should be based on current best practices in districts with diverse populations. By doing so, we can create a model that is based on success, equity, and excellence.

SENATOR EWING: Thank you very much.

Lynne Strickland, Larry Feinsod, and Molly Emiliani. Is one going to speak for all three?

**LAWRENCE S. FEINSOD, Ed.D:** No.

**LYNNE STRICKLAND:** We are aware of the time.

DR. FEINSOD: We practiced. We will be within five minutes.

MS. STRICKLAND: Maybe six.

SENATOR EWING: Okay. Start.

MS. STRICKLAND: I think you are going to be impressed.

DR. FEINSOD: Lynne thinks six, I think five.

Good morning. My name is Larry Feinsod. I am President of the Garden State Coalition of Schools, as well as the Superintendent of the Madison School District in Morris County. Testifying along with me today are Lynne Strickland, Executive Director of the Coalition, and Molly Emiliani, our statewide Parent Network Coordinator.

Before I go on to my testimony, I would like to commend Dr. Rocco and Gary Stuhltrager on A-20. The Garden State Coalition supports that bill. We also support what Dennis Testa said and what some of our other individuals testified to beforehand.

Leveling down achieving districts is poor public policy and cannot be allowed to occur. The Garden State Coalition believes that if S-40 is to remain as it is, that is exactly what will occur. The revised Plan calls for a basic per-pupil expenditure that is unrealistic, in our judgment. According to our research, the majority of our members currently have higher costs in each category. What this means is, unless changes occur, schools will have to go out

for a public vote, as you know, on moneys that are above the Commissioner's, we feel, unrealistic foundation.

In his original report, he has labeled moneys above this foundation as unnecessary and wasteful, and that is not fair. A simple interpretation means a thorough and efficient education can be provided without the type of advance placement courses that many high schools offer, without the type of music and art that our children thrive on, and without the interscholastic athletic programs that make a child's education complete.

We believe that citizens in many of our districts, no matter how supportive of education they may be, will not vote to pass moneys, even though it is status quo, that have been labeled as unnecessary. In Madison, we have a \$20 million budget, and we estimate that \$5 million would need to be voted upon and, to quote our prior speaker, would be very destabilizing if every year we had the potential of losing \$5 million in our district.

We also have major problems with special education as in the original S-40. The amounts for special education, we feel, are absolutely unrealistic. They range between \$4200 and \$4700, and in my district alone, we pay \$40,740 for each autistic child. We happen to have four that we send to a developmental learning center.

Let me make something crystal clear: We are not asking for new money. We understand the economic times. Well before the private sector announced its downsizing, suburban school districts across the State reduced staff and initiated other cuts. We are just asking for a Plan that does not destroy programs that work for kids; a Plan that does not level down districts

that have proven themselves as places where students can achieve. It simply defies logic.

Lynne?

MS. STRICKLAND: Good morning.

You have been hearing facts, figures, and concerns from Garden State--

SENATOR EWING: Is your red light on?

ASSEMBLYMAN ROCCO: Push the button there, Lynne.

MS. STRICKLAND: There, how's that?

SENATOR EWING: Better.

ASSEMBLYMAN ROCCO: Just get it closer to you.

MS. STRICKLAND: Sorry.

Skipping the good morning--

DR. FEINSOD: That's 20 seconds now that we have coming to us.

MS. STRICKLAND: That's right.

SENATOR EWING: No, you are not going to make it up.

MS. STRICKLAND: To allow for time out.

Our worries over the vote overage, first stated in our December 5, 1995 testimony, were confirmed and validated by the recently issued OLS report, which cites that over half -- that's 309 -- the school districts in the State would exceed the Governor's Comprehensive Plan maximum T&E budget. Those overage amounts would be subject to voter approval. While the overwhelming majority of Garden State districts fall above the T&E budget,

it is important to note that 135 of those 309 districts are middle- and lower-income districts. Eleven are Special Needs districts.

By the way, one interesting side effect of this OLS study is that it could be swapped and used for a study for regional cost differences. These cost differences are redlined by the study and really cannot be denied. It is clear that something is off base when so many districts and so many types of districts are not in sync with the Governor's funding Plan.

Although GSCS believes that the funding Plan is really just not good enough yet, nor balanced enough in terms of tax and special needs equity, and we continue to be mystified by the big missing link, i.e., what really grounds the funding model to the curriculum standards, our main focus has been the vote overage problem.

Assembly Bill No. 20 positively addresses that particular conundrum of the vote overage by providing a grandfather clause to stabilize districts at their current spending levels. It also calls for enrollment adjustments and no vote up to a CPI cap. If a local board of education elects to expand its budget beyond the enrollment adjusted cap, a budget vote would be triggered. Only the spending above the cap would be subject to review. Garden State believes this grandfather clause is significant, since it recognizes the need to ensure educational program stability, balanced by incentive for responsible growth.

We have chosen to testify before you today in a symbolic representation of our membership. Larry Feinsod is a superintendent. I probably would not have been hired if I had not had former experience as a board of ed member. And, as you know, Molly Emiliani is with us today.

I am skipping through my written statement. Earlier this year, Garden State was decidedly strengthened by the addition of parents from Garden State member districts in the form of the Garden State Coalition Statewide Parent Network Committee. Molly, from whom you will be hearing next, is an outstanding example of parents' commitment to quality public education for all children. Molly, Larry, and I represent the team concept of GSCS, the grassrootsness of it, and what Garden State can add to the table in this important discussion of the future support for public education. We work hard; our intentions are good and for the good of all children. We sense that you value our input, and we thank you for that.

Molly?

**MOLLY R. EMILIANI:** Good morning, Senator Ewing, Assemblyman Rocco. That's another 10 seconds, right? (referring to problem with microphone) I will skip the good mornings also, but I would like to thank you for this opportunity to come before you this morning. I would also like to thank the legislators for their response to the parents who have written to you with their concerns about the school funding Plan.

The Garden State Parent Network Committee is made up of a group of very dedicated, highly motivated, and vigilant parents who can rise like a phoenix when necessary. We have an unwavering commitment to quality public education for all of the children in New Jersey. This is our goal, and we will stay the course until this goal is realized. We have done our homework, we know the issues, and we are unified throughout the State. There is a communication network in place which allows us to disseminate information to every member district, as well as to every parent in every

member district. This has been a great achievement which has helped us to reach many, many parents that have, until now, had little or no knowledge about the issues that face public education.

I am proud to report that these parents are now very educated on the issues, and they stand ready to do whatever they need to do in order to make their concerns known to legislators, the Department of Education, and Governor Whitman. The parents are enthusiastic, hard-working, and very excited to do all they can to ensure public education moves forward not backward. The GSPN has momentum and nothing will stop us from moving forward.

We have reached out to many urban districts to work together for what is best for all children. In talking to urban parents, we found we are in agreement on many things, the most interesting being the thorough and efficient Plan for public school funding. We share the belief that this Plan would level down fine districts and reduce the State's accountability to the districts that need improvement. The urban districts want what many of the lighthouse districts now have, not a leveled down version that will just be mediocre. We all want the best for our children. One of the good by-products of this school funding issue has been the strengthening of ties between the urban and suburban school districts.

As you are well aware, the GSPN is troubled by several parts of this school funding Plan, such as the spending overage, limits on special education, and the November vote. Our main concerns have been touched upon by Larry and Lynne. So far, these are the most pressing issues that have risen to the surface.

The GSPN will continue to remain active and vocal in public education issues. I appreciate the chance to speak with you today. I want to commend you for your responsiveness to the parents, and I wish you good luck with the decisions that lie ahead of you as you tackle this monumental issue.

Thank you very much.

SENATOR EWING: Thank you very much.

Mr. Quinn, for three minutes.

ASSEMBLYMAN GARCIA: Mr. Chairman, may I just say-- I think it was raised while I was away that we, some of the Democrats, had stepped out of the room because we were not allowed to ask questions. I think the real reason was that since we could not ask questions here, I had to follow the Commissioner into the hall to ask him questions, which is kind of shameful. Maybe some of the same people who are here to testify would have liked to have heard the Commissioner's answers, because they were very useful to us.

SENATOR EWING: They can come to the Education Committee meeting, sit in the audience, and listen.

ASSEMBLYMAN GARCIA: I was just trying to respond as to why we were in the hallway instead of here.

SENATOR EWING: Thank you, Assemblyman Garcia.

Mr. Quinn.

**B R U C E M. Q U I N N:** Good morning. Thank you for the three-minute time.

I am Bruce Quinn, from the Red Bank Borough Public Schools. I am here today to discuss just one issue, the local fair share of local revenue requirement of the Plan.

In the State aid Plan that existed under Chapter 212, the local component used to determine the basic amount of State aid, equalization aid, was strictly based on a district's property wealth. That seemed to be a logical approach, since it was local property taxes that were raised to pay the local share of school revenue.

Under the S-40 and A-20 Plan, the State has elected to measure local wealth by a combination of property value and aggregate personal income of a district. This is despite the fact that the local property tax is still used to collect all of the local community share, and it is despite the fact that income is already taxed once through the State income tax to provide the revenue for the State's share of school revenue. The announced purpose of this income inclusion is that income is also a valid measure of a community's ability to pay and that the current income is used to pay property taxes in most cases.

I am not here to argue that income cannot be used at all in this process. I am here to tell you that the formula used to include income is flawed and does not produce the desired result. Let's look at the definition of fair share as included in the Plan. Fair share, which represents the required local portion of a district's T&E budget, is designed as being one-half of the product of the district's equalized property valuation and a State property multiplier, and one-half of the product of the district's aggregate personal income and the State income multiplier.

So what are those multipliers in the definition? The property multiplier is basically a statewide property tax rate. It is determined by dividing the sum of all districts' required local revenue for T&E budgets by an amount of equalized property statewide. It would be a State property tax if it was not collected locally. The income multiplier is, in essence, an income tax. It multiplies the total local income of all districts to arrive at the same amount as the property multiplier, namely, the required local revenue for all T&E budgets statewide. The main difference between the income multiplier and a State income tax is that, again, this revenue is collected locally through an additional amount of property assessment on the basis of individual income.

Now that the fair share amount is determined for a district, the district's tax rate is established by dividing that fair share amount by the amount of property within the district. Income for richer or poorer taxpayers within the district no longer matters. Only taxable property counts, and the tax rate is applied to all kinds of properties -- residential, commercial, and industrial.

What results from all of this is remarkable. Homes directly across the street from one another, provided there is a municipal boundary between them, can be taxed at markedly different rates, despite the fact that these homes might be identical and assessed equally. Again, it matters not what the individual income of the property taxpayers may be. The local share is collected on the local tax rate and property assessment.

One of the most important flaws in this system is that while a school district is measured in part and taxed in whole on all of its property wealth, be it residential, commercial, or industrial sources, the income portion

of the formula includes only personal income. Therefore, primarily residential communities, which present both income and property wealth on each property, are taxed higher than communities with substantial commercial or industrial property, since no personal income is derived therefrom. We are giving, then, a tax break to those communities that have established commercial and industrial areas, as opposed to those districts that have become primarily bedroom communities.

All of this presents a very troubling pattern. The actual result of this manipulation of a community's wealth is that districts with the lowest per capita income, or the lowest total income and property wealth per student, generally have tax rates substantially higher than the State property multiplier, which would be the rate used for all under a property wealth system. Those communities with the highest per capita income or the highest total income and property wealth per student generally have tax rates substantially lower.

In using this formula, then, you are taxing the poorer districts and their residents at the highest tax rates, and the wealthier districts and residents at the lower tax rate. In many cases, these higher wealth districts have so much wealth that they need not even raise their full fair share to reach their maximum T&E budget, so the actual disparity is even greater. This result is directly converse to the purported reason for including income in the first place. It was supposedly to collect from those who were most able to afford it.

The proposed system of mixing and maxing income with property under S-40 and A-20, which is based only on a portion of a community's real income and makes no provision for differing income levels within a community, is clearly not one which works as intended. I have calculated the

impact on all districts in the State, and can demonstrate the results in the exhibits I have supplied with my testimony. The raw data was provided by the Department of Education. If you examine the tables, you will see that the data bears out what I have said to you today.

In the absence of a direct income tax for the local share, or some kind of a circuit breaker approach, I urge you to scrap this invalid, inappropriate use of income in the local fair share formula.

Again, thank you for the three minutes.

SENATOR EWING: Thank you very much.

Sister Mary Teresa Orbegozo, to be followed by Gerry Thiers.

ASSEMBLYMAN ROCCO: Assemblywoman Wright has a point.

If you would pass out your information to the Committee before you give testimony, at least we will have it with us.

SENATOR EWING: Please proceed, Sister.

**SISTER MARY TERESA ORBEGOZO:** Thank you for your invitation to offer testimony on the Governor's proposed Comprehensive Plan for Educational Improvement and Financing. I am here to talk about education opportunities for adults in the high school programs in New Jersey.

The Paterson School District is 1 of the 30 urban school districts that the New Jersey State Department of Education has designed as a Special Needs district. One of the criteria used to identify special needs is a disproportionately high dropout rate. The 1994-1995 dropout rate for the Paterson Public School District was 17.8 percent, or 664 dropouts. It is sad to say that these statistics are paralleled in other urban areas across the State. Without high school diplomas, the ability of these young people to enter

training programs, find meaningful employment, and become productive members of their communities is severely hampered. One wonders about the implications of a large segment of our State's undereducated and unskilled adults who are unable to obtain decent jobs and provide for themselves and their families because of lack of educational opportunities.

Studies done by adult educators on the topic of the perceptions of graduates regarding the benefits of a high school diploma for adults indicate that the adult high school diploma is worth the time, effort, and expense for both individuals and society if earning this diploma enables graduates to compete for employment and job promotions, enroll in training and college programs that will prepare them for skilled occupations, and become more productive members of the workforce.

In the Comprehensive Plan, pages 10 and 11, which discuss "Budget Parameters for Funding a Thorough and Efficient Education," it states: "Adult and postsecondary vocational programs are considered outside the definition of a thorough and efficient K-12 system of education. Special funding for adult high schools and postsecondary vocational programs was included on an equal per-pupil basis pending the creation of a new funding formula for adult programs."

The adult high school principals in New Jersey have great concern that this new funding formula for adult programs provide adequate and sufficient resources per student so that adult high school programs may continue to provide adults with a second chance as productive and contributing members of society. At present, adult high schools must meet the same standards of academic compliance as those of the local district high

school, for example, core curriculum proficiencies, State and locally mandated credit requirements, high school proficiency testing -- HSPT -- and Special Review Assessment -- SRA. These requirements pose a great challenge to adult educators in particular, because the severe and varied educational needs of these people must be met. The reality is that the large numbers of students who come to the adult high school programs come because they lack the basic literacy skills needed to succeed in life and want desperately to obtain them.

Intricately linked to their own quest for education is the parents' responsibility for the education of their children. Research has shown that when parents are involved in the cognitive aspect of education, their children's school performance is significantly better in all areas, including attendance.

Finally, I would like to read you a poem that was written by students in the Paterson Adult High School. The poem is entitled "A Second Chance" and it clearly states the expectations that the students have of each of us who has the power to influence their future. I venture to say that the adult students across the State share these sentiments.

We left school too soon,  
Our lives were in ruin.  
Now, we come to you  
with hope anew.

We ask you to:

- P Prepare us for the working world.
- A Assist us to reach our academic potential.
- T Teach us life skills that will help us cope with serious problems.
- E Energize us to act, to never give up.
- R Remind us that we have relevance to our communities.
- S Show us that we can correct our faults.
- O Help us to omit any negativity or reluctance we may have.
- N Network us with productive, positive leaders in all fields of endeavor.

ADULT     Guide us to be responsible adults for our families.  
HIGH       Inspire us to soar as high as we can.  
SCHOOL    School us in creative ways to compete in this complex world.

Most of all,  
allow us this second chance  
to learn and advance.

We need you.  
We thank you.

We thank all of you.

SENATOR EWING: Thank you very much, Sister.

Gerry Thiers, to be followed by Michael Knowlton, Superintendent of the Summit Schools, Nora Kadest, Kelly Hatfield, Walter Long, and Eleanor Doyle. That is a lot to say in five minutes.

Yes, Gerry. Do you want to go to the other microphone, please?

**G E R A R D   M .   T H I E R S :** Senator Ewing, Assemblyman Rocco, members of the Senate and Assembly Education Committees--

SENATOR EWING: Is that mike on, Gerry?

MR. THIERS: Okay.

Thank you for the opportunity to comment on school funding legislation. The Association of Schools and Agencies for the Handicapped -- ASAH -- is composed of 92 State-approved private schools in New Jersey which serve 9000 children and young adults with special needs. The schools educate students with a variety of handicapping conditions. I forgot to attach the list of member schools. I apologize, but I will submit that in my comments on A-20 later on.

The Governor's proposal -- and here I am speaking about S-40 -- puts New Jersey in the middle of a national debate over special education policies and costs. Over the past two years, the debate has largely taken place in Congress over the reauthorization of the Federal law, the Individuals with Disabilities Education Act -- IDEA. Interestingly enough, after all the debate, Congress has not changed the basic tenet of IDEA: that students with disabilities are entitled to an appropriate education in the least-restrictive environment. To comply with this standard, local districts must have a range of placement options for classified students, commonly known as the continuum of options.

From our experience, students are best served when they have access to the whole range of programs and services in the continuum. Certain approved private schools, for example, provide excellent services to severely autistic students, while others specialize in helping the emotionally disturbed and neurologically impaired. Other types of out-of-district providers, such as educational services commissions and special services districts, have other competencies. Students move back and forth, the majority in district programs but some in out-of-district ones, depending upon their needs. The most progressive aspect of special education -- the ability to tailor educational programs to the individual needs of the students -- is only possible because a continuum of options exist.

How can New Jersey's system live up to the requirements of Federal law while still becoming more cost effective? The solution is in the continuum of options. The Legislature should do everything it can to make all types of programs available to families and districts, programs which make a

real difference in students' lives. Also, the Legislature should do what it can to make these programs cost effective. These objectives can be reached by (1) sending the aid in all cases to local districts, and (2) offering fixed amounts of categorical aid for students based on a few categories.

The first strategy is essentially a placement-neutral funding system. State aid should be sent in all cases to the local districts to allow LEAs, with input from the families, to decide what placements are appropriate for their special education students. You may hear the argument that local districts cannot be trusted to properly disburse State special education aid. The districts, however, have the legal responsibility of educating students with disabilities and are liable when disputes arise over services. Hence, the money should be given to districts to promote local decision making with parents and encourage proper oversight over the expenditure of funds.

A placement-neutral system would also have the effect of creating an open market between local districts and out-of-district providers. Districts would make placements based upon services and cost, forcing out-of-district providers to become as cost effective as possible. The competition, similar to what is happening in the health industry, will hold down tuition increases.

With regard to the second strategy, we recommend that State categorical aid be divided into three categories, each based on the duration and intensity of services required. The first category, Support Services Only, would provide a relatively small amount of aid to students who need related services such as transportation, therapy, or counseling. The second category, Part-Time Special Education, would help fund special education services for up to half the school day. The third category, Full-Time Special Education, would provide

the highest amount of aid to students who require special education services for the entire school day. This system will account for the unique mix of students in each district and allow for better monitoring of services and programs.

We commend Senators Martin and Ewing for the many positive changes that S-40 will make on the State's special education funding system. We also appreciate the work that Assemblyman Rocco, Assemblyman Stuhltrager, and their committees have put into A-20. As I mentioned, we will be reviewing A-20, and we will submit written comments to you.

Remember that the key to special education is the continuum of options. The continuum allows districts to make appropriate and least-restrictive placements and thereby comply with Federal laws. The continuum, coupled with a placement-neutral funding system, gives students with disabilities the best chance of reaching their potential and leading productive adult lives.

Thank you.

SENATOR EWING: Thanks, Gerry.

The group from the Summit Board of Education. Will one person be talking for the whole group?

**MAYOR WALTER LONG:** There will be four of us, Senator, and we will keep it to five minutes.

SENATOR EWING: Thank you.

On deck next will be Frank Mikorski, a taxpayer.

All right. Do you want to start?

MAYOR LONG: Good morning. I am Walter Long, the Mayor of the City of Summit. I am here with Dr. Michael G. Knowlton, Superintendent of the Summit Public Schools; Dr. P. Kelly Hatfield, member and past President of the Summit Board of Education; and Eleanor J. Doyle, Chair of our PTA/PTO Legislative Committee.

Thank you, Senator and Committee, for giving us the opportunity to share our thoughts with you on the proposed Comprehensive Educational Improvement and Financing Act of 1996.

We support the Governor's initiative to develop core curriculum standards and to create a mechanism for defining a thorough and efficient education for all students in New Jersey, which is separate and apart from a definition based on dollars spent. The citizens of Summit and the State deserve to know that their tax dollars are being spent in an efficient and cost-effective manner.

We have come to Trenton united, representing all stakeholders in our community. Education is a top priority in Summit. Many families move to Summit because of the quality of education we offer our students. We are not here to ask you for more money. We are here because we want to be able to continue to offer our students a world-class education. Our school system is doing a great job.

We believe in home rule. Our community, which bears the cost of more than 90 percent of the school budget, and other successful school districts like Summit, should be able to make decisions at the local level to implement the standards with minimal interference from the State and with assurances from the State that additional mandates resulting from the

standards be fully funded in keeping with the concept of State mandate/State pay.

Thank you.

**P. KELLY HATFIELD, Ph.D.:** Good morning. My name is Kelly Hatfield. I am a member of the Summit Board of Education, and I have served on the New Jersey Legislative Special Education Funding Task Force. Therefore, I would like to share my concerns with you regarding special education as outlined in bills A-20 and S-40.

IDEA, celebrating its 20th year, is a Federal mandate that was created because of the failure of regular education to provide a free and appropriate education for disabled students. As Mr. Testa and Dr. Keyek pointed out earlier, a school district cannot refuse to offer an appropriate placement to a disabled student. Therefore, we applaud the Legislature's forthrightness to fund the extraordinary costs and we support the recommendation that the threshold for appeal be set at \$30,000, as suggested in A-20.

However, we are still very concerned with a single dollar-flat-grant approach to funding special education. The stretch between \$13,500, i.e., the \$9000 estimated cost per pupil for regular education plus \$4500 special education State aid, and the \$50,000 threshold is too large and too burdensome for any school district. I think it will force districts to place students in what I call the LEE, the least-expensive environment, instead of the LRE, the least-restrictive environment. A tiered funding approach based on actual excess costs of special education, which will be introduced later by

school boards, is the only placement-neutral formula, and it warrants your consideration.

Both the October 1994 study by the Public Affairs Research Institute and the New Jersey Legislative Task Force on Special Education Funding suggest that the data -- the current and available data -- do not support the public perception that New Jersey is overclassifying students. The growth in the percentage of New Jersey pupils in need of special education services in the first decade after IDEA was adopted was in line with the expanding national awareness of the needs and rights of persons with disabilities. Since 1989, the percentage has leveled off.

Philosophically, we are concerned and we are opposed to a funding formula which discourages districts from complying with IDEA, with a 10 percent cap on full funding. What will the courts say? A recent Alabama Circuit Court found that the percent of enrollment method was irrational and arbitrary, because under such a system, students receive less special education aid per pupil in school systems with higher percentages of special education students than in like districts with lower percentages.

Ladies and gentlemen, the challenge and responsibility are yours. Please do not put regular education students against disabled students in the fight for limited dollars. Special education funding should be based on the needs of the students.

Thank you.

SENATOR EWING: Next, go ahead, please.

**ELEANOR DOYLE:** Good morning. My name is Eleanor Doyle. I am the Chair of the Summit PTA/PTO Legislative Committee, and a member of the Garden State Coalition Parent Network.

The parents in Summit are very concerned about the impact which the Comprehensive Plan could have on education in our district. We have expressed these concerns to many of you in the more than 10,000 letters which have been sent by the parents of our community to legislators regarding these issues.

The vulnerability of school districts like Summit to catastrophic cuts which could result would be devastating. It is estimated that \$3.5 million, more than 13 percent of Summit's budget, is defined as constitutionally unnecessary. This could translate into cuts of approximately 70 positions, 18 percent of our district's total staff. All of this could happen in a school district which funds more than 90 percent of its budget through local real property taxes.

Please keep in mind that the dramatic cuts that could result from this Plan come on the heels of more than five years of wringing expenses out of our system. Since enactment of the QEA and operating within its spending caps, the Summit school district has made significant budgetary cuts, despite dramatically increasing enrollments. More cannot be accomplished without significantly diminishing the quality of education for my children.

It is disingenuous to set a dollar amount for what is necessary to achieve a thorough and efficient education -- an amount significantly less than what we currently spend -- without taking into account the efficiencies and quality that have been achieved in our school district. For example, Summit

has, for the past two years, received State aid for administrative efficiency. More than 95 percent of our graduating seniors attend colleges and universities. In addition, Summit has been a leader among school districts in the area of shared services in that it was a founding member of the Morris/Union Jointure Commission.

We urge the Legislature not to take steps which will destroy public education in our State. Our children depend on your leadership.

Thank you.

SENATOR EWING: Excuse me. I have to leave now. I am going to go to Chief Justice Wilentz's funeral. The rest of the Committee will be here. I apologize, but I will be back.

Thank you.

**MICHAEL G. KNOWLTON, Ed.D.:** Thank you.

In the interest of time, I will abbreviate my presentation. I simply want to reinforce the earlier testimony of both Lynne Strickland and Larry Feinsod. We are a founding member of the Garden State Coalition. I would like to ask the Legislature to continue to explore and insist on the protections to districts like Summit from the potential catastrophic cuts which could occur.

There are three points, in particular, which I would like to make:

1) Insist on a grandfathering of current expenditure levels to avoid the potential of catastrophic cuts.

2) Provide some type of cost-of-living adjustments -- which have been discussed earlier -- so that districts are not penalized by inflation which is beyond their control.

3) Something that has not been discussed before, allow for increases in expenses beyond the cap resulting from local donations and foundations. In the case of Summit, most of this income is specifically targeted to our neediest students -- students who come from disadvantaged backgrounds and who have the greatest need in terms of education services.

Thank you very much.

ASSEMBLYWOMAN WRIGHT: May I just say something before the next group comes up?

ASSEMBLYMAN ROCCO: Go ahead, Assemblywoman.

ASSEMBLYWOMAN WRIGHT: I just want to advise the Summit School District that I did not appreciate 1000 letters coming to my office. I would urge them to write to the legislators in their district who represent them. It is not really helpful to my staff to have to-- First of all, they open them all. Maybe a lot of staffs don't, but I do. I think your best bang for your buck is a letter from the Superintendent to me, perhaps, but then just write to your own legislators.

Thank you.

SENATOR MARTIN: Mr. Chairman, I respectfully disagree. I would appreciate anybody and everybody who has a sentiment on this to write at least my office in the 26th Legislative District.

ASSEMBLYMAN STANLEY: Mr. Chairman, I would also like-- I agree with Senator Martin on this issue.

ASSEMBLYMAN ROCCO: See that! When Jack, the leader, leaves, I mean, what happens?

Frank Mikorski.

**FRANK A. MIKORSKI:** This is not charged to my time, is it?

ASSEMBLYMAN ROCCO: Yes, every minute. (laughter)

MR. MIKORSKI: First of all, I would like to thank the Committee here for giving me the opportunity to speak to you. I certainly appreciated the rules that were put into effect, because at a previous opportunity to speak on this subject, I waited from 9:00 until 4:30, and never had the opportunity. So I think the rules now give me the opportunity, and I know others would like to speak also.

My name is Frank A. Mikorski. Basically, I am representing myself as a taxpayer, as an individual who has attended school board meetings ever since his retirement in 1987. I have also had the opportunity to serve on a school board, during which two years of our budget provided us with no tax increase and no cut in instructional staff or programs.

I testify in support of the Commissioner's and Governor's Plan for funding and curriculum standards. I compliment Senators Martin and Ewing for having the courage to introduce the legislation. I wish to trace where we have been, where we are now, where we want to be, and how do we get there.

My first questions are: Where has all the money gone, and will there ever be enough money? For the past 20 years, we have increased spending for education both in State aid and district budgets. We have the highest cost per student in the nation, and yet we see the continuing diminishing educational performance of our students. Yet, even the reported cost per student does not include the cost of teacher pensions and Social Security, which is paid by the State. If we were honest with our data, our cost per student would be even higher, by a conservative estimate, of \$2000.

We are not being honest with local taxpayers by not telling them the total cost of what the State does fund. This spending has not produced better student achievement or better infrastructure or physical plant, because the moneys have not been applied in that direction. Recent data indicates our physical plant needs work, and there are even proposals to have State bonding for such a purpose.

Just as an aside, I understand that since that bonding question was raised, there is also an issue of putting a 25-cent tax on cigarettes. I am a nonsmoker, but I would also wonder if we couldn't provide a 25-cent tax for providing for individuals without insurance. I wonder why we didn't feel it had the same priority at that time.

When are we going to realize that more money is not the answer? The judiciary has embraced the idea that T&E is achieved by more and more money. They have never looked at where and in what ways the moneys have been spent. The questions should be asked: Has it been spent for infrastructure and physical plant? Has it been spent for supplies, textbooks, and technology? The answers are "No," based on existing data. It is the escalated salaries and benefits over the years.

To me, the issue in education is not more money, but accountability, standards, organization, and cost control at all levels. Look and assess what we spend, how we spend it, and whose interests are we addressing with the money we spend. The Commissioner's Plan does address issues of organization, such as guidelines, class size, and areas of change, such as: distance learning, technology, areas for improving delivery of instruction, and staff development, amongst other issues. It also includes review of special

education classification. Why do we, as a State, have a higher percentage of classified students when compared to other states? Our system of education does not hold anyone accountable for results. Those responsible for delivering the educational product have continued to receive their salaries, increases, and benefits, with no reconciliation of their efforts with results. With our tenure rules, even administrators, it makes it almost impossible to hold people accountable for performance. Our system makes it difficult to define who is management in most educational situations.

I believe that the funding proposals and standards are a realistic approach to the issue. I can recall a number of years ago when the concept of caps on school and municipal budgets was applied, the interest groups predicted doom. That did not happen. Instead, we did get control of the level of increase in spending. So if a cap worked in that instance, why not with the funding and standards formula? I ask those who oppose the proposal: What do they suggest, spending more and more? Industry, health care, banking, and all areas of our economy have had to adjust to competitive quality and cost issues, why not education?

Another aspect of costs is the application of additional State aid funding for Special Needs districts. The entire concept and definition should be revisited. This concept is not in the best interest of efficiency or equity in taxes. We have some Special Needs districts that have not reassessed the value of their properties for tax purposes in over 30 years. We have another Special Needs district that recently was reported in *The Star-Ledger* to have a \$12 million surplus; another district that used some of the funding to reduce taxes.

Some districts receive as much as 70 percent to 75 percent in State aid. I suggest that this be reviewed.

Some other areas to look at: We have a State Legislature that tells us what level of pensions should be provided and a State health care plan that is a Tiffany when compared to the real world. Recently, the Legislature passed a bill that permits municipalities to opt out of the State health care plan, but at the last moment school districts were removed. The Legislature tells districts to provide 10 sick days, and seems to resist efforts to eliminate tenure for administrators or to cap payment for unused sick leave at \$15,000, as the policy exists for State employees.

I might add that if some districts would look at their total substitute costs, they might be surprised at what it adds up to.

We talk about distance learning, yet regulations say we must have a certified teacher in the classroom. This reduces the opportunity to save dollars.

I compliment those Senators who have sponsored legislation in the two areas that I mentioned earlier, but I doubt if the Assembly will get the opportunity to vote on this. Let us review the curriculum at our teaching colleges and universities. Are they changing to meet today's instructional needs? Instead of capitulating to special interest groups, I would urge the members of this Committee to assess the Governor's and Commissioner's approach. Give the standards and funding a chance, and do not dismiss it because of the stampede of opposition by interest groups.

What is offered as an alternative by some is the same formula, more money -- more money with no change in results. Let us get our priorities

straight, just as industry, to meet competition at the reduced cost, improve quality, and do more with less. Government must begin to do the same. Taxes, whether property, income, or sales that are used merely as transfer payments from one pocket to another, are not, in the long term, in the interest of this State, but more realistic funding, standards for performance, and quality are.

There has been some reference in previous comments that I read in the paper that there should be a difference in funding because the cost of living varies. This may be true, but perhaps the reason for higher costs is higher property taxes. If, in the case of those districts that exceed funding guidelines and they have to get taxpayer approval-- If those programs are producing demonstrably better results, then if the product is that good, they should have no problem in convincing the taxpayers to spend the additional dollars.

I fully realize that I, as an individual with my testimony, do not have the financial clout that some interest groups can mobilize to influence legislation. In your deliberations, ask yourselves with your vote, "Who am I really representing?"

As an aside, I might mention: The reason it is so important for us to get our arms around the educational issue is because it does have an economic development side.

ASSEMBLYMAN ROCCO: Bring it to a close, please.

MR. MIKORSKI: All right, I will close.

I thank you for the opportunity to testify before this Committee. If we are ever to get our arms around our educational system, it is now. More

and more money has not served our students well. We need to more effectively spend our dollars so that students are prepared for the world of work. Your obligation is to the students and taxpayers. Are you prepared to meet this obligation?

Thank you very much for your kind consideration.

ASSEMBLYMAN ROCCO: Thank you, Mr. Mikorski.

Mr. Neil Rothman, a teacher in Long Branch.

Will someone please take Mr. Rothman's documents?

**NEIL ROTHMAN:** Good morning.

ASSEMBLYMAN ROCCO: Good morning.

MR. ROTHMAN: My name is Neil Rothman, and I am a speech-language specialist and head of the Speech-Language Department in the Long Branch public schools. We are a relatively new profession in the schools, beginning shortly after World War II. Our title changed in 1988 from speech correctionist to speech-language specialist.

Traditionally, we worked primarily with articulation disorders involving substitutions, distortions, omissions, and additions of sounds, as well as voice and fluency disorders, more commonly known as stuttering. Children with those impairments continue to receive our services, but today, our caseloads in the urban districts are comprised primarily of language disorders. We are the language experts.

There are presently just over 4000 students in the Long Branch public schools. This year, 176 students were classified eligible for speech-language services. In 1991, 224 were classified eligible for speech-language services. This is a decrease of 48. Contrary to public

perception and misinformation that has become so rampant, more students are not being classified eligible for speech-language services.

Those students classified by the Child Study Team and receiving speech and/or language as a related service have increased in Long Branch primarily for two reasons:

1) The increase of enrollment in the preschool program, where at this level the speech-language specialists are mandated members of the Child Study Team.

2) The type of children entering the schools. Many of the children we identify as having speech and/or language disorders do not become enrolled in the Speech Language Program. We do use our professional judgment to determine which of the students' articulation impairments are developmental. It is important to note that at a recent press conference, a Department of Education official stated that many of the language delays will be "outgrown." This is the furthest thing from the truth.

I eluded to the type of children entering our city's schools. As has been the case in other cities as well, the problems have become greater and more severe. The correlation between oral language and reading and writing is evident.

If we can't develop the skills required for language expression and improve the child's ability to learn to listen, how can we ever expect these children to read and write effectively or even perform up to grade level standards? The core curriculum standards are requiring proficiency in speech and language skills. Language arts literacy requires students to "speak in a variety of purposes in a variety of contexts."

Language is the basis of all learning. Confucius once said that if he were responsible for building a city, first and foremost, he would improve language. Language is too often misunderstood. People become frustrated because they are unable to express themselves clearly. Language deficits have and will continue to lead to behavioral problems. For example, many fights break out between students as a result of their inability to communicate their differences. High school students come to me to discuss how they can avoid physical confrontations. We simulate their problems through language intervention, and a lot of these fights are avoided. Expressive language is the ability to organize one's thoughts and feelings into complete, grammatically appropriate sentences. This is broken into three areas: form, content, and use of the language.

I am not going to give you a language lesson here today, but the point is, there are so many aspects to language. We are the ones who can pinpoint the deficit, and we are the ones who can help to remediate it. Do the students with language deficits have difficulty understanding the information because they have trouble hearing or discriminating between the sounds presented? Do they have difficulty processing the information presented in order to have it make sense? Are they understanding it? Are they able to recall the information presented? Can they interpret it? This is all part of receptive language.

Speech-language specialists work as adjunct members of the Child Study Team. Our evaluative measures involve numerous language subtests and usually draw upon specific conclusions. Language is the foundation of critical thinking. Critical thinkers must be able to listen carefully, understand and

interpret what they hear or read, and express their thoughts clearly to others. Difficulty in any one of these language-based areas limits the ability to use the strategies involved in critical thinking and communicating effectively with others.

We do not teach language arts as defined by the core curriculum standards. That is the role of the classroom teacher. We teach the communication strategies that help teachers--

ASSEMBLYMAN ROCCO: Mr. Rothman, will you please bring it to a conclusion?

MR. ROTHMAN: Yes.

We have become more involved with the classroom, providing in-class support services, allowing for a less restrictive environment. We have also become more familiar with the curriculum, allowing for greater educational relevance.

Speech-language specialists incorporate new and curriculum-based vocabulary words into those strategies to help the students to become better communicators.

We do not give A's. Our results are displayed in the classrooms. Our input into the educational process should not be overlooked. We are beginning to understand more and more about language. Allow us to continue to be a positive force on children who require our services. Help us to invest in the future.

As my last point, my biggest fear is that the children I serve will be lost because their disability is not considered severe. Please keep in mind that

with the proper help, these students will have the greatest chance to become productive citizens in our State.

Winston Churchill was a severe stutterer. Governor Thomas Kean had language speech delays. Where would they be today without the proper assistance?

ASSEMBLYMAN ROCCO: Thank you, Mr. Rothman.

MR. ROTHMAN: Okay. Thank you.

ASSEMBLYMAN ROCCO: Jessica De Koninck. I am probably not pronouncing that correctly. Jessica is from the Trenton School District. Jessica?

**JESSICA G. DeKONINCK, ESQ.:** Thank you very much.

I handed in our testimony a couple of minutes ago.

My name is Jessica De Koninck. I am the Legal Counsel for the Trenton School District. As a point of interest, I also serve on the Montclair Township Council where, for the past four years, I have served on the Board of School Estimate. I am here on behalf of the Trenton School District to address some of the issues presented by the proposed legislation to implement the Comprehensive Plan for Educational Improvement and Financing.

I apologize that our Superintendent, Bernice Venable, could not be here this morning, because she is a much more articulate spokeswoman than am I.

The Comprehensive Plan, the State's most recent funding formula, comes not as an articulate response to the needs of the children of the State of New Jersey, but is presumed to be the method of meeting the constitutional mandate set forth in *Abbott v. Burke*. The Comprehensive Plan fails because it

permits the dollars to drive the need. It pretends that urban and suburban students share the same learning advantages at home and have parents with the same educational backgrounds and incomes. It sets thresholds that are embarrassingly low, so that the State will not have to provide the money that is actually necessary to support public education.

Although Trenton relies on the State of New Jersey for the bulk of its funding for public education, this is not something to be embarrassed about. Under the Constitution of the State of New Jersey, it is the responsibility of the State to provide a thorough and efficient education for each of its children, rich or poor, urban, suburban, or rural. The Plan ignores this constitutional mandate. It does not address the issue of parity, and parity among school districts is what is required by the Supreme Court in *Abbott v. Burke*. Parity is Chief Justice Wilentz's legacy to the children of the State of New Jersey.

The Plan is fundamentally flawed, fatally flawed. It is based on a model which does not exist. Given the very large number of school districts in the State of New Jersey, certainly there is at least one upon which the Department of Education could have based its model. Instead, we cannot even duplicate the model ourselves, because the Department of Education has thus far refused to release the data used in its creation.

Rather than concern yourselves with the sterile hypotheticals presented by the Plan, we ask you to concern yourselves with the realities of public education within an urban context. It is difficult for cities like Trenton to compete, specifically within the current funding framework.

We offer, therefore, some comparisons between the living, breathing Trenton School District and the fictitious district created by the Department of Education. In Trenton, 60 percent or more of our students live below the poverty level. The model school district has a high school with 900 students. Trenton Central High School has a student population approaching 3000. Of those, a third were found eligible for free or reduced lunch, a criteria the Department, for reasons we do not believe are justifiable, relates to Special Needs. We have no way of knowing what the total might be if all eligible children applied. We are certain that most of our children face substantial and overwhelming economic needs.

We also demand that our children are safe in school. According to the Department's model, Trenton would be entitled to 2.5 security guards, this to protect 3000 students and staff in an urban high school environment. More realistically, there are currently 20 security guards assigned, on a shift basis, to Trenton Central High School. Not remarkably, the high school is safe by anyone's standards. Staff and students feel comfortable walking through the halls.

Based on the model, there should be 10 guidance counselors at Trenton Central High School. There are 14, and 14 is not enough. Our guidance counselors do not simply assist students with college applications, although many of our graduates do go on to programs of higher education. Our graduates compete favorably with students throughout the State and nation in institutions as selective as Trenton State, Rider, and Yale. Our guidance counselors, while providing a complete array of what might be considered usual guidance services, also help students address the issues

systemic to urban life and lack of income, such as homelessness, hunger, and drugs.

Because the high school is a large school, it can take advantage of economies of scale. We are not top heavy with administrators. In total, the Plan would permit a school of the size of Trenton Central High School to have as many as 17 administrators, that is principals, vice principals, supervisors, etc. While it is difficult to compare apples to apples, the number at Trenton Central High School, taking into consideration administrative services shared centrally, appears not to exceed this number. Our nurses and librarians also fall within the Department's range. However, we have three attendance officers, not half an officer as the Plan recommends. We must assure that our children are in school. Attendance is a significant monitoring criteria. It is incumbent upon urban districts to have an aggressive attendance policy.

We also appear to have more teachers than the Plan would provide. The Plan would allow us no more than 150 total teaching staff members. We have 181. This includes 29 special education teachers. We need to have teachers to cover all subject matter areas. Our teaching staff needs will undoubtedly grow as we implement the core curriculum guidelines. We also want to be able to afford some of the advanced placement and similar electives available in suburban districts. Finally, we must address the needs of our special education population, regardless of any arbitrary thresholds set by the Plan.

We have reviewed the projected State aid figures that the Plan would afford for the 1997-1998 school year. The less than 5 percent increase would not even have been enough to fund our schools for the 1996-1997

school year without dramatic layoffs. Our population is increasing. Unfortunately, the Plan is thus just a harbinger of what is to come.

Contrary to what often appears to popular opinion--

ASSEMBLYMAN ROCCO: Could you please bring it to a conclusion?

MS. De KONINCK: Yes.

We, in the cities, know how to educate our children and want them to be able to take advantage of all the opportunities the world has in store. I urge the Legislature to direct the Department of Education to begin to develop a Plan which focuses on the needs of each child and the real costs to educate each child, to provide the services each child needs to achieve the most he or she can in life, and a Plan that eliminates our inappropriate and inequitable reliance on the property tax as a way to fund education. No district should be penalized for wanting the best for its children. The Comprehensive Plan, based upon economic abstractions, punishes all districts, the least affluent and the most affluent, by cynically decrying valuable services and opportunities first as excessive, and now as subject to local leeway. Our children deserve more and better.

Thank you very much.

ASSEMBLYMAN ROCCO: Thank you, Jessica.

Norman Goldman, Parent Network, Hopewell.

Norman, do you want to get started?

**N O R M A N G O L D M A N:** Good morning. The three of us -- Peg Gulick, Jane Brown-O’Gorman, and myself are parents of children in Hopewell

Valley. We represent the Parents Network, a member of the Garden State Parent Network. Jane Brown-O’Gorman will give our testimony for today.

**JANE BROWN - O’GORMAN:** Thank you.

We believe there are major problems in S-40, as proposed, that need to be addressed by your Committees. The following are only three of the many flaws we see in the legislation:

Issue 1: The dollar amount set by the State Department of Education for implementing a thorough and efficient education has no basis in reality.

The Hopewell Valley Regional School District is ranked 7th lowest out of the 8 school districts in Mercer County in per-pupil costs -- \$7060, well below the State average of \$7783.

We are a district that has experienced tremendous growth in the past three years, but regrettably, because of State-imposed caps, our per-pupil expenditures have actually decreased in the past three years. What this means is that we are forced to cope with schools and classrooms that are literally bursting at the seams. Even with a 7 percent increase in enrollment in one year, the State Department of Education denied requests for additional teachers. As a parent, an advocate for public education, and a graduate student in educational psychology, I know the importance of class size. Overcrowding does not facilitate learning.

Yet, according to the proposed formula in S-40, even we would be operating in excess of what this bill defines as a thorough and efficient operation. If operating on such a meager amount is really doable, why isn’t the

State Department of Education operating on such a lean budget in the school districts that are under State control -- Paterson, Newark, and Jersey City?

Issue 2: Saying that districts may go to the voters to seek additional funds is not realistic.

Certainly, you must realize that by saying a thorough and efficient education costs  $X$ , regardless of how unrealistic that figure may be, the voting population will consider anything above this amount to be fluff. State aid for public education has fallen from 42 percent to 38 percent in the past several years, shifting even more of the burden to property taxes. Hopewell funds over 90 percent of its school budget from local revenues. As municipalities and school boards pick up this increasing financial burden, residents are increasingly alarmed at the rise in their property taxes. Regardless of how people may value education, voters' tax wrath is inflicted upon the school budgets, the only tax subject to a public vote.

By way of example, Hopewell Valley is a 60-square-mile rural area intersected by major highways and narrow, winding roads without sidewalks. Imagine a six-year-old walking to school in these conditions. Yet, for the past two years, the issue of providing what the State calls courtesy busing -- but what we call safety busing -- has been defeated by the voters when put forth as a separate budget item. The point is, any valid budget item up for a separate vote faces certain defeat, or, as I was urged to say, "dead on arrival."

The continued overreliance on property taxes, therefore, must be addressed and remedied.

Issue 3: Setting an arbitrary cap on special education costs potentially harms those who need help the most.

This cap especially penalizes districts where good special education programs may draw families to the communities. The cap also makes it a disincentive for districts to classify students who may need extra help. Special education costs should be computed on actual numbers of classified students, not arbitrarily capped.

In conclusion, as David Sciarra of the Education Law Center recently stated, “Under *Abbott*, the resources to educate urban children must be comparable to what is available in schools that serve as the beacon for public education in our State.” We, as responsible citizens, cannot wholly endorse this legislation without the risk of dimming the light for all. The State should address educational inequities by aspiring toward excellence, not stooping toward what at best is mediocrity. We urge you, therefore, to go back to the drawing board and present us with a Plan that ensures excellence in education today and for the future. Today’s children, tomorrow’s leaders, deserve no less.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Norman, and I thank your group.

Dr. Larry Leverett, Plainfield Public Schools.

Before Dr. Leverett gets started, Norman, it might be worthwhile -- and this would apply to everyone-- It is important to know what you like and dislike. It is also very important for you to give us recommendations, modifications, or other things that might make it better. We would appreciate that as well.

ASSEMBLYWOMAN WRIGHT: Mr. Chairman?

ASSEMBLYMAN ROCCO: Yes, Barbara?

ASSEMBLYWOMAN WRIGHT: In light of the fact that A-20 has been introduced, do we have any provisions for how we are going to get input on that, because most of the people are--

ASSEMBLYMAN ROCCO: Basically, A-20-- We will have more input because it will have been out more when we get into Voorhees and the testimony there. Hopefully, we will address that to a greater degree. But I would suggest that all of you look carefully at A-20. We think that is a good--

ASSEMBLYWOMAN WRIGHT: Because a lot of the questions, I think-- Some of them are answered on A-20 -- the questions that are being raised here.

ASSEMBLYMAN ROCCO: Yes. And there are other changes that can be made as well. I mean, nothing is chiseled in stone at this point, and we would be more than happy to hear from you with regard to your recommendations.

Dr. Leverett.

**LARRY LEVERETT, Ed.D.:** I am pleased to have the opportunity to testify before the Joint Committee on the Comprehensive Plan. My remarks will be centered on Senate Bill No. 40. I have not had an opportunity to review A-20, and look forward to doing so.

The Comprehensive Plan and the accompanying bill have major implications for the future of education in New Jersey for years to come. This is obvious to all. As Superintendent of the Plainfield Public Schools, I would like to share with you my perspectives on the Commissioner's Plan, the

Governor's proposal, and Senate Bill No. 40, and describe how they impact my community, Plainfield, New Jersey.

From the outset, let me say that Senate Bill No. 40 has numerous flaws that are disruptive to education in our State. While I completely understand that the Commissioner and Governor are concerned with the size of the State's overall commitment of resources to public education, I am distressed by their failure to provide a funding approach necessary to implement a standards-based reform effort that will ensure every child an opportunity to learn, and teachers the opportunity to teach. In fact, the dollars-driven strategy reduces the opportunity to learn for students in urban, rural, and suburban districts across New Jersey. Others today have addressed and will continue to address these issues. This morning, I am here to inform you of the impact on my Central New Jersey school district, which serves nearly 7000 students.

John Dewey, a renowned educator, once said that what the best and wisest of all parents wants for his or her child should be the level of community responsibility for every child. Well, that value is one that needs to be reflected by the Legislature in its considerations of educational funding. Every child in Plainfield, and in every other community throughout this State, deserves the education that each of you, and I, want for our children and grandchildren.

Under the Governor's Plan, Plainfield stands to lose nearly \$2.5 million in State aid, the largest dollar loss in Union County. It seems strange and contradictory that one of the poorest communities in our county is forced to suffer the largest dollar loss. Plainfield has met the criteria established to

define Special Needs districts since 1990. Senate Bill No. 40 excludes Plainfield, and has created new terminology, *Abbott* districts. There can be no believable rationale for the elimination of Plainfield from the protective group classification.

What does the Governor's Plan really mean for Plainfield? Let me respond first from a fiscal viewpoint. To make up for the over \$2.5 million reduction in State aid, the Plainfield taxpayers would need to increase property taxes by nearly 14 percent. This is a \$228 impact on a taxpayer whose home is assessed at the average of \$120,000. Plainfield is not one of those communities that has not assessed property within the past 30 years. This is not likely to sell well in a community that has realized a 27.1 percent decrease in the city's assessed evaluation since 1991. And it is not only the area of property wealth that the city has experienced worsening conditions.

I ask: What is the ability of Plainfield, with a 27.1 percent reduction in the amount of ratables, to come up and to present the voters with an appeal to make up the Governor's loss to our community? I question: How can Deputy Commissioner DiPatri say, as he argued in a letter to a Plainfield citizen, that "Plainfield does not share the same socioeconomic conditions as the *Abbott* districts"?

The number of AFDC recipients rose in Plainfield over 21 percent from 1990 to 1995. There is a higher percentage of children supported by AFDC in the City of Plainfield than in 14 of the other *Abbott* districts. Moreover, 53.2 percent of the students enrolled in the schools are from low-income families eligible for free and reduced lunch. Twenty-eight percent of our residents do not have a high school diploma, and the questionable future

of adult education funding is especially threatening to the development of the shared vision for a self-sufficient, work-ready, literate population in our community.

ASSEMBLYMAN ROCCO: Dr. Leverett, would you please bring it to a close?

DR. LEVERETT: Nearly 11 percent of our residents have less than a 9th grade education. If this law is passed, the only alternative available other than to increase the tax burden is to reduce our budget. Reductions to the limits imposed by this legislation will require 20 percent layoffs of certificated and noncertificated staff. We are a district that has made every effort to be effective and efficient. Our special education rate is 9.6 percent. Our administrative costs are below the State average. We do not provide courtesy transportation. There is no fat, there is no broom, there is no way that we can accommodate this impact without hurting the children. We are committed to reform.

Come to Plainfield. Talk to our parents. Talk to our municipal leaders. Talk to our Board of Education. Talk to our teachers. Talk to our children. We are on a roll. We are committed to doing business differently. Delivering this fatal blow to the children of Plainfield is unconscionable and unspeakable.

I implore you and I ask you to reconsider S-40 and any other legislation that will result in the loss of funding and support for the commitment that we have made locally to improve the educational outcomes for our children.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Dr. Leverett.

Reno Domenico, Sterling High School District.

ASSEMBLYMAN STANLEY: Mr. Chairman, may I just recognize some students from Newark, New Jersey, the first Special Needs district?

ASSEMBLYMAN ROCCO: Where are they, Craig?

ASSEMBLYMAN STANLEY: Maybe they could stand up -- the students and the Girl Scouts from Newark. (applause)

ASSEMBLYMAN STANLEY: Thank you, Mr. Chairman.

ASSEMBLYMAN ROCCO: All of us in the Legislature realize that in the final analysis, it all boils down to the children of this State. None of us have forgotten that.

Reno?

**R E N O D. D O M E N I C O:** Thank you, Assemblyman Rocco and members of the Committee. I am going to address my remarks to Senate Bill No. 40. I have not had an opportunity to review A-20. I hope my comments will be illustrative of the impact the Plan has on those of us who are in the trenches.

I am Vice Principal for Curriculum and Instruction at Sterling High School. I am concerned about many aspects of this legislation, from its impact on special education to the expansion of the powers of the Commissioner. However, I am most concerned about the planned changes to the budget voting process, and what I believe is the gross politicization of the process.

First, it is truly unfortunate that school budgets, and therefore local boards' educational plans, goals, and objectives, are subject to the whims

of the taxpayers. As everyone knows, educational budgets are the only governmental budgets subject to the approval of the taxpayers. Consequently, school budgets are frequently subject to the frustrations citizens may feel toward all taxes, from the local to the Federal level. Nevertheless, it has been the American tradition to have local control expressed through the ballot box. I am now concerned that this legislation distorts the intent of local control and transfers the process into political and politicians' control.

The Comprehensive Plan and the funding formula, which is the key to the Plan, is, in effect, an equalizing down of the funding process. In the case of our high school, and I am sure other districts like ours, the funding formula and the definition of what constitutes a thorough and efficient education are not adequate to fund existing programs, let alone provide for improved services in the future. The Plan, in effect, attempts to meet the court-mandated equalization by leveling down the resources provided school districts, while hiding behind a plethora of academic jargon designed to fool the public into believing that this Plan calls for an improved academic environment for our students.

In our case, we are a regional school district with slightly over 800 students. For example, in the area of extracurriculars, the Plan recommends \$390,000 for a school district of 900 students. Our sports program alone costs \$440,000. It is clear that with the anticipated \$130,000 shortfall in next year's State aid, coupled with the inordinately low figure for extracurriculars suggested in the Plan, we, as a district, would be forced to put our entire extracurricular program up for public vote under the label of constitutionally unnecessary spending.

Last school year, under the gun of a budget crunch, we planned to eliminate three sports programs: boys and girls volleyball and swimming. All these programs were new to our district, so there was no long or deep tradition in these areas. We encountered a firestorm. The budget hearing was packed, and the parents were furious. The board was forced to acquiesce, and the cuts came from other essentially deemed more important educational programs. Now we are being asked to look at the virtual elimination of our entire extracurricular program. In effect, this Plan is an invitation to pit parents against parents, boards against parents, and boards against municipal governing bodies -- all in a struggle to survive an underfunded educational Plan.

Believe me, if you had been there for some of those kinds of hearings, they can be ugly.

As well, it must be said that as a professional educator, I would be remiss to not point out that the extracurricular program is at least as important as the purely academic areas listed in the core curriculum content standards. It must be remembered that historically and practically, one of the main functions of the school system is the socialization process. More parents and students are involved in the extracurricular aspects of school life than in any other area. Although this may come as a surprise to some of the bureaucrats in their ivory towers, there are no biology lab booster clubs. We who work in the trenches know that schools are much more than just disseminators of information. This Plan is nothing more than an attempt to cut funding to schools behind a smoke screen of academic gibberish.

Additionally, how can an effective program be run with no guarantees that the voters will approve constitutionally unnecessary spending on an annual basis? Will we have a marching band one year, but not the next? Should our director just wait around and work at 7-Eleven until the voters are in a better frame of mind? Again, essentially, this Plan is saying to the affluent districts, "Carry the burden yourselves," and to the blue-collar and poorer districts, the Plan permits the State to wash its hands and walk away while the local constituencies kill each other. This Plan simply means cut the funding and forget, ignore, or simply observe the consequences.

On my way up here today, I thought maybe we should put on constitutionally unnecessary spending the heating bill and the electric bill, and then see what that looks like in December.

Regarding the budget vote process itself, there are serious concerns, as well as dangerous pitfalls for the future. Last school election was the first time that the local boards did not run the election. The county, since they did not have the experience, may have inadvertently cost our district the opportunity to win the budget vote. In our case, our regional budget is voted on in three local sending districts, all of which had their own local budget votes. In one town, Stratford, an ill-advised local bond referendum was also on the ballot. The sample ballot, and, therefore the machine ballot, was so poorly constructed that it was virtually impossible to distinguish the bond question from the local question from the regional question. Consequently, in Stratford, where we ordinarily run very well, everyone went down with the bond referendum, and, therefore, we lost our budget by 63 votes. With the defeat, we lost three excellent teachers, along with some support personnel. If

it is not possible to use two machines in such a situation, the ballots should be constructed in such a way as to make it clear that the regional elections are distinct and separate from the local budgets or referenda.

As well, although not part of the legislation, but still a part of the Commissioner's Plan, is the proposal to move the elections to the November general election. This idea, couched in the concepts of greater citizen participation and cost savings, is nothing short of a disaster. First, the reason the school elections are in April is to insulate school elections from the normally partisan process associated with politics as usual, or specifically, the general elections.

ASSEMBLYMAN ROCCO: Reno, will you please bring it to a close?

MR. DOMENICO: Yes, I will.

Imagine the situation: First, we are being asked to place constitutionally unnecessary spending on the ballot in a general election, where thousands of uninformed voters have the chance to vote on a spending measure. What would be the chances of legislative salary increases passing such a vote? Or, for that matter, would the State budget pass the voters in a general election, or any election? No votes on fiscal issues are easy campaigns. Putting the budget vote in November is tantamount to saying no to all spending beyond the formula of the Plan. Again, this is a backhanded method of cutting spending on education behind a smoke screen of cost savings and greater democracy.

Again, it is a complete politicization of the process. You are going to have slates and candidates being run by parties. You are going to turn

schools into political animals. Believe me, I work in a city where politics is a great influence on school elections. This is a very, very dangerous idea, to move it to November. Really, you are going to be subjecting the schools to complete political control.

Thank you very much for the opportunity to speak.

ASSEMBLYMAN ROCCO: Thank you, Reno.

The next speaker will be Denise Jones, Plainfield Adult High School graduate.

**DENISE JONES:** Good morning. My name is Denise Jones. I am a June graduate of the Plainfield Adult High School. I come here today to tell you a little about where I came from, to inform you of where I am going, and to express my views on a situation that not only affects my life, but the lives of people today and the lives of our children tomorrow.

Looking back on my high school days, my main focuses were fighting, cutting class, boys, drinking, and drugging. My life was unmanageable. I was out of control. At age 13, I convinced myself that I could make it in life without the guidance of my parents and an education. From this, I formed a lack of interest for school. Like many others, I dropped out of school before I could get there. With an eighth grade education, my focuses now became my way of life.

Years later, I had three children. I was drowning myself in self-pity. I had a very low self-esteem, plenty of regrets, a drug addiction, and I was now battling homelessness. Becoming tired of my situation, I found help in organizations in my community that were at my disposal.

With a better outlook on life, a strong will, being a better person and parent, I was fortunate there was an alternative to my continuing education. I was very pleased to be granted the opportunity to exercise the new me at the Plainfield Adult High School.

Entering school for the first time in nine years, I was afraid that I would fail. Taking the initiative to discuss school-related or personal problems with my teachers and advisers and allowing myself freedom to fail, I began to accept change. I was determined to make change work for me.

Change worked. Today, I am a very proud high school graduate. Because of the adult high school, I now have a direction. For the first time in my life, I know where I am going. I found a treasure in an unlikely place.

In September, I will be attending Union County College majoring in gerontology. After earning my degrees, I would like to give back to society what I have gained from it by establishing a home for the elderly.

I was one out of many fortunate enough to take advantage of the adult high school. Now I am concerned about future funding. When I chose to attend the Plainfield Adult Learning Center, I chose to go through their adult high school to obtain my diploma. Taking courses for a GED diploma was not enough for me. I felt I would be rushed through school not knowing a thing. I wanted the self-fulfillment, the knowledge, and the skills to help me to meet with success in life and to help my children meet with success in school.

If there are not sufficient funds to adequately fund the adult high school, many will be left out in the cold without funding. Teenagers and many other adults who have opened wrong doors by dropping out of school will not

be able to open the same doors that I have opened for myself by taking advantage of the programs that are available, such as the Plainfield Adult High School.

I know that the second chance I have been given has made all the difference in my life. It has helped me change from a person dependent upon society to someone who has become a productive member of society.

The Plainfield Adult High School has played a big part in a new beginning for me, and I would like to take this moment to urge you to reconsider your decision, to thank them for giving me the opportunity to broaden my horizons, and for giving me a chance to partake of the land of opportunity.

Thank you. (applause)

ASSEMBLYMAN ROCCO: Thank you, Denise, for sharing that with us. We can all see what a great help that adult program has been to you. We will certainly take that into consideration.

Dr. Jack DeTalvo, Superintendent, Perth Amboy. Doctor, do you have copies of your testimony?

**JOHN D. DeTALVO, Ed.D.:** Yes, I do.

ASSEMBLYMAN ROCCO: Would you please give them to the staff?

DR. DeTALVO: Mr. Chairman, members of the Committee: Thank you for this opportunity to speak to you today. My name is Jack DeTalvo. I am President of the Urban Schools Superintendents of New Jersey. There are 63 districts in our State classified as urban. We educate about 40

percent of the State's public school students. Our membership also includes all the Special Needs districts in the State.

I am here today on behalf of our membership to express our serious concern regarding the proposed Comprehensive Plan for financing our State's public schools. The basic premise of the Commissioner's Plan is that there is a common set of core curriculum standards that should be implemented statewide in all of our public schools. The second part of this underlying concept is that it should cost \$6720 to deliver these core standards. The reality is that the Plan makes no demonstrated connection between the core standards and the T&E amount of \$6720. It should be obvious to all of you by now that the \$6720 amount is not a true foundation amount, but rather the result of a mathematical computation that was predicated on the fact that the State wanted to create a formula that required little or no additional State aid for education.

In addition to its basic premise being flawed, S-40 has numerous other problems. Under S-40, Special Needs districts would not achieve parity as defined by the New Jersey Supreme Court in the *Abbott* case. In fact, S-40 contains no mechanism for reducing the wide disparities in spending among school districts statewide. Instead, S-40 perpetuates wide disparities in spending by allowing districts to spend and tax at extraordinary levels by simply obtaining voter approval.

Another major concern of the State's urban districts is the lack of a meaningful program in S-40 to address the needs of at-risk students. Under the Commissioner's Plan, districts with as much as 19 percent of their student population at-risk would not receive any At-Risk Program funds.

I would also urge this Committee to examine the inequities in categorical funding in S-40. For example, private schools will benefit in the areas of bilingual/ESL, speech correction services, and compensatory education, while the public schools will lose money in each of these categories. I want to reiterate that under this proposal, the private schools, or nonpublic schools in the State, will receive higher per-pupil dollar amounts for those categorical programs than the public schools. Since the Committee has already heard extensive testimony about the disaster that this Plan would create in serving special education students, I won't repeat those concerns except to state that, obviously, the burden for the problems with the Special Education portion of this Plan would be disproportionately borne by our 63-member districts, since we have a high number of truly learning disabled students.

There is also confusion regarding the various amounts of categorical aid listed on the forms distributed by the Department of Education. For example, many urban districts were given aid figures for Early Childhood Programs, including preschool and full-day kindergarten. Many of the districts designated to receive this aid can't even offer these programs, because they do not have the facilities.

The question is an obvious one: Is this money going to revert back to the State to be used to plug budget gaps in various General Fund programs?

There is also a categorical aid amount listed in transportation for each district. However, in applying the transportation aid formula, the districts that do any courtesy busing would be severely penalized and would not receive the amount of aid listed on the Department's funding sheets. Many districts are also designated under this proposal to receive "demonstrably

effective program” aid. How dollar amounts can be listed for districts without knowing what these programs are, or if they are needed, raises a serious question as to whether or not this money would ever be spent in 1997-1998.

In closing, I urge this Committee to reject S-40 in its entirety. You cannot hope to salvage a funding system based on faulty underlying concepts and assumptions. Senate Bill No. 40 ignores several landmark decisions by the Supreme Court of New Jersey, as well as the recommendations of the Funding Review Commission. Most importantly, S-40 ignores the scope of services currently being provided by all of our public schools for all of our students. S-40 assumes that parents, education interest groups, and communities in general are willing to offer less to the children of this State.

Well, ladies and gentlemen, for years we have been faced, in the public schools, with trying to offer less. Believe me, when you try to offer less in the public schools, you subject yourself to the wrath of a lot of different constituencies. If you think this proposal can be put upon New Jersey’s public schools and you will not suffer the wrath of those groups, you are mistaken.

Thank you very much. (applause)

ASSEMBLYMAN ROCCO: Thank you, Dr. DeTalvo.

Mary Mackenzie, East Brunswick School District.

By the way, I think we will knock off the applause, because we are kind of backed up in terms of our time schedule. It serves no purpose.

Mary?

**MARY E. MACKENZIE:** Thank you for the opportunity to testify before you today regarding the development of a new school funding formula. I am currently Supervisor of Foreign Languages, ESL, and Bilingual Education

for the East Brunswick School District. My comments today will focus on the serious harm to our district's educational program that would occur if the Department of Education's proposed funding Plan is enacted into law.

Our district has analyzed the impact of bringing East Brunswick's spending in line with the funding level in the Comprehensive Plan, and the results are alarming. Before I discuss these results, however, let me give you a little background on our school district. East Brunswick has consistently been one of the true lighthouse districts of New Jersey. Our accomplishments include:

Hammarskjold Middle School and Churchill Junior High School each were named a National School of Excellence/Blue Ribbon School in the 1996 School Recognition Program conducted by the U.S. Department of Education. Lawrence Brook and Irwin Elementary Schools and East Brunswick High School received the honor in previous years.

East Brunswick High School was named the best high school in New Jersey and one of the best 51 in the nation in the April 1996 issue of *Redbook* magazine.

East Brunswick is among the 10 percent of public school districts in the United States chosen to receive a 1996 "What Parents Want" award from SchoolMatch, a school selection consulting firm located in Ohio. The award recognized school districts for meeting the needs of the families choosing schools.

I could go on and on. A more detailed list of our educational accomplishments is attached for your information.

Unfortunately, many of the programs that have enabled our district to succeed would be threatened under the Comprehensive Plan. We would have to slash our regular education budget by at least \$3.77 million to come in line with the maximum allowable spending for regular education as defined in the Comprehensive Plan. We would also have to slash our spending in other areas such as special education, for a total reduction of approximately \$4.3 million.

Here are just some examples of cuts our district would have to make to comply with the Comprehensive Plan model:

- \*eliminate 97 teaching positions, even though our class sizes already exceed the Comprehensive Plan's class size numbers;
- \*increase class sizes above 30 students;
- \*reduce instruction for students with remedial needs;
- \*reduce support to special education students;
- \*eliminate some advanced placement and gifted/talented programs;
- \*make major cuts in extracurricular and cocurricular activities;
- \*eliminate busing for students on some hazardous routes that are considered courtesy busing.

Without significant changes, the proposed school funding formula will lead to disastrous educational results in our district.

Concerning the Assembly Plan, there are, however, a number of positive aspects to the just introduced Assembly version of school funding legislation. I would like to cite three positive improvements in the Assembly Plan and ways that these areas can be further strengthened. These include:

- \*grandfathering existing spending;

- \*continued funding for at-risk students;
- \*responsible special education reform.

Under the Assembly Plan, existing spending is grandfathered and voters only consider additional spending. The Comprehensive Plan, by contrast, labels all spending above their model to be constitutionally unnecessary. This might be a reasonable approach if the funding model were based on actual high achieving school districts such as East Brunswick. Unfortunately, this was not the case. The model school district has no resemblance to our district or other high achieving New Jersey districts.

The Assembly Plan also allows district spending to increase by an amount equal to the consumer price index, with yearly adjustments made for enrollment. This change would allow our district to maintain our current programs and services and avoid sending a misleading and unsubstantiated message to our community's voters that our spending is somehow inefficient.

The local budget process should be further strengthened in several ways. When a budget is voted on, the district should not be asked to designate spending for non-T&E purposes. School budgets simply cannot be artificially fragmented in such a manner. The additional spending should also not be labeled constitutionally unnecessary or given any other negative connotations. In addition, the budget vote should remain in April, so as to minimize the level of partisan political interference in the process.

ASSEMBLYMAN ROCCO: Mary, do you want to bring it to a conclusion, please?

MS. MACKENZIE: Okay.

In addition, two very important issues need to be addressed. One is funding based on current year enrollments, and the second is the continued overreliance on property taxes. For communities like East Brunswick, we will have no ability to support the level of spending necessary to keep current programs and services in place. To do so would require a significant property tax increase. This increase in spending would go to the voters labeled “constitutionally unnecessary.” The likelihood of the spending being approved with such a label is extremely small.

Once again, I would like to thank you for the opportunity to share my views on this challenging issue. I believe it is possible to develop a school funding formula that supports a world-class education for all New Jersey students, instead of leveling down the quality of education in our district and other high achieving districts. I would be pleased to share more information on our district and assist you in any way possible as you pursue this difficult goal.

I am here not only as an educator, but also as a future parent.

ASSEMBLYMAN ROCCO: Mary, thank you. Really, we must go on. We appreciate your testimony. (applause) Please, let’s not applaud. We lose too much time.

Mary, I would indicate to you that your enrollment is being utilized, and the Assembly Plan certainly continues that fact twice a year for the enrollment figures, which is really the basis of so much of the foundation moneys.

Secondly, the constitutionally unnecessary language will not be the language that we will ultimately end up with. I can guarantee that.

Okay, let's go on to JoAnn Jones, a parent. Is JoAnn Jones here?  
(affirmative response from audience)

JoAnn, we are close to lunch, but good morning.

**JOANN JONES:** Good morning. You caught me off guard.

As a way of centering myself, let me just say first and foremost that all praise and glory goes to the Creator and to the ancestors.

I see that Senator Ewing has left. I understand that he had to go to a funeral. I am really sorry that he is not here. I had addressed this particular testimony to Senator Ewing and the Senate Education Committee members. This will really be very brief, as you can see from the one-page statement you have before you.

I come before you this day very shaken, very angry, but very much in control, as I sit and watch in my mind's eye the assault on my people and others as they are tossed back and forth and scattered helter-skelter, as they and we are pushed out of our schools, our jobs, our homes, our hospitals, our churches -- yes, they are burning -- and out of our communities into the ever-expanding lines of unemployment, homelessness, soup lines, poor health, mentally and physically, poverty, spiritually and physically, into gangs, young and old, violence, crime, and into the arms of the expanding prisons and/or death itself.

In anticipation of the fact that by the time I did speak many of my Newark community colleagues -- regardless of how we may feel about one another -- will have handled, very aptly, the detailed budgetary cuts or loss of the \$30 million or \$31 million State school aid to Newark, as well as the *Abbott v. Burke* flip-flop and reversal underway, just like affirmative action mandates

are being overturned and reversed. In other words, they giveth and they taketh away. People playing God. I have decided to approach this subject matter a little differently.

Last weekend, for me, was one of the worst birthday experiences of my life. People wanted to celebrate-- This is something new for me, as I do not tend to get like this.

ASSEMBLYMAN ROCCO: We understand that it is hard for you.

MS. J. JONES: --but how do you celebrate that or anything else after hearing that 634 people were terminated from the Newark public schools so that we could redeploy \$23.6 million dollars back into the schools for educational services that will directly benefit students. A very grand and ennobling act, but what about the parents of these very same children/students? How will they, down the road, feed, clothe, and house their own children without jobs? Something is wrong here. Is someone pitting parents against their own children, and vice versa? Or, is someone or something -- a beast or the anti-Christ and its children -- pitting all of us against one another as it has been foretold in Revelations?

Just three weeks ago, June 28, 1996, in *The Star-Ledger*, Dr. Hall, herself, spoke out against the \$30 million-\$31 million proposed State aid loss for the 1997-1998 school year. She didn't know it was coming. Then what happens? She gets a letter from Deputy Commissioner DiPatri trying to explain away their -- the State's, Klagholz's, and Whitman's -- assault on her whom they brought in. Here DiPatri is trying to make us believe that it is only decreasing student enrollment that will result in this State aid loss, like the

per-pupil spending reduction from approximately \$10,000 -- so some people say -- to \$8282, or less, doesn't compound the situation along with other factors. There is a group -- now groups -- of people who have been scheming and planning to take back Newark, and other urban cities, ever since the inner-city revolutions, which some people refer to as riots, took place.

Leave us, our children, and our communities alone. Do not act on that bogus S-40 bill.

Now, having sat here throughout the morning, many people have come forth. I see that we do have a lot of things in common. As I said, there are other community people who will come up. Let me just say to suburban America: See, believe it or not, you are expendable, too.

As I told some white folks in 1994 about the State coming into Newark and that they were in the vicinity that we were going to-- Thank God, most of them went to jail, and now some of ours are going as well. I am saying to you that there is a beast in the White House that I think is going to get in control of the presidency come November. If you think you are safe because you are sitting here, you're not.

ASSEMBLYMAN ROCCO: JoAnn, please bring it to a close.

MS. J. JONES: Okay.

You know that racism has been in this country, and you know it is still rampaging. You are going to have to make a decision about where it is and what it is that you want to do. Do you really want to be democratic and we all work together, or are you going to continue to go along with this racism now?

There are people sitting behind me. We are not asking anyone to lower your per-pupil spending. We do not want that. We just want what we need for our children, because we know what we can do for our children in our district.

That is all I have to say. (applause)

ASSEMBLYMAN ROCCO: We appreciate your comments.

You know, I have asked you several times about the clapping. It really doesn't help.

Ira Marks, Hands Across New Jersey, Inc.

**I R A L M A R K S:** Thank you.

In 1976, the sole source for funding educational costs in New Jersey came from the collection of property taxes. There was no State income tax, no State Lottery, and no casino gambling. There was 1.481 million students in our public schools.

It is now 20 years later. We continue to collect property taxes to fund education, but at a significantly higher level than before. In addition, important new sources of State revenues have been found to fund the growing appetite of the educational system. We have a State income tax which is one of the highest in the nation, a State Lottery, and casino gambling. The number of students in New Jersey now stands at 1.196 million, or almost 20 percent below the total 20 years ago.

You would reasonably expect that with 20 percent less students and a tremendous increase in new revenue sources available to the State, education in New Jersey would be more than adequately funded. However, once again we face a funding crisis. How can this be?

New Jersey spends over \$12 billion per year on education. This level is 600 percent greater than the funding level only 15 years ago. Despite this tremendous increase in spending, student achievement has deteriorated during this period. This is because most of this money has not found its way into the classroom, but rather, into the salaries, benefits, and pensions of New Jersey teachers and administrators. New Jersey is the highest spending state in the nation: 11 percent above the number two state, 25 percent above our neighboring states -- Pennsylvania, New York, and Connecticut -- and 70 percent above the national average.

New Jersey's education system can be summarized in three words: wasteful, excessive, and inefficient. We have a system that encourages bureaucracy and the status quo. We have a system that is dominated by the power and greed of the NJEA.

You will hear from numerous groups today who oppose the Comprehensive Plan. These special interest groups have benefited from the status quo and runaway educational spending. They do not want to see it end. We represent the one special interest group that has been ignored over the last 20 years, the taxpayers of New Jersey. Like educators, the taxpayers want a high-quality educational system in New Jersey. However, contrary to the current system, they also want education delivered in a cost-effective manner. They want an educational system that has student assessment and accountability for teachers and administrators. Without accountability we will continue to run the same inefficient and costly system that exists today.

The members of Hands Across New Jersey find many excellent features in this Plan. It is designed to improve educational results and, at the

same time, stabilize the growth rate in spending. The core curriculum standards provide a mechanism for assessing student achievement at the 4th, 8th, and 11th grade levels. The Plan provides for technology to help us develop a world-class educational program in New Jersey. Significant amounts of money are earmarked for Special Needs districts and other districts with significant levels of disadvantaged children. The Plan has a reward program that will hold districts accountable to the public to achieve performance improvements. Efficiencies in transportation costs and facility costs are also included.

The initial program offered a controversial 10 percent of enrollment level for funding special ed costs. The revised proposal also allows for additional funding for extraordinary special ed costs, which currently create budget problems for many districts.

However, we do have some concerns that need to be addressed. We question whether the Plan can achieve its goal of delivering a cost-effective, high-quality educational program under the existing environment. A cornerstone to improving student performance is to improve the level of teaching. Under the current lifetime tenure system for teachers and administrators, we cannot fulfill our full potential. We need to eliminate the system of teacher and administrative tenure. We need to stop the influence peddling now being exercised by the NJEA. If our State legislators cannot stand up to the teachers' union, perhaps they should be replaced by men and women who can.

We also need to find a mechanism for slowing down the growth of teacher/administrative salaries and benefits. This year, statewide collective

bargaining with municipal worker unions resulted in a salary freeze for State workers. If ever a group needed a salary freeze, it is our teachers and administrators. Since most school board members lack business and bargaining experience, we should consider making statewide collective bargaining for teachers a reality.

Thirdly, we are concerned that the core curriculum standards do not put enough emphasis on the basics: reading, writing, and math. A strong foundation in the early grades is critical for the future success of students. We need to be assured that the program provides enough concentration in these areas. While a world language program in the elementary grades would be nice, we believe that it will create a significant cost burden and is not essential.

Under this Plan, school budgets that fall within T&E spending guidelines do not require a public vote. Our position is to encourage public participation in the budget process. Wasteful spending can still exist, even though a district's total budget falls within an acceptable spending range.

Once this Plan has been finalized, we need to also address the curriculum for our teacher colleges in New Jersey to assure that our new crop of teachers will be educated in these changes. Making this part of the certification process will create a seamless system that will minimize the impact of costly teacher training programs.

Hands Across New Jersey truly believes that the Commissioner's Comprehensive Plan is a good first step in delivering a cost-effective, high-quality educational program for New Jersey students. We agree that education should be measured by standards and accountability, rather than the amount of money spent. Taxpayers deserve a guarantee that their money is

being spent wisely and efficiently. Students deserve, at the very least, a quality education. However, we do not believe it is a stand-alone program that can succeed without the additional educational reforms that we have outlined above. And, it needs the ability to be flexible, as this is a Plan that needs to be molded carefully.

We have a wonderful opportunity to make our educational system one that will positively effect the lives of many generations to come. Let's do it right. (applause)

ASSEMBLYMAN ROCCO: Thank you.

I have asked several times on the clapping. If necessary, we will have you evicted. We do not want to do that.

Linda Batz and Maureen Startzel, Principal and Teacher, from the Hunterdon Central Regional High School.

**RAYMOND P. FARLEY:** Mr. Chairman, I am Ray Farley, Superintendent of Hunterdon Central Regional. Principal Batz is at the Dodge Fellowship Program. I thought it would be different, at least for this session, to share with you our feelings on the differences between A-20 and S-40. What I was handing out, I think, is rather descriptive to that. In the inside jacket, once you get them, you will note that Hunterdon Central is probably the most celebrated high school in the State of New Jersey, having won 10 national awards and 11 State awards in the last 3 years. If the gentleman could move it along, so that I could-- Thank you.

The reason I want to bring that to your attention is, one of the awards we won is called the National EXSL Award, which was given to us in Washington last fall. We were the only school district in the United States so

honored for innovation in the classroom, and doing it in a framework of fiscal efficiency that met productivity guidelines.

So we can aspire to greatness, and we can be within the framework. What I would suggest is that the awards we have won, and where we are headed as a school district-- We lose that almost overnight if you go to the last page and you look at the impact of Senate Bill No. 40.

Senate Bill No. 40, for us, is total devastation. One of the ironies, one of the great twists in S-40, for us, is that now, as a Superintendent, I am not sure that I can meet the core standards. We are presently still looking for \$1.7 million. Based on Legislative Services' numbers, we have to expect to lose \$6.3 million, 28 percent of our budget.

Now, we have proven, without a shadow of a doubt, that public education does work in New Jersey. We have proven that we can bring cost efficiency to it. What we are really dismayed at, at this time, however, is that Senate Bill No. 40 cuts the great districts of this State. It takes away what is so important, not just in education, but in life -- to aspire to greatness. If we dumb down our lighthouse districts, what will we have to look at? What will be our models?

With me today is Teacher Maureen Startzel, Runner-up Teacher of the Year for New Jersey, our county winner. She would like to share some thoughts with you on the impact of this program in the classroom.

**MAUREEN STARTZEL:** Good afternoon. I teach social studies at Hunterdon Central High School in Flemington. I am here today as a member of Assembly Speaker Collins' Task Force on Core Curriculum, and as a concerned teacher.

One of the most important aspects of effective teaching is appropriate class size. Hunterdon Central has attempted to maintain academic classes of about 25 students. If the current funding bill is passed, the resulting cuts would necessitate drastic increases in class size. In the growing trend toward heterogeneous classes and greater cultural diversity, students would unfortunately be afforded less time and less attention. Furthermore, written assignments, research papers, and in-depth reading would be difficult to evaluate as student numbers increased.

Although it is obvious that the 30 Special Needs districts warrant support from the State, the answer is not to punish districts which have achieved excellence, and both State and national recognition. The funding recommendations proposed by Assemblyman Stuhltrager's task force include support for a grandfathering provision in keeping with Assemblyman Bagger's amendment, which certainly seems like a more equitable solution.

If districts are to successfully plan ahead, they cannot spend part of each year lobbying the public for support and expending untold public relations efforts for programs, curriculum, and activities which have long been part of their budget. Departments, activities, innovative ideas, and students, parents, and community would be pitted against one another, rather than working together toward a common goal -- learning.

Education is about the holistic child, and it involves fine arts: the school paper, academic competitions, sports, and clubs. Many of these would serve as career paths, motivation, friendships, and lifelong interests. As the mock trial adviser at Hunterdon Central for 13 years, I have had students who placed first in the State in 1995 and 8th in the nation. The benefit to scores

of these students over the years cannot be quantified, yet many have gone on to successful careers in teaching, law, and business with the belief that their experience in these extracurricular activities was the most influential part of their education.

The Peter Principle does not belong in education. Let districts that achieve success be rewarded, not punished. To quote Senator MacInnes from *The Courier-News* on July 18, “The losers are the best districts in the State. We should be learning from these districts, not taking away from them.”

Finally, does it not seem incongruent that in New Jersey the costs of prisoners in our correctional system far exceed the per-pupil costs for education? We, the educators, the politicians, and the taxpayers owe our children more than this.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Maureen. We appreciate your work on the core curriculum standards. It was very, very helpful.

Luanne Hitselberger, SPAN Resource parent. Is she here?  
(affirmative response from audience)

**L U A N N E H I T S E L B E R G E R:** Good afternoon. My name is Luanne Hitselberger. I am the parent of a child with a disability. I am also a resource parent for SPAN, the Statewide Parent Advocacy Network, a nonprofit education advocacy group that provides information, technical assistance, training, and support to families of children throughout the State, with a special focus on children at greatest risk due to poverty, discrimination, disability, or other special needs.

On behalf of parents of children with disabilities throughout New Jersey, I am speaking in opposition to the overall funding formula. It doesn't provide my child, or other children with and without disabilities, with what they need to maximize their potential to learn. It doesn't provide districts the funding they need to ensure that students with disabilities are provided with the free, appropriate public education to which Federal and State laws entitle them. It doesn't ensure that every child has access to sufficient numbers and quality of teachers, instructional materials, and supplies and equipment. It doesn't ensure that all children, including children with disabilities, are taught by teachers who are both competent and committed to the success of all students. It doesn't ensure that there are sufficient support services to help children deal with the real-life experiences that often interfere with their ability to focus on learning. It doesn't ensure that resources are allocated equitably to support the learning of all children. And it doesn't ensure that the supported inclusion of children with disabilities will be maximized.

While there are positive aspects of this Plan, the overall proposal represents a retreat for New Jersey:

Where are the funds for the significant preservice and in-service teacher and administrator development needed to teach all students so that they achieve high standards and modify curriculum and teaching strategies for the successful inclusion of children with disabilities?

Where are the funds to help parents become more effective partners in the education of their own children and in decision making at the local level?

Where are the funds to assist school districts with deteriorating school buildings to repair or rebuild, to become accessible to children with physical disabilities?

Where are the funds for development of new curricula and instructional materials, and the purchase of equipment necessary to ensure independence for children with disabilities as they transition into adulthood?

Equity in educational funding between and among districts is crucial and reachable. But equitable special education funding is also essential. SPAN and parents seeking supported inclusion for their children support the proposal to eliminate the current disability and placement-based special education funding formula, which provides incentives for districts to segregate students. The proposed legislation allows the focus to be on each child's individual needs, as the Federal law requires. We also support the proposal to provide special education funding for special education students educated full-time in regular classes. And, along with the other members of the Coalition for Special Education Funding Reform, we agree that all special education funding should go to the district of residence, rather than to special services school districts. That will remove the existing incentive for districts of residence to send children to these segregated settings even if they are not the least-restrictive appropriate setting. SPAN strongly endorses this aspect of the funding Plan.

But the proposal also contains provisions that would hurt children with disabilities. Capping special education reimbursement is not the way to deal with perceived overclassification of students. This will not encourage districts to provide those students with the thorough education to which they,

too, are entitled. If the State Education Department is truly concerned about overclassification and oversegregation of students with disabilities, why is there no investigation and corrective action required in districts like Camden, where 85 percent of all classified students are in segregated settings?

A single reimbursement rate regardless of the type, intensity, and cost of required services may also prove a disincentive to districts to recommend and provide the services that children need. At a minimum, there should be three levels of reimbursement, if not reimbursement based on actual costs.

Although there are commendable aspects of this proposal, it is both constitutionally and educationally flawed. It is not directly linked to the cost of ensuring that all students maximize their potential and achieve the core curriculum standards. It doesn't provide sufficient aid for students with special needs, including disabilities. And it doesn't provide any real accountability or meaningful school reform. As a parent, a taxpayer, and a resource for other parents whose children are already feeling the budget pinch through the reduction of essential services, I urge you to go back to the drawing board and develop a Plan that is demonstrably linked to what all our students -- with and without disabilities -- need to become responsible workers, family members, and participants in our society.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Luanne. (applause)

Now, come on, again with the clapping. Jessica, especially you.

Now we will go to-- Will the Princeton Regional Schools' group come forward, please? Please introduce yourselves, and then go on with your testimony.

**DANIEL SWIRSKY, Ed.D.:** Dr. Daniel Swirsky, Business Administrator/Board Secretary.

**JANE M. SHEEHAN:** Jane Sheehan, parent.

**LINDA G. PRESTON:** Linda Preston, parent.

**CATHY LOVNER:** Cathy Lovner, parent.

**CHARLES MURRAY, Ed.D.:** Charles Murray, Director of Student Services.

ASSEMBLYMAN ROCCO: Who is going to start?

MS. LOVNER: Mr. Chairman, thank you for giving us the opportunity to testify.

We, the parents and educators of the Princeton Regional Schools, oppose Senate Bill No. 40. In opposing this proposed legislation, we recognize that states have the responsibility under the U.S. Constitution for the provision of education. In New Jersey, this responsibility has been delegated to its local subdivisions, creating the potential for inequity in the financing of public education. As has been the case elsewhere in our country, New Jersey has moved to repair some of the gross inequities in financing produced by the current system. This is being attempted through State financing which supplements locally generated funds, formulas for State aid, and budgetary controls. Unfortunately, none of New Jersey's initiatives have eliminated the financial inequities produced by differing wealth per child in different localities throughout the State.

Senate Bill No. 40, in concert with the Comprehensive Plan for Educational Improvement and Financing, attempts to challenge the economic structure of American public education by developing a standard by which the quality of public education should be measured. The proposal purports to be designed to achieve equalization of wealth by first attempting to distribute the total financial resources of the State so that funding resources are equally available to all public school children. However, there is no connection between the funding Plan and the amount of money required to fund the implementation of the core content standards. Then, through the taxing mechanism, it leaves local communities free to choose how heavily they are willing to tax themselves to add to the State's share.

It is important to recognize that the combination of the proposed legislation and the Comprehensive Plan are nothing more than a complicated jumble of interim statistics and unnecessary calculations apparently contrived to explain the rationale behind it. The proposal dismantles support for special education, vocational education, and students at risk, and dramatically reduces support for student transportation to school. The proposal does not genuinely address the issue of sources of revenues. It does not provide funding support for facility projects or long-range facilities planning. Furthermore, the proposal does not provide for existing regional differences. It forces districts to reduce programs in the name of equity, and in the end, it still relies heavily on local property taxes. All this to what end?

MS. PRESTON: This legislative proposal does not guarantee the equalization of State funding for the purpose of providing a thorough and efficient education in New Jersey. Rather, it empowers the Commissioner and

State Board of Education to force limits on the educational efforts of many districts throughout the State, while doing little to effect positive change in those districts whose funding base for education has eroded over time.

The effect of the proposal on educational programs is drastic. For example, although the bill purports to provide for limited additional State aid for extraordinary special education costs, the proposal is nothing more than a manipulation of numbers. The net cost to a district which provides special education services through a county special services school district will increase due to the elimination of State aid for special services school districts. It would appear that the State wishes to limit the availability of a full continuum of program options for our most educationally needy students. Further, the proposed legislation would require districts which exceed State-determined budget levels to submit, for voter approval, separate proposals to authorize additional spending for purposes which may be State or federally mandated. Indeed, the proposal may require a school district to seek voter approval in order to secure the funds necessary to provide for the basic operation of the district, not merely for enrichment and program expansion. How can students receive the level of excellence that they deserve with such a high degree of uncertainty? If the voters and municipal governments reject these proposals, where do the district and parents of affected students appeal -- the courts? Is this what is envisioned as a thorough and efficient education?

MS. SHEEHAN: In summary, the proposed legislation is faulty and will create chaos for the children of New Jersey as it has done in other states. This proposed legislation invests far too much power in the Commissioner of Education and in future legislative and regulatory action.

The legislative package is incomplete and raises serious concerns regarding the process by which this bill is being moved legislatively. A more fully developed proposal that addresses both fiscal and programmatic areas of concern must be developed, proposed, and reviewed. In addition, proposed administrative code should be concurrently developed in order to allow for a complete picture of our children's educational future.

What will this proposed legislation do to the general quality of public education in New Jersey? We believe it will diminish the educational successes of the majority of students and school districts throughout the State.

Judicial intervention may be a primary hope for change in New Jersey, as it has been in other states, yet such intervention must be accomplished in a restrained fashion that is well within the tradition of American constitutional law and the fundamental principles of local control. Have we not learned anything from the negative experiences of other states? As Ms. Lovner pointed out before, you, as legislators, must understand that there is no connection between this funding Plan and the amount of money required to fund the implementation of the core content standards.

Finally, we implore our legislators to reconsider the character of the present Plan before public education in New Jersey is decimated. New Jersey must not lose a generation of children because you, as legislators, fail to provide for the level of educational excellence our children deserve.

We thank you for this opportunity to testify.

ASSEMBLYMAN ROCCO: Thank you. We appreciate your comments.

Linda Lamb, Kay McDougal, and Georgina Buzgo, Mercer County Special Services School District.

**L I N D A R. L A M B:** Good afternoon. My name is Linda Lamb. I am the Superintendent of the Mercer County Special Services School District. Testifying with me today are Kay McDougal, our School Board Vice President and a parent, and Georgina Buzgo, who is also a parent.

In establishing the Mercer County Special Services School District, the State and the community created a model institution which has efficiently and effectively met the needs of students with severe disabilities over the past 18 years. We have maintained high-quality programs with strict financial controls.

Attendance at Mercer County Special Services is considered the right way to provide an appropriate education for severely disabled students in Mercer County, and the Mercer County Executive and the Freeholders have annually provided approximately 13 percent of our funding.

With the introduction of the Commissioner's Comprehensive Plan for Educational Improvement and Financing, these assumptions have changed. While it is obviously commendable to place a reasonable cap on the growth of special education, there is grave danger in the current proposal. There is a need for discretion when making choices for individual students and, in an attempt to solve one problem, other problems must not be created.

Students with widely varying degrees of handicapping conditions cannot be lumped together in one funding formula. A system which will place undo pressure on local districts to seek inappropriate placements based strictly on cost savings must not be established. Economic considerations may force

districts to remove students from placements in special services school districts and transfer them to local district placements which cannot provide appropriate programs. The present proposal with incentives for reducing numbers and costs would require a vast number of controls to administer if equity and roughly equal treatment is to prevail. There needs to be an additional high cost factor in the funding formula to protect the quality of the instructional and related services for the most severely disabled population.

When reviewing the components which make up a quality district, efficiency, stability, and effective planning are key factors. By eliminating State aid to the county special services school districts, the State would greatly reduce our capacities in these areas. As we do not receive tuition payments until November, the lack of State aid in the summer and autumn months will adversely affect cash flow and will lead to borrowing money to pay our bills. While this may not lead to increased costs at the State level, interest payments will indirectly be paid by the taxpayer at the county or local level.

In creating the new Comprehensive Plan, what is the State really saying about special services school districts, the parents, the students? The State has invested resources in creating outstanding institutions and has now decided that in pursuit of its goals of inclusion and cost containment to withdraw its support and ask these institutions to essentially compete in a privatized world. In terms of inclusion, please remember that the State Department of Education annually approves every child placed in a special services school district. If the Department of Education believes that these children don't belong there, the placement may not be approved. Furthermore, the county special services school district is a public school

district and cannot function as a private school. Simply consider the impact of no State funding on teacher employment laws. As a superintendent, I cannot assure my staff that jobs will be available the following year. Employment notification and tenure are significant issues that the private sector does not deal with.

The county special services districts have always maintained that we are part of the solution, not part of the problem. We do not merely provide regular school programs. We provide truly alternative programs which teach functional skills for independent living and vocational training to students with the most severe disabilities. These programs cannot be found in the mainstream.

In closing, I am asking you to make an essential amendment to your Plan. County special services school districts must receive all State aid directly as do all other school districts. Direct aid is essential to the efficient operation of the county district, program stability, and effective planning.

ASSEMBLYMAN ROCCO: Thank you, Linda.

We are very short on time. Would anyone else like to make a quick statement? We will give you another minute apiece, if you just want to make some general statement.

**K A Y T. M c D O U G A L:** I am the mother of an 18-year-old handicapped child who has attended the special services school district for 18 years.

I would just like to say that I am proud to be a part of that school district, and I am very thankful that my son had the opportunity to go there.

If these kids are dumped back into a regular school district, things like dances, basketball games, and participating in school plays are not going to happen. My child, in particular, has a speech problem. He has a bowel problem. In a regular school district, he would not have the opportunity to do a lot of these things.

As was said earlier today, our education is not just core curriculum. It is all the things that the kids do extracurricular that make a difference in life. These things can be provided in a special services school district; they cannot be provided in a regular school.

I would like to just encourage everyone to think about this, about the thousands of kids who are out there who need these types of services.

Thank you.

ASSEMBLYMAN ROCCO: I can assure you that that is a major concern that we want to look into very carefully.

Would you also like to make a quick statement?

**GEORGINA BUZGO:** Just for a moment.

My name is Georgina Buzgo. I am the parent of three children, all of whom are school age, one is special needs.

I just ask that my special needs child be given the same educational opportunities as my regular school children. Please think of these children when you try to direct the legislation.

ASSEMBLYMAN ROCCO: We appreciate your comments.  
Thank you.

Let's go to Steve Block, Education Law Center.

**STEVE BLOCK:** It looks like we have lost the Senate. Is that right?

ASSEMBLYMAN ROCCO: Apparently. I am proud of our Assemblypeople, still here.

MR. BLOCK: It's a hell of a way to run government, I'll tell you.

I am representing the Education Law Center today, and I want to state for the record that we are a special interest organization. We represent the special interests of 285,000 children who attend school in the special needs districts. (applause) I only have five minutes.

ASSEMBLYMAN ROCCO: I don't want to have all of you evicted.

MR. BLOCK: Just two years ago this month, the New Jersey Supreme Court reaffirmed its historic 1990 decision in *Abbott v. Burke*. The Legislature was handed a specific order to adopt a new statute by this September which: (1) achieves full per-pupil parity in regular education spending, and (2) identifies, adequately funds, and implements a package of supplemental programs and services necessary to successfully educate disadvantaged students.

Assembly Bill No. 20 fails, in every respect, to heed this constitutional mandate. Instead, it will lead inexorably to increased property taxes, decreased State aid, and ever-widening funding and program disparities. ELC estimates that in 1997-1998 alone, A-20 will increase the current disparity by 25 percent to more than \$400 million. Given the appearance of conscious constitutional defiance and blatant discrimination against a class of children who are overwhelmingly African-American and Latino, it is vital to the public, to the education community, and, ultimately, to the Court, that those who support this effort provide the compelling reasons to ignore the Court

mandate. Until now, such persuasive justification simply cannot be found when we examine the underpinnings of both A-20 and S-40.

Independent experts agree that despite the claims of the Commissioner, there is no research to support a funding system based on broad and sometimes vague expectations for student outcomes. Were you to accept such an untested approach, however, what is unquestioned is that it involves a multiyear process. First, expectations must be translated into measurable achievement standards. Second, more rigorous comprehensive student assessment tests must be developed and administered. Third, the State must then identify the programmatic elements needed in each school to enable that school to educate its students to the achievement standards.

Once programmatic needs and costs have been determined, if at that time it is possible to universalize the costs across the State in an honest, fair, and practical way, then a formula could be devised which reflects such universal costs. As you can see, however, we are many years away from the database upon which final judgments can be made on this approach. We certainly do not now have the evidence to justify straying from the *Abbott* mandates.

Dr. DiPatri, quite remarkably, testified last week that research supporting the link between standards and dollars already exists and is contained in the Commissioner's Plan. Yet, if you read through the Commissioner's Plan, you will find no reference to prior or new research. Moreover, in responding to an official request for information about underlying research, Dr. DiPatri has provided support only for accurate

numbers, while admitting that the sufficiency of programs and staffing was based not upon research, but “our assumptions.”

The Commissioner’s Plan, in its original form, triggered enormous opposition across the State, because it so clearly violates the common sense of everyone who has reviewed it. We all know that a T&E amount which forces down spending in our finest school districts is phoney, and has no relationship to good State policy, to core curriculum content standards, or to any responsible definition of a thorough and efficient education. So S-40 has been transformed in A-20 to permit the more than 50 percent of New Jersey districts spending above the Commissioner’s fictitious amount to continue spending on programs local voters have long ago approved.

Education Law Center supports this change, because it acknowledges what the Supreme Court concluded in *Abbott* -- that programs and spending in high performing, wealthier communities are necessary for a thorough and efficient education and provide the benchmark for Special Needs districts. We also support this change because it highlights the fiction of the Commissioner’s so-called T&E amount. By grandfathering current spending, this bill -- A-20 -- acknowledges that \$669 million in estimated spending beyond the Commissioner’s amount pays for programs throughout the State which are necessary for a thorough and efficient education.

Grandfathering makes A-20 an improvement over S-40 for many students and their districts. For children in the poorer urban districts, however, the bill fails to address the central problem of inequality which has plagued this State for almost three decades. For example, in order for Newark to maintain current spending levels, local taxes would increase by \$43 million,

or 54 percent, to make up for the loss in State aid. While Newark spending is driven down by A-20's formula, most Special Needs districts are locked in to the spending level set by the Commissioner's T&E amount, well below that which A-20 permits for districts with greater local property wealth and well below the level which the Court has concluded would satisfy the Constitution.

No credible educational explanation has been advanced to show why both S-40 and A-20 reject the remedy required by the Supreme Court. For those of us concerned about the education of our most vulnerable children, such defiance is simply unacceptable. This struggle has endured since the late 1960s in New Jersey because the political will is yet to develop which places the needs of disadvantaged children at the top of the public agenda.

The Education Law Center urges you to find that political will and to join us in a united effort to satisfy the Constitution, to achieve historic equality, and to provide the education for all children which is now reserved for those fortunate to grow up in our more affluent communities.

Thank you very much.

ASSEMBLYMAN ROCCO: Thank you, Steve.

Morris Hills Regional District -- Jeffrey and Wendy. Jeffrey Swanson. Is he here? (no response)

Okay, let's move on. Candace Weeks, President of the Board of Education in Harding Township.

**C A N D A C E C. W E E K S:** I thank you for your time and your attention.

Each of you, or at least the members of the Senate Education Committee, has already received a letter noting my Board of Education's

support of the Comprehensive Plan's objectives of higher educational expectations, increased efficiency, and greater accountability. That letter also notes, however, that the Plan will lead to a substantial lowering of the quality of education offered by our district and many others. The letter is attached to my testimony for the record and for your convenience. I urge you to read it and to note our specific concerns.

You will also be receiving a letter from the Harding Township Committee expressing its anxieties about the Plan. Clearly, the Plan touches not just the immediate needs of students, parents, school employees, and taxpayers. It will also influence the long-term quality of life in and attractiveness of entire communities.

Last week, I sat through all of this Committee's hearing in Parsippany. The most thought-provoking comments were made by the last speaker, a member of the Teaneck Board of Education. She sat before this Committee and said, in essence, "Twenty years ago, I thought we had solved this problem. I thought we never again would have to sit in front of our elected State officials pleading the cause of this State's children. But here we are again."

Why are we here again? More importantly, what will it take so that none of us is here confronting the same issues in two years or five or ten? Here are my suggestions:

\*Base a plan on an analysis of what it would actually cost to provide a thorough and efficient education. In the current Plan's own words, funding figures are based on assumptions. These are derived from a hypothetical model district that exists nowhere in the State and shows no clear

connection to the core curriculum standards. Parenthetically, I would add, whose standards quality varies from area to area. Because the proposed expenditures fail to reflect real-life constraints facing districts such as fluctuating enrollments, teachers' placement on salary guides, regional cost-of-living differences, the smaller size of advanced placement courses, and even the impact that jury duty has on a teacher's attendance, they appear flawed and arbitrary. They also lead to all the difficulties the Senate Education Committee heard about last week.

\*Include in this analysis an assessment of all the exciting things that are happening in the trenches of educational delivery and management. Reject the business-as-usual approach that the current Plan adopts. For example, what potential does on-site management hold for the reduction of administrative costs? Further, when we use the term world-class education, do we realize that those countries meeting those standards also have substantially longer school years? If we are truly talking about educational improvements, don't we at least have to address such issues even if they are ultimately rejected as being infeasible? A plan for improvement must have some element of creativity, must break some new ground.

\*Look at the schools the Supreme Court used as its benchmark in the *Abbott v. Burke* ruling as a starting point in the analysis of educational costs. A responsible definition of efficiency must balance issues of quality with cost. If that is the case, one need go no further than these schools as a starting point. Educational expenditures are investments and should be analyzed accordingly. Everyone would profit from a cost-benefit analysis of the State's richer districts. It is important to show their advantages, disadvantages, efficiencies,

and inefficiencies. No one benefits, however, from the prescription of unrealistic, arbitrary, and relatively inflexible figures.

\*Adopt a more flexible standard for per-pupil costs that allows districts to respond responsibly to their own students' unique needs. Harding Township does not need the security guards the model includes, although we may in 10 years if something is not done about the education of urban children. Newark may not need just the security guards, but a few other things that students in Harding do not. Schools deal with human beings, not widgets. They are not factories that start with uniform inputs and mass-produce standardized products.

\*Deal with the fundamental barriers to quality and efficiency in our schools. My Board has the greatest respect and admiration for our teaching staff. Our teachers are our greatest asset. But we object to the tenure system and the granting of salary based on seniority, rather than merit. Public schools lack the management prerogatives used by business to ensure quality and increase efficiency. At a minimum, adopt legislation that would require the periodic recertification of teachers and provide for three- to five-year contracts for all school employees. Also, look at ways to provide incentives for early retirement. These issues must be confronted.

\*Consider sources of funding for public education other than property taxes. I live in one of the most affluent communities in all of New Jersey. Despite Harding Township's overall indicators of socioeconomic well-being, not all of our taxpayers are well off, not all are able to absorb increases in property taxes.

ASSEMBLYMAN ROCCO: Candace, will you bring it to a close, please?

MS. WEEKS: I'm sorry, sir. I didn't hear you.

ASSEMBLYMAN ROCCO: Your five minutes are up. Will you bring it to a close, please?

MS. WEEKS: Okay. I thank you for your time.

I would just like to say that if you are serious about implementing the Plan for Educational Improvement, you have access to the best minds in the State. I encourage you to go to those practitioners, analysts, etc., and, if you do so, I pledge you my support, and I am sure others will as well.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Ms. Weeks.

I know we are into the 1:00 to 2:00 group. Some people may or may not be here. We will just call off the names.

How about the special ed people of Kittatinny -- Donna and Irene?

(no response)

How about Frank Viggiano, President, New Jersey State Federation of Teachers? (no response)

Beulah Womack, President, New Jersey School Boards Association? Are you here? (affirmative response from audience) Great. Okay. Please just introduce yourself, from the Plainfield Board of Education and the School Boards Association.

**BEULAH M. WOMACK:** Good afternoon, Dr. Rocco, Committee members. I am Beulah Womack. I am President of the New Jersey School Boards Association and a member of the Plainfield Board of Education.

Ultimately, local school boards will be responsible for carrying out the policies that result from your decisions. Both Senate Bill No. 40 and Assembly Bill No. 20 propose major changes in how we fund schools and in how schools operate.

NJSBA proposes the following changes which would enhance the legislation's effectiveness:

First, the school finance system must aim for high achievement and high standards. Unless their expenditure levels are held harmless, many school districts that may now meet or exceed the State's curriculum standards might face program reductions.

Equity attained by eliminating quality educational programming is no equity at all. Assemblyman Bagger's amendment to A-20 represents an essential step in resolving this problem.

The driving force behind the school finance debate remains disparity in educational opportunity. The new curriculum standards represent a new way to define a thorough and efficient education -- and to ensure educational opportunity -- for all New Jersey students. But for many of our poor school districts, the bills before you will not meet that goal. The amount of money the bills deem as necessary for a thorough and efficient education will not enable all students to meet the new standards.

The legislation would set the foundation expenditure for regular education at \$6720 per pupil in 1996-1997. Compare that amount to a 1993 NJSBA study that recommended an \$8000 foundation, or to a 1994 State commission report that called for a \$7746 foundation.

We also need sound baseline data to accurately determine the resources individual school districts need to attain the new curriculum standards. This includes information on student achievement, on curriculum, and on enrollment.

Much of this data has not been collected. This week, for example, NJSBA learned that the Department of Education does not have statistics on bus routes and enrollment that are necessary to estimate State transportation aid under S-40 and A-20.

This gap underscores the need for the final legislation to provide a reasonable phase-in period to allow for data collection and assessment. Compiling the data will enable school districts to direct resources to where they are needed.

All districts need the ability to meet the needs of their special education students. Both bills set an arbitrary 10 percent limit on the percentage of pupils per district who would receive full State special education funding. A-20 would waive this limit for vocational schools. But all types of school districts may have large numbers of special education students. Therefore, we oppose the arbitrary process of setting a 10 percent limit for any school district.

NJSBA has advanced an alternate special education funding plan focused on students. Today, Senator Palaia is expected to introduce legislation to implement our proposal. NJSBA is happy that 10 other child advocacy organizations support the bill. It would result in lower classification rates, and it would not penalize districts that have higher numbers of students truly in need of special education services.

Finally, the school finance legislation should address facility needs. Statewide, the cost for needed facilities improvements has been estimated in the billions of dollars. We strongly support proposals such as the constitutional amendment to dedicate cigarette taxes to school bonding and full funding of debt service, as called for in ACR-1. But we believe that a comprehensive plan to address school funding and improvement must also address funding for facilities. Therefore, we endorse the revolving loan fund for the construction and repair of school facilities. Such a plan is envisioned by Senator Ewing's S-1063.

In closing, NJSBA commends the Senate and Assembly Education Committees for continuing the dialogue on school funding.

I thank you for allowing us this time.

ASSEMBLYMAN ROCCO: Thank you, Beulah, and for all of your work with the School Boards. It is very, very important to us. We always appreciate the input.

MS. B. WOMACK: Thank you, Dr. Rocco.

ASSEMBLYMAN ROCCO: Thank you.

Let's see, is Nate Jones here yet? (no response)

How about James Souder? (no response) (indiscernible question from audience) They are not due until 1:00, so there is still some time.

**MARYAM BEY:** He won't be here.

ASSEMBLYMAN ROCCO: Oh, he will not be here.

MS. BEY: May I take his place?

ASSEMBLYMAN ROCCO: How about the Newark Parents of Students Committee. (no response)

Are you representing-- Were you to be with James Souder?

MS. BEY: Yes.

ASSEMBLYMAN ROCCO: Okay. Do you want to present it, since he is not going to be here?

MS. BEY: Yes.

ASSEMBLYMAN ROCCO: Do you want to give us your name?

MS. BEY: My name is Maryam Bey. I am a parent in the Newark School District.

ASSEMBLYMAN ROCCO: Welcome, Maryam.

MS. BEY: Thank you.

Thank you for giving me the opportunity to testify on Senate Bill No. 40. As a mother who has a child attending school in one of the 30 Special Needs districts, I am very disappointed that in Governor Whitman's proposed funding Plan, it appears that her statewide standards aim too low. I am particularly concerned because districts such as Newark are in a catch-up mode. If Governor Whitman's Plan is implemented in Newark, the impact would be devastating to Newark's children. We are scheduled to lose approximately \$42.4 million in funds.

I cannot understand how our district will be able to meet parity with the affluent districts if we lose needed funds. There is no way we can have lofty goals that are realistically attainable for our children if funds are not in place for implementation. To me, with the little knowledge and my understanding of this proposed funding formula, I believe that it is deliberately set up to fail urban districts and pit suburban districts against urban districts.

Considering that the numerous deficiencies that were found in the Newark district were the result of the former Board of Education's failure to willingly educate Newark's children and manage effectively, I cannot understand how we will be able to make any considerable improvements or major changes in Newark's education if funds are taken away.

My second concern with this Plan is the two-tiered system of funding -- one for the wealthy and one for the poor. This bill permits local districts to exceed the thorough and efficient, while poor districts cannot raise funds for education due to their tax base. Therefore, it continues to promote disparity among the districts. If we expect urban districts to be able to compete with their neighboring suburban schools, we must increase the funding of urban districts. We cannot afford to have funds taken away.

We all know that all children under the Constitution have a right to be given an education that prepares them to be productive citizens once they complete their 12 years of education.

My final concern regarding this Plan is that it seems to be racist. I believe that the State is recommending slashing funds or aiming too low in academic achievement for our districts, because they consist mainly of black, Latino, and working poor people. Therefore, it consciously takes dollars away from our districts, because the State ultimately believes that poor children are not entitled to an education that places them in the same higher achieving educational environment as the wealthy.

If we want to correct the gross inefficiencies that have taken place in the urban districts and if we truly want to reform our districts, Governor Whitman must take another look at her proposed budget, because it does not

improve the quality of education for urban schools. Our districts need laboratories, sophisticated computer labs, modern libraries, math labs, foreign languages, music, art, etc.

I ask that you reconsider this bill for the sake of New Jersey's children.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Maryam.

MS. BEY: May I also add, we are here with a contingent of parents who came from Newark? I would like the parents who came on the bus with us to please stand up.

ASSEMBLYMAN ROCCO: Sure, absolutely. We appreciate their coming down.

MS. BEY: The children went out to have lunch, or they would have been here also.

We have another parent who is scheduled to speak. Her name is Lora Baker. She is on the list to speak, I think, at 2:30 or so, but our bus has to leave early to take the children back home. We would like to know if she would be able to speak?

ASSEMBLYMAN ROCCO: Is she here right now?

MS. BEY: Yes, she is.

ASSEMBLYMAN ROCCO: She is in the 2:00 to 3:00 group?

MS. BEY: Yes. Thank you very much.

ASSEMBLYMAN ROCCO: Certainly. Thank you, Maryam.

Yes, Lori Baker. All right. We have time, we are somewhat ahead of schedule.

Lora?

**L O R A B A K E R:** Good afternoon. My name is Lora Baker. I am President of the Secondary Parents Council in the Newark Public School District.

I will be brief. My comments are in reference to Senate Bill No. 40, the proposed public school funding.

Mr. Chairman and Committee members: Since April 3, 1973, when the Supreme Court ruled that heavy reliance on local property taxes educationally discriminates against poor districts, now called Special Needs districts, the State of New Jersey has failed to equalize funding between the State's richest and poorest school districts. Senate Bill No. 40, as outlined in the Governor's school funding Plan derails and circumvents the intent of the Court's mandate.

Senate Bill No. 40 does not address a separate funding system that would place urban children on an equal footing with their counterparts in the wealthier school districts.

I am here today to urge that this Committee reject this bill, assess what our needs are, and rewrite the Governor's school funding Plan on behalf of Newark's children and the 30 other Special Needs districts.

Thank you very much.

ASSEMBLYMAN ROCCO: Thank you very much, Lora.

We thank the Newark parents for coming down.

MS. BEY: Thank you very much.

ASSEMBLYMAN ROCCO: Do we have a Donna here yet, or an Irene, from Kittatinny, I guess? (no response)

Frank Viggiano? (no response)

Nate Jones? (no response)

Della Womack? (affirmative response from audience) All right, Della is here. Okay, good.

Welcome, Della. Do you have some testimony to pass out so the members can have that in hand?

**DELLA WOMACK:** Yes, I do.

Good afternoon, to the Joint Committee -- the Joint Education Committee.

ASSEMBLYMAN ROCCO: Is the red light showing there, because it is a little hard to hear you?

MS. D. WOMACK: Yes, it is.

ASSEMBLYMAN ROCCO: Okay.

MS. D. WOMACK: I am Della Womack, the Finance Chairwoman of the Jersey City Board of Education.

In 1994, the Court, in *Abbott v. Burke*, stated that by 1997-1998, there should be parity for school funding throughout the State of New Jersey.

The Comprehensive Educational Improvement and Financing Act of 1996 does not reflect parity between the I and J school districts and the poorest school districts. To propose a plan that differs from a Court ruling is unconstitutional.

In the Jersey City School District, the Governor's school funding Plan for 1997-1998 will result in a decrease of school funding in regular school education by the State of approximately \$29.7 million, the difference between the requirement of the Court -- *Abbott v. Burke*.

How will school districts, particularly the 30 poorest school districts, have the ability to implement the core curriculum standards without the financial resources? World languages would require an increase of world language teachers K-12 and computers placed in each classroom, which currently do not exist in Jersey City, nor in many other school districts.

The core curriculum standards do not address the special needs student based on his or her classification. The Jersey City School District consists of 31,600 students with a special needs student population of 4403. To be able to address the needs of the special needs students, we would need an increase in funding, not a decrease in funding.

The focus should be to provide the necessary funding for our children's education. The funds are available in the State of New Jersey to provide the necessary education for all children in the State of New Jersey. It is a matter of sitting down at the resource table and making decisions.

The legislators and educators who support such a school funding Plan which will water down the Court ruling to provide a thorough and efficient education should pay and be held responsible for our children not receiving parity and a thorough and efficient education.

The members of the Jersey City Board of Education are in opposition to the school funding Plan which will decrease funding and resources and decrease a thorough and efficient education.

I thank you.

ASSEMBLYMAN ROCCO: Thank you, Della. We appreciate it.

Is Jeffrey Swanson here? (no response)

Donna or Irene, special ed teachers? (no response)

Frank Viggiano? (no response)

Nate Jones? (no response)

I see Ernie Reock here. Why don't we go to Ernie, who knows a little bit about this topic?

Welcome, Ernie.

**ERNEST C. REOCK JR.:** Thank you for the opportunity to testify.

The Comprehensive Educational Improvement and Financing Act -- which I label in my testimony as CEIFA-- I don't know whether anyone has used that name or not. But S-40, as proposed by the Department of Education, contains a foundation type formula which is typical of those found -- by the most recent count -- in 42 other states. In this kind of formula, the State sets an amount per pupil, a budget is determined by multiplying that amount times the number of pupils, a share of that budget must be raised through local taxation, and the balance of the budget is made up through State aid.

Where CEIFA departs from every other foundation program of which I am aware is in the rhetoric surrounding the formula. In CEIFA, the foundation or T&E amount is described as the necessary amount to be spent. Any expenditure above that amount is considered unnecessary. It is made subject to local referendum, and fairly severe procedures are proposed if the referendum is not approved. This is unusual. In fact, many other states encourage additional local taxation and spending above the foundation amount by providing some form of incentive.

The approach proposed for New Jersey appears to be based almost entirely on a desire to limit the required spending in the Special Needs districts

to that which is “necessary” and thus to circumvent the New Jersey Supreme Court’s order to raise the budget level in these districts to the level of the wealthier suburban districts.

The model budgets which have been used to determine the necessary amount to be spent per pupil supposedly are based on the recently adopted core curriculum content standards. Yet, there is no documentation of how this relationship takes place. Indeed, the bill states, in Section 4, that the Commissioner of Education, “shall develop and establish the types of programs, services, activities, and materials necessary to achieve an efficient education.” Clearly, there is a missing link between content standards and model budget which has not been demonstrated, which may not exist, and which, quite possibly, can never be created. If the types of programs, the services, the activities, and the materials necessary for an efficient education are still to be developed, how can we consider the T&E amount in the bill to be anything but an arbitrary figure selected for some other reason?

The T&E amount which is proposed as necessary is significantly below present budget levels in many New Jersey school districts. This has been indicated in an analysis made by the Office of Legislative Services, which I have no reason to doubt.

The Department of Education has been reported as saying that no comparison can be made to present expenditures, since the CEIFA bill deals with 1997-1998. I disagree with this position. Such an analysis can be made in two ways: either by projecting known expenditure levels to 1997-1998, as the OLS study did, or by projecting the 1997-1998 figures in the bill back to 1995-1996, the last year for which we have known data.

I have made an analysis by projecting the 1997-1998 T&E amounts in the CEIFA bill back to 1995-1996, and then comparing them with actual 1995-1996 local levy budgets. I find that 55 percent of the school districts -- that's 330 districts -- had 1995-1996 local levy budgets per pupil exceeding the maximum T&E amount in the bill -- that's the T&E amount plus 5 percent -- and, thus, would have to go to a referendum with no chance of appeal if defeated. I find that another 14 percent of the school districts -- that's 83 more -- had 1995-1996 budgets per pupil exceeding the T&E amount, but less than the maximum. Many of these districts also would have to go to referendum if their proposed 1997-1998 budget growth per pupil exceeded the growth in the Consumer Price Index, but they would have a chance for appeal if defeated. A recognition of this comparison understandably causes concern, not only among the poorer districts, which may not be funded adequately, but also among the wealthier districts, which face uncertainty and possible disruption of successful programs.

I think it should also be noted that the State core curriculum aid in the bill is based on a figure which is 5 percent below the amount specified in the bill as necessary. In other words, State aid will be based on the minimum T&E amount.

I would suggest that this attempt to avoid meeting the Supreme Court's mandate in the *Abbott v. Burke* case is causing far more trouble than it is worth. Since this case was filed in the early 1980s, successive State administrations have utilized every possible device of delay and obstruction to avoid meeting the constitutional obligation to provide a thorough and efficient school system for all of New Jersey's children. The CEIFA bill is merely the

latest of these attempts. I think it is time for New Jersey to bite the bullet and comply with the Court's directive, even though it may cost some money.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Ernie. We appreciate it. Thank you for all your work for the State over the years.

We have gone through the 1:00 to 2:00 people. Let me just run through them again. If you are here, please let us know.

Nate Jones? (no response)

Jeffrey Swanson? (no response)

Frank Viggiano? (no response)

Let's then go to the 2:00 to 3:00 people.

Walter Quint? (no response)

James Harris? (no response)

Anna Taliaferro? (no response)

Harry Paden? Harry, are you here? (affirmative response from audience) Okay, good.

**HARRY PADEN:** Good afternoon, members of the -- well, I guess the one gentleman who is here is from the New Jersey Senate and one from the New Jersey Assembly -- Education Committees and all others attending this hearing today. My name is Harry Paden. I am Parent Coordinator for the Irvington Board of Education, past President of the Irvington High PTSA, a member of the Coalition for a True Thorough and Efficient Education, and a single parent currently raising two teenage daughters.

The issue I am here to address is your proposed S-40/A-20 Comprehensive Educational Improvement and Financing Act of 1996. This

Plan, as presented by Governor Christine Todd Whitman, which is now before you to be voted on by September 1996, has some serious flaws I would like to point out to you.

The most serious flaw is the amount of money it takes from New Jersey's poorest and neediest children: Irvington will lose close to \$8 million; neighboring Newark will lose \$32 million; Paterson will lose \$35 million; Jersey City, \$30 million; and Plainfield, \$17 million. These are only five of the Special Needs districts, but they alone will lose \$122 million in education aid. The figures I have used come from the comparison to what *Abbott v. Burke* said the school districts should have by this time as related to what they will actually have with the Plan that is proposed.

Now, I am not foolish enough to sit before you and claim that money alone will guarantee a quality education, but I hope you understand that I am also not foolish enough not to know that this Plan is the Governor's veiled attempt to cover her 30 percent tax cut promise to her constituents. She needs this money to keep up her image as a tax cutting governor and she is attempting the old "rob Peter to pay Paul" trick.

If you legislators actually believe she is saving the State money by cutting education aid dollars, let me explain the error in this theory. These dollars that will be cut will force property-tax-poor cities to have to reduce school staff size, which will further increase class sizes in districts where current class sizes are already 30-40 children per class. These lost dollars will cut vital programs that would provide services to special education and students with disabilities.

Excuse me while I put on my glasses. It will make it easier for me.

But most importantly, these lost dollars will deny many of New Jersey's children the educational opportunities they deserve in order to become productive members of our society. This, in turn, will make them vulnerable to drugs, crime, and the penal system. In case you don't already know, it currently costs New Jersey taxpayers between \$25,000 and \$30,000 per year for each person housed in our prisons. If you vote yes on this proposed funding act, you will be saying you don't mind spending \$25,000 to \$30,000 to imprison our children, but you won't spend half that amount to educate them. Is it just me, or doesn't that strike you as insane?

You see, I am not before you today on behalf of my kids, because I have one daughter who graduated Irvington High and is currently a sophomore at Bloomfield College, and my younger daughter is currently a senior at Irvington High. I am before you today on behalf of those kids who need us to help them through the education process, even if their mother or father is on drugs or poor or homeless.

We cannot expect them to excel if we give them crumbs and an inferior education. In 1990, the New Jersey Supreme Court realized this same fact and they passed the Quality Education Act. The law was specific: The disparity between the education youngster's receive in the wealthy districts as compared to the poorer districts was declared unconstitutional.

If you vote in this Plan, it, too, will be declared unconstitutional. Why? Because it denies New Jersey's poorer students the right to receive the best education possible, just because they are poor.

Let me remind you of the oath you took when sworn in as Senator or Assemblyperson. It read, and you affirmed:

“I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of New Jersey and that I will faithfully discharge the duties of Senator or Assemblyperson according to the best of my ability.”

Legislators, this proposed Plan does not meet the mandate of the *Abbott v. Burke* decision of the Supreme Court. It is, therefore, unconstitutional. If you vote yes to this proposed piece of legislation, you will be breaking the law and, more importantly, hurting our children and, thus, not upholding your oath of office.

We, the community, will be closely watching how you vote on this mistitled Comprehensive Educational Improvement and Financing Act. If you vote yes, we will look upon you as an enemy to our children’s future and we will treat you as such.

We are prepared to visit your city, your home, and your job and use the power of peaceful demonstration to make your life as miserable as you voted to make our children’s lives miserable.

Do the right thing. Scrap this Plan. Sit down with the Education Law Center and draft legislation that does what the Supreme Court mandated in *Abbott v. Burke*: Guarantee a thorough and efficient education for all of New Jersey’s children.

Thank you.

ASSEMBLYMAN ROCCO: Thank you.

Frank Viggiano, President, New Jersey State Federation of Teachers.

**FRANK VIGGIANO:** President of the other group.

ASSEMBLYMAN ROCCO: AFT, let's make it easy.

MR. VIGGIANO: Good afternoon.

ASSEMBLYMAN ROCCO: Good afternoon.

MR. VIGGIANO: Thank you for the opportunity to address you on this most important matter.

Since the President of the Newark Teachers' Union and the Education Law Center have presented positions we wholeheartedly support, we will not repeat the same positions here. However, we would like to briefly call your attention to three other considerations.

Firstly, we think that treating the public schools as a monolith distorts the actuality of the situation. The common ground for the schools is the fact that the funding source is the same for all. However, by and large, their commonality ends. In reality, most schools reflect their communities, and, thus, to treat them as one prohibits us from dealing with the needy districts without disrupting the districts not in need. Further, by attempting to treat all districts alike, it causes us to go counter to New Jersey's long history of advocating local control, and causes us further to attempt to fix districts that are not broken, so to speak. We must not disband local control for a faulty central control in the name of uniform funding.

Secondly, we must keep in mind how California's great school system of the 1950s, 1960s, and 1970s was almost destroyed by the passage of Proposition 13, coupled with an administration only too willing to implement cuts to the nth degree. When the preoccupation, indeed, the major concern is the dollar figure at the end of a balance sheet, education suffers.

Unfortunately, it is our observation that the kinds of forces that battered California are driving this administration's view of education in New Jersey.

Furthermore, we should note that California is still struggling to overcome the effects of this shortsightedness, while trying to deal with new problems. The rigidity of economics has robbed it of the needed flexibility to deal with change.

Other speakers have eloquently pointed out how the administration has adjusted its proposed core curriculum when dollar figures became higher than it wanted. Education is expensive, but historically when communities and states have truly placed education first, they have prospered greatly. Education must drive the dollar; the reverse is an ultimate losing course.

Thirdly, from what we have gleaned from the newspapers, while making an effort to comply with the Supreme Court's mandate, the administration is excluding some groups from participating in this process. To wit, Democratic legislators have complained that they have been ignored in the process to find a solution to school funding. One gets the impression that even some Republican legislators have been ignored. This is unfortunate. These legislators, both Republican and Democratic, represent many citizens in New Jersey. The variety of citizens' views must be taken into account if we are to have a thorough and efficient solution to a crucial problem, a problem whose ramifications affect thousands of people now and into the future. As Emerson said, "When everyone is thinking alike, no one is thinking at all."

Thank you very much for your time, patience, and consideration. We wish you well in this difficult situation. The future of the State of New Jersey truly relies on your deliberations and solution.

ASSEMBLYMAN ROCCO: Thank you, Frank. We appreciate your time.

We are well ahead of schedule now. Do you want to give me your name, you in the back?

**NATE M. JONES SR.:** I understand you may have called my name -- Nate Jones, from the City of Trenton.

ASSEMBLYMAN ROCCO: Nate, yes, we have your name. Would you like to come forward, Nate, to give your testimony?

MR. JONES: Mr. Chairman, would you be kind enough to give my full reason for being here -- the organization I represent? You have that documentation.

ASSEMBLYMAN ROCCO: Nate is from the Trenton Administrators and Supervisors Association -- T.A.S.A., right?

MR. JONES: T.A.S.A. is the organization, Mr. Chairman.

ASSEMBLYMAN ROCCO: And represents the administration?

MR. JONES: Right. All the administrators in the City of Trenton, as well as our school system and our pupils.

I have one question, Mr. Chairman, prior to my making my comments.

ASSEMBLYMAN ROCCO: We usually don't answer questions. We usually ask the questions. But go ahead, Nate.

MR. JONES: No, but this is a democracy, Mr. Chairman. Therefore, this is a two-way--

ASSEMBLYMAN ROCCO: Go right ahead.

MR. JONES: My question is not pertaining to any position that you may consider later. My question, in presenting my remarks, is a very obvious question to me.

I was here earlier this morning, but I notice that the panel of legislators I see before me seems to be very small. I was told that it was to be a Joint Education Committee, both the Senate and the Assembly. I want to know, at this point, from you, Mr. Chairman, who are the other members here from the Senate Education Committee, as well as the Assembly Education Committee, because it seems very small to me? I am sure that the Joint Committee is much larger. That is why I am asking this question. So would you be kind enough to let me know?

ASSEMBLYMAN ROCCO: Well, I am proud of our Assembly side. We have very good representation. On the Senate side, I believe they have a voting session going on.

MR. JONES: I knew there was a conflict with the cigarette issue. Right?

ASSEMBLYMAN ROCCO: Yes, the cigarette tax issue is one of the major bills they are working on today.

MR. JONES: At this point, they decided to go into session, because I was here earlier this morning, you know, before 12:00, and I noticed that this side was not full, you know, was without representation. I know that

this morning the news media said they were going to try to decide whether they would meet today in the Senate.

ASSEMBLYMAN ROCCO: Well, the Assembly has much more responsible types. (laughter)

MR. JONES: Yes, I understand. I agree with you. I am a former legislative aide to Assemblyman Franny J. McManimon, also Senator Franny J. McManimon, from this district, the City of Trenton and Hamilton.

ASSEMBLYMAN ROCCO: Franny is a good friend of mine, and a very good individual.

MR. JONES: I just wanted to say, in all fairness, I knew they were supposed to meet this afternoon about 2:30. I am just trying to get my bearings on whom I am speaking to. I think that is important, and that is why I asked the question.

ASSEMBLYMAN ROCCO: Right now, you have the Assembly, basically. I think Barbara Wright is just trying to get a bite to eat out there, as are Rudy and Craig.

MR. JONES: So we have one, two, three, four up here right now?

ASSEMBLYMAN ROCCO: Four here, and two getting lunch in the back, I believe.

MR. JONES: Okay. The reason I ask, Mr. Chairman, is because I think it is important that I know whom I am--

ASSEMBLYMAN ROCCO: You are almost out of your five minutes, Nate.

MR. JONES: --speaking to.

ASSEMBLYMAN ROCCO: We are going to give you a full five minutes here, but do you want to get started?

MR. JONES: But under the rules of assembly, Mr. Chairman, I ask that you waive those preliminary remarks and preempt me from those comments also with regard to the time factor.

Let me just say, in all fairness, my presentation, Mr. Chairman, to the members of the Assembly Education Committee -- and I am sorry that there is no representation here from the Senate Education Committee-- My biggest concern is well stated in my documentation here. It will not take me five minutes, because I do not believe in going into any long dissertation.

It is very obvious what I am concerned about in the City of Trenton, especially from the administrators' point of view. The proposed Plan you have coming to the City of Trenton and to all urban communities, I think, is an unfair proposal. It is unfair for this reason: Although the Plan is to equally fund all districts, the in-need districts, as you all know, the inner-city districts, the urban school districts, lag way behind in financial reimbursement. They lag way behind in financial support. So no matter where we start, our in-need districts, our special needs districts, have a problem -- a great problem -- of adequate funding because of the low and inadequate tax base within the cities, especially in the City of Trenton.

If this proposal goes forth -- and I realize that you in the Assembly have another bill that is pending-- I heard you speak about it this morning, that there are certain options that will be taken out of it, certain things that will not be included, as in the Senate bill. We will wait to see the outcome of

the Assembly bill also, Mr. Chairman and members of the Assembly Education Committee.

But staffing, materials, resources, and the maintenance of buildings will be deteriorated, especially if we receive the small amount of allocation that has been proposed in the S-40 bill. The amount that has been proposed for the elementary schools, middle schools, and high schools-- I think that at this point in time, we have taken the position that it is inadequate. The Special Needs districts need additional funding. As it now stands, Mr. Chairman, those funding proposals are already \$132 below the State average throughout the State of New Jersey for funding.

If that bill goes through, if that model goes through, we will be way off base. To calculate per-pupil funding by dividing all students into an amount which includes funds only for some students is both technically and constitutionally inappropriate. That needs to be revisited.

Members of the Committee, it is my understanding that these per-pupil funding allocations are aligned to the core curriculum standards. There is no question about that. As a result of this alignment, it is a known fact that moneys for professional development and technology improvements are included in these allocations. For instance, there is \$6700 allocated to elementary schools in this model. Included in that \$6700, you have to have money set aside for professional development and technology improvements. That is going to reduce the allocation per pupil even lower. We could not continue to run a school, or operate a school with a reduction -- with additional moneys being taken away from the proposed Plan you have, which is still inadequate. We would lose more money for professional development. We

would lose money for technology improvements. So all of this needs to be revamped.

Because of the funding formula that is being proposed by S-40, Mr. Chairman and members of the Assembly, the City of Trenton would have to take away from other educational programs an additional \$1000 to try to bring it up to the standards, as we continue to give at least \$7500 per student. We would have to take money away from other mandated -- required educational programs and exemplary projects in order to have adequate funding per pupil for the City of Trenton.

We only say that these plans, these proposals, Mr. Chairman, at this point, need to be revisited, and I offer some recommendations -- on page 2 of my written statement -- to you as solutions to the unrealistic funding model. I am only sorry that the members of the Senate Education Committee are not here, because this is their bill I am speaking on today. I realize that your bill will be coming later, and I am sure there will be modifications.

1) That the State per-pupil funding be increased above the current State averages for 1997-1998.

2) That the Joint Education Committee obtain input from all concerned school districts.

I don't think we can resolve the problem here today by hearing from a limited amount of groups, whether they are coming from Newark, East Brunswick, Hunterdon County, or from the taxpayers' association. That is still a small voice. I think the best way to resolve this problem, Mr. Chairman, the most efficient way to resolve it and get input, is to make sure that those school districts that have great concerns be given an opportunity to give input, not

just here in this Assembly hearing room, in this Senate Annex building, but that adequate sessions be established within the districts that have great concerns. Let those staff members, let the administration in those particular school districts that have concerns-- Let them come forward. Give them an opportunity within those districts, move it around and put it on a separate basis, not just here in the Senate chambers, or the Annex house.

Let there be a democratic process. That is most important. This is not a dictatorial one. This is America. As Eddie Murphy says, "Only in America can we have these opportunities to exchange and to share views in a government of the people, by the people, and for the people." We only have three communistic countries still prevailing in the world at large -- China, North Korea, and probably down at our border, too. So this is a democracy. Let's not be dictatorial as we go about this funding process. Give everyone an opportunity.

3) A cost survey should be conducted for the professional development component and the additional staff which will monitor these core standards and the required funding to implement these funding models. We support those standards. We want our students to have a world-class education. We want our students to meet all the standards, but we want to make sure that adequate funds be available, Mr. Chairman, especially if you are going to develop and implement those curriculum standards that are going to cost money. It is going to mean professional development. Money has to be allocated. Please take that into consideration.

I also indicate that the designation from the *Abbott v. Burke* law-- Particularly that order is on the books. Even with this new funding formula

that is now getting legislative consideration by both Houses will not and should not skirt the *Abbott v. Burke* law.

On a parity basis, the City of Trenton is due, at this time, to receive another, maybe, \$16 million, \$18 million if the *Abbott v. Burke* law is in place. This is being introduced and monitored by the Education Law Center in Newark. There is a petition in to see that all of these -- particularly the urban districts, and the City of Trenton, get their fair share. Do not overlook that. That is number five. Do not overlook the *Abbott v. Burke* law. Make sure that that also is considered in the funding process to our districts.

Lastly, I say this to you, to all of us, Mr. Chairman, members of the Assembly Committee, and those in the Senate-- I am sure they will hear my voice later on when I go downstairs. I already spoke to some of them in the hallway this morning. I say to all of you: Let us be altruistic to the financial education needs of the State's urban school districts. Let us be compassionate. Let us realize that there are problems, as always there have been problems in our urban districts as far as adequate funding is concerned.

But remember, all students can learn, and all students will learn, regardless of what district they live in, what street they live on, what home they live in, or who is there or who is not there. When they come to me as a building principal, I say to them, "The sky is the limit. We teach you to be excellent. We teach you to be at your best." As a school principal, that is our model. We have an effective school. Our students learn in the City of Trenton. We have over 17-- Fifteen or sixteen of our elementary schools have all met their State standards on the MAT tests. We meet our academic standards. We meet our attendance standards at 90 percent or higher. We

meet our faculty standards for attendance, 95 percent. We have at least 16 out of 17 schools--

What I am trying to say is that urban schools do work, and all children can learn, but we ask that you be compassionate as you consider funding. When revising this funding allocation formula, be concerned, be compassionate, be humanistic with regard to our urban students. They need our support. This is a government of the people, by the people, and we are going to speak for the children.

Thank you, Mr. Chairman.

ASSEMBLYMAN ROCCO: Okay, Nate. Thank you. I am sure you are a terrific principal. I can see that in your enthusiasm.

MR. JONES: I will be glad to supply you with a document about our schools. We do achieve here in the City of Trenton.

Thank you.

ASSEMBLYMAN ROCCO: Sure. Thank you, Nate.

I am going to try once again. Jeffrey Swanson, Wendy Halliburton? (affirmative response from audience)

**JEFFREY W. SWANSON:** Good afternoon.

ASSEMBLYMAN ROCCO: Good afternoon, Jeffrey.

MR. SWANSON: What you are receiving are half of our comments. My copy machine is not operational, but I will mail the remainder to your attention.

ASSEMBLYMAN ROCCO: Okay, thank you.

Go ahead, Jeff.

MR. SWANSON: All right. Thank you.

Good afternoon. My name is Jeffrey Swanson, and I am speaking on behalf of the Morris Hills Regional District in Morris County. As the Principal of the Adult High School for that district, I am pleased that adult high schools have been included in the Plan for Educational Improvement and Financing. However, I am concerned about the level of funding that the Plan will provide to run adult high schools.

In order for a student to graduate from our Adult High School program, he or she must complete a rigorous set of requirements, including the standards which must be met by students matriculating from high schools around the State. Students in our Adult High School must pass a high school proficiency test. He or she must pass 140 credits, including the completion of all State-mandated programs in English, math, social studies, and other subject areas. He or she must satisfy our district's requirements in computer literacy, in fine and performing arts, and in the practical arts.

When a pupil requires remediation to pass the high school proficiency test, we implement the SRA process with that pupil. We also provide our pupils with continuing education or career guidance and assistance. Each of the teachers on our staff are certificated in their subject area. They are evaluated through regular classroom observations and according to our district guidelines.

It is my belief that we provide a curriculum that is challenging and broad based. Our graduates leave the program as more prepared and informed members of society. In order to maintain this high level of expectation with our students and the level of service we provide, sufficient funding levels from the State must be maintained.

I also serve as the Vice Principal of the Morris Knolls High School, one of the two high schools in our district. In this capacity, I frequently deal with pupils who can't or won't make it in a traditional high school. Our adult high schools give these people a viable alternative to be able to acquire their high school diploma.

This year, 12 pupils in our Adult High School graduating class were students of mine that did not make it at Morris Knolls, but they now all possess a high school diploma and the keys to future success in our society. Again, sufficient funding for these and our adult high schools will allow us to continue to provide these students with a future as responsible, taxpaying citizens.

It is imperative that you not ignore these segments of our population, whether the students are 16 or 60 years of age. Without well-funded alternatives to a high school education, our State's welfare, unemployment, and criminal population will grow, costing the taxpayers far more than would need to be spent right now to fund effective adult high school programs.

I appeal to you on behalf of these students. Provide us with the financial resources so that we can continue to provide a high quality education and a high school diploma to these people who want to earn them.

I would like to thank you for your time, and I would like to share the rest of my time with the coordinator of our Adult High School program, Wendy Halliburton.

**WENDY L. HALLIBURTON:** Good afternoon.

ASSEMBLYMAN ROCCO: Good afternoon, Wendy. You have a few minutes.

MS. HALLIBURTON: Excuse me?

ASSEMBLYMAN ROCCO: I said, you have a few minutes.

MS. HALLIBURTON: Okay.

I am Wendy Halliburton. As Coordinator of the Morris Hills Regional District Adult High School for the past 10 years, I would like to commend the inclusion of the adult high schools in the Plan for Educational Improvement and Financing -- May 1996.

Since I was part of the start-up of my district's Adult High School program, I have seen firsthand the growth and impact an adult high school program can have on not only our sending districts, but also surrounding communities.

I have seen any number of 16- to 20-year-old students who were unable to handle a traditional high school setting complete our program, go on to college or the military, and become productive adults. I have received, personally, numerous phone calls and letters thanking me and my adult high school staff for working with them and helping them get where they are today.

In addition to the younger student population, I have seen an impact on the numerous foreign-born students. Many of them come with extensive educational backgrounds, but they have found that attaining an American high school diploma, as well as increasing their English skills, helps them acquire the educational or employment advancement they desire. Many of these students have also had a personal goal of becoming U.S. citizens.

The third population I would like to focus on is the over 20-to-80 population. The majority of our students fall into this category. They either struggled in traditional schools due to undetected learning disabilities, family, health, or financial problems. These students, for the most part, are highly motivated students. Sometimes it takes longer to complete an adult high school program because of life's struggles, i.e., holding two to three jobs, no child care, or caring for ill or elderly family members. These students persevere whether it be for employment advancement, educational advancement, or personal growth. Many of these students return to tell me that they got the promotion they wanted, and it was directly related to the adult high school. Others tell me that they finally can look their children in the eye and say, "Education is very important. Stay in school."

ASSEMBLYMAN ROCCO: Wendy, would you draw it to a conclusion, please?

MS. HALLIBURTON: Okay.

One of my favorite comments came from a 70-year-old man when he graduated several years ago. He was a World War II veteran, a master carpenter, and held a good position in Public Service of New Jersey. He told me that my program meant the world to him. He finally felt complete after getting his high school diploma.

You can see the impact one adult high school program has made over 10 years. Imagine the impact all of the adult high schools in New Jersey have had on literacy, and the many adults without a high school diploma.

I hope that you, as legislators, will ensure sufficient funding for the adult high schools in New Jersey so that we can continue to provide and sustain a vital educational program.

Respectfully submitted. Thank you for your time.

ASSEMBLYMAN ROCCO: Thank you, Jeffrey and Wendy.

Now there are Donna and Irene. (Chairman consults with aide) Greene? Donna Greene, okay. It looked like (referring to sign-in sheet) Donna and Irene, Donna Greene.

Welcome, Donna.

**D O N N A G R E E N E:** Good afternoon, Senator Ewing and members of the Education Committee. My name is Donna Greene. I am an educator who has been involved with special education on many levels for over 24 years. I have been a special education teacher, a member of a child study team, and currently I serve as the Supervisor of a Child Study Team in the Special Education Department in the Kittatinny Regional High School District, which is located in Sussex County.

I appreciate the opportunity to testify before you here today. Please know that I acknowledge your commitment to New Jersey's students and your concerted efforts to deal with the difficult issues of educational parity and funding.

I come before you today to address three points of concern:

\*funding of regional districts;

\*the 10 percent special education cap;

\*real and uncontrollable costs of special education.

My first point in dealing with a regional district is that I am concerned about the regional districts being treated fairly under the new funding Plan. We understand that regional districts are slated to lose over \$100 million in State aid because they are not K-12 districts. Kittatinny is a 7-12 district, with its students spread out over 125 square miles and coming from 5 constituent elementary districts. There continues to be strong community support for home control, close contact with school administrators, and reasonable busing time for elementary-age children. Regional districts such as mine serve a critical need in the less urbanized areas, and we need to examine whether or not they are being penalized because they do not fit into a specified model.

Under the new funding Plan, Kittatinny is slated for a lose of nearly \$1.2 million, or 11.7 percent decrease in the allowable spending limits. We are a cost-efficient district with a \$9000 per-pupil spending average. We rank 31st out of the 36 regional districts in spending. Indeed, there is no “fat” in our district. Any cuts will have to come from personnel, and, as we all know, in education, people are programs.

My second point deals with the model limiting special education funding to 10 percent of a district’s population. Currently, in my district, we have a classified population of 11.6 percent, and this has been a fairly stable number over the past several years. We are considered one of the more successful, cost-efficient districts. We follow the letter of the law regarding eligibility for classification. We declassify students who no longer meet strict eligibility criteria, and we have a very active program in the school for providing for prereferral intervention. We are doing all we know to do to keep

the classification rate down. We simply have no other control over who and how many are classified .

We need to ask ourselves, such as a hospital might-- Could a hospital deny services to an incoming pneumonia patient because the quota for such patients had already been reached? Can districts fail to meet the needs of special education students simply because the 10 percent figure has already been reached? We need to keep in mind that a district can fall above or below any given figure in terms of special education students merely by moving in two, three, or four families. Again, something over which we have no control.

My third point is that any comprehensive school funding plan needs to address the very real and uncontrollable costs of special education. These costs include:

- \*inclusion;
- \*the increase of medically fragile, multiply handicapped students;
- \*the variability of delivery costs to students within the same category;
- \*catastrophic expenditures.

I feel somewhat uncomfortable using the term “uncontrollable costs,” and yet I think it is appropriate when discussing special education, because we are talking about Federal and State mandates to provide each educationally disabled student with a free, appropriate education in the least-restricted environment. This is not something that districts can choose to do or not do. It is a pupil right based on both legal statutes and Court decisions. Inclusion simply is not cheap. In the past two years, my district has had to hire four new special education teachers to provide for inclusion/in-class

support programs. Districts need funding for this required special education option.

In terms of multiply handicapped children, my district has seen an increase in the number of medically fragile children in the past few years, and these children require tremendous funding allocations. Kittatinny has recently received two of these children. Their educational costs for next year are going to be at least an average of \$35,000 per pupil, and that does not include special transportation costs. One of these students requires an aide on the bus, so the costs escalate.

ASSEMBLYMAN ROCCO: Will you bring it to a conclusion, please, Donna?

MS. GREENE: Okay, sure.

In terms of variability of delivery costs, I just want to point out that in any one classification, and that includes perceptually impaired, it does not really account for the differing costs of children. And for catastrophic classifications, placements in residential districts, again, districts need help with that because when we pay them, there is only so much left in the pot, and then it comes out of the services for other children.

In summary, my three points of concern are the funding needs of regional school districts, the 10 percent cap, and the very real costs of providing special education under the current legal system.

I thank you for your attention and for your consideration.

ASSEMBLYMAN ROCCO: Thank you.

Some of the people I will call out will probably not be here, because they are not due until 2:00. However, let me just go through it.

Walter Quint, from Paulsboro? (affirmative response from audience)

**WALTER C. QUINT, Ed.D.:** Good afternoon. Thank you very much for this opportunity.

My name is Walter Quint. I am Superintendent of the Paulsboro Public Schools, and also the spokesperson for a loosely formed coalition of 14 district factor group A schools which are not Special Needs districts. I will attempt to be short and intense in this brief review.

There are 14 non-Special Needs district factor group A schools in the State. These districts are, by and large, successful, but they are not treated equitably under the current plan or the proposed Plan. By illustration, Paulsboro is a district factor group A school which ranks second only to Camden in Delaware Valley in terms of indicators of pervasive poverty. On the other hand, we are proud to say that 99 percent of our students have passed the HSPT. I list several other indicators of success down to and including All-American athletes.

ASSEMBLYMAN ROCCO: Did you say 99 percent?

Dr. QUINT: Yes, sir, proudly.

ASSEMBLYMAN ROCCO: I think we are all familiar with your wrestlers.

DR. QUINT: We are a little behind the wrestling team, which has gone one step above that. I would mention that none of our wrestlers were born the last time the team lost a match.

ASSEMBLYMAN ROCCO: Right, not to mention your quarterback.

DR. QUINT: Yes.

Only four districts in the State spend less than Paulsboro overall, and no district spends less on administration. I would submit that we do know how to get results.

The new funding formula, however, provides only \$411,000 of the supplemental core curriculum aid to two of the 14 districts in our coalition. Moreover, the Plan provides for \$10,150,000 of extra aid. Unfortunately, the Plan would designate over \$18 million to demonstratively effective programs in early childhood aid. Obviously, that provides considerably less flexibility for us to achieve success than we currently have.

The Comprehensive Plan is, however, in general, well conceived and provides a blueprint for progress. I do not want that to be overlooked. The core content standards very well define thorough. They are effective because -- and I list many items. Let me mention some of them.

They consolidate existing but fragmented standards. I commend the Commissioner in his efforts to rescind some of the other standards that may confuse or be contradictory to the core content standards.

There are a few parts of the standards, however, which we have concerns with:

The need for retraining of teachers should not be overlooked. This is going to be a time-consuming, expensive process.

If students are to be at the application level, which they should be at the elementary schools, this is going to require considerable facility upgrades and materials purchases.

Special Education students-- I quote Dr. Klagholz here. "Special Education students will require additional time and instructional modifications to reach the standards." They should meet the standards, but this statement cannot be underestimated in its impact.

Many districts will have to add additional courses.

The bottom line is that the standards are excellent, but they will cost more money than we are currently spending.

The funding formula defines efficient. Again, it is well conceived and it is an outstanding effort to bring about changes.

Some of the positive points embodied in the Plan are listed. I think I go from *a.* to *j.* I believe they are very important. Let me call your attention to several of them:

The two-year budget process, I think, is very good.

The elimination of the budget vote, unless cap is exceeded. I believe that to be very good. I would mention, however, that the cap means very little in the districts that I represent and in Paulsboro. Just budgeting the cap would have increased taxes in our town 20 cents. The cap is not a figure that we can achieve.

The code equivalency and waiver process, I believe, could be excellent also. It is particularly commendable that the Commissioner would work with this. It allows us flexibility to customize regulations to create success. I think that in the long run this will provide some real guidance in possible code changes in the future.

There are some elements, however, of the funding formula that are based on good concepts, but they should be revised before implementation.

The core content curriculum aid is good because it extends the concept of special needs to more districts. Determination of low income is, however, flawed, as evidenced by the lack of impact on the non-Special Needs district factor group A schools. The formula does not account for the working poor. Determination of low income must be based on multiple indicators. I think this is a serious concern with the Plan.

Early childhood aid is excellent. It focuses our attention on those students where the greatest progress can be made. Unfortunately, it becomes very restrictive and limits the ability of districts to use the funds as they need to, to create success in their particular situations.

The same would be true for demonstrably effective programs. An excellent idea. It directs the curricula in the right direction, but in its current form it is very restrictive, as evidenced by the fact that \$10 million of extra aid flows into those 14 districts, with \$18 million of it designated. There is less flexibility to districts that are already being successful.

Transportation aid is a concern. Courtesy busing needs review. In towns like Paulsboro, courtesy busing is really not courtesy busing. It is part of a desegregation compromise. It is a matter of safety in an economically challenged, industrial, riverfront town. Current rules simply pit the boards against the borough councils, which is not in the best interest of either group.

I would also mention -- item *f*. in my written testimony -- that expanding enrollments throughout the State tend to erode most of the increases in aid that are listed in this Plan.

Some of the concepts embodied in the Plan I believe to be ineffective. One you have just heard, that is, special ed. It is a medical model

which is based on accurate diagnosis and appropriate treatment. One cannot impose a limit of 10 percent. One must treat those people who are diagnosed accurately with a given learning handicap.

I would respectfully request that efforts to reduce code requirements and limit the ability of parents and advocates to engage districts in litigation come first. The equivalency and waiver process is particularly effective in helping us in this area.

The elimination of funding for the special services school districts: I cannot comment on its value or its effectiveness. I would indicate, however, that it is being touted in such a way that it appears that schools like Paulsboro will get more aid. In fact, some of that aid, in our case about \$200,000, will flow right back to places like the special services school districts in added tuition. How you distribute the money is a decision that you would make. Please don't make it sound, however, as if we are getting more aid. It is simply a redistribution of money that will be spent for the same purpose.

Finally, debt service. It is not addressed in this Plan. It is a critical area. No plan could be considered comprehensive unless this area is addressed. I would bring commendation to the legislators for seeking solutions in this area, which I know you are doing.

Thank you for providing this opportunity, and best wishes as you grapple with this very difficult problem of learning and funding.

Thank you.

ASSEMBLYMAN ROCCO: Thank you.

I compliment you on your school system. I have been through your schools, at least your high school. There is very good work going on there, to say the least.

DR. QUINT: I appreciate that. Thank you, sir.

ASSEMBLYMAN ROCCO: Dave is going to take over for a minute. I am going to try to get something to eat.

ASSEMBLYMAN WOLFE: He is going to Little Italy for lunch. Kenneth Hall, Foundation Aid Districts Association.

ASSEMBLYMAN GARCIA: May we ask questions now that you are the Chairman?

ASSEMBLYMAN WOLFE: Listen, before he comes back, what do you want to do? How do you want to run this? Are you trying to cause a revolution up here? (laughter) Okay, okay, okay.

ASSEMBLYWOMAN WRIGHT: No, we do not want to ask questions.

ASSEMBLYMAN ROCCO: I beg your pardon?

ASSEMBLYWOMAN WRIGHT: I am leaving at 2:15.

ASSEMBLYMAN ROCCO: Okay, we won't have any questions. Good afternoon, Dr. Hall. It is good seeing you again.

**KENNETH D. HALL, Ed.D.:** Good afternoon. Thank you, sir.

ASSEMBLYMAN GARCIA: Feel free to clap now. (laughter)

DR. HALL: Mr. Chairman, members of the Committee: I am Kenneth Hall. I represent the Foundation Aid Districts Association. That is a group of 150 or so school districts that rely heavily on Foundation Aid to

support their school budgets. My testimony today is on their behalf. I would like to deal primarily with the school aid formula.

I am here today to appeal to the Legislature to avoid the mistakes so obviously made with the adoption of the Quality Education Act in 1991. To be sure, I believe the intent at that time was to improve the allocation of funds and education in general. However, the unintended and inadvertent consequences were to exacerbate tax and funding inequities. We can and have documented how the wealthier districts actually received additional aid and were able to reduce and/or stabilize taxes, while other districts that were poorer had to raise property taxes. Since the QEA became law, we have appeared before this or similar committees and other legislative committees at least 10 to 12 times to apprise you of the gross inequities in State aid funding caused by QEA I and II. As a matter of fact, the Foundation Aid Districts Association exists for only one reason, that being to call attention to the great disparity when it comes to the appropriate State aid funding of public schools across the State of New Jersey.

As an organization, we have collected data, prepared charts, and made comparisons to dramatize these inequities in school funding. We have shown you how some school districts in the more wealthy areas of the State have tax rates for schools of less than \$.50 per \$100 equalized valuation, while school districts in the much less wealthy areas of the State have tax rates for schools well above \$2 per \$100 equalized valuation. I remind you, this condition exists in spite of the fact that we have a law which states explicitly that the purpose of State aid is to equalize statewide the tax effort required for a thorough and efficient system of free public schools -- Title 18A:7A-2(7).

So where have we gone wrong? If we go back five years, we first went wrong with the adoption of QEA I and II. Since that time, we have witnessed the soaring of property tax rates in many of our middle-income communities, due primarily to the loss of State aid for schools. This problem was created with the change in the funding formula in QEA. With the adoption of that law, the State chose to go from a ratable-based formula to one that measures local wealth by a combination of property value and the aggregate personal income of a district as determined by the Federal Bureau of the Census.

It is important to understand that each school district's local share of funding is now determined on the basis of both property wealth and income. However, every school district generates its local revenue solely from property tax revenue. None of the local revenue can be generated by an income tax imposed by school districts on their residents. Because the ratio of income per pupil to property per pupil is not constant across all school districts, the property tax rates required to generate the calculated local revenue differs across the districts. Also, the local revenue may or may not be appropriately related to the wealth of each district depending on:

- 1) the relative magnitude of property wealth;
- 2) the relative magnitude of income wealth;
- 3) the relative ratio of income to property wealth.

In actuality, the QEA formula, which weighs income and property equally, imposes a hidden income tax which must be paid through a local resident's property tax.

Unfortunately, the actual result of this manipulation of a community's wealth is that the communities in the middle- and low-income groups generally have higher local tax rates, while those communities with the highest per capita income or the highest total income and property wealth per student, generally have tax rates substantially lower.

Mr. Chairman, we draw your attention to the inequities in the QEA law because this Act is maintained in Senate Bill No. 40 and in Assembly Bill No. 20. It would be an egregious mistake to continue, in law, a funding formula so completely flawed. You have heard some very good testimony today, much of which confirms our position. Mr. Quinn, representing the School Business Administrators, went into considerable detail regarding the technicalities of the funding formula included in S-40 and A-20. He also provided you with printouts showing a harm index which applies to a large number of low- and moderate-income districts when you apply the funding formula.

The most important and perhaps the most controversial point I would like to impress upon you is to reallocate some of your proposed funds and/or to add \$60 million to your proposed increase in aid in order to reduce property taxes in low- and middle-income school districts by establishing a maximum allowable equalized school tax rate. Your proposed formula actually increases aid to places like Saddle River, which has an equalized tax rate of \$0.323 and a per capita income of \$78,703 and their equalized valuation per pupil is \$3,061,396. That district, and many others like it, can and should fund increases, if any, in their own budgets via local resources.

In conclusion, I would also urge you to put S-40 aside until you can bring together some additional top people, people with expertise in school funding and, of course, the general operation of schools.

I cannot believe we would wish to pursue a law that, in its present form, is so unfair to so many of the State's citizens.

I have Mr. Klavon with me, who is the Superintendent of Matawan-Aberdeen, the school district that I was superintendent of for 16 years. I would like Michael to have just one minute to point out some of the problems that are particular to that school district with regard to the funding issue.

**MICHAEL K. KLAVON:** I will be very brief, obviously.

I did not bring copies of these charts, but I will make sure that they are available to the Committee. I would just point out that in our six-year budget trend, you can see that we, at one time, had a 6.5 percent increase in our budget, and currently, for the last two years, it was 1.3 percent and 2.8 percent, respectively.

At the same time, our equalized tax rate has just gone up dramatically to well over \$2 per \$100 now on an equalized basis. In addition to that, our Foundation Aid has gone from 31.8 percent down to 16.3 percent. We are literally losing half of our Foundation Aid over that same time period, which is what exacerbated these tax rates.

There are two other interesting charts here. We did a municipal comparison of the municipal budgets with the school budget over the same five-year trend. Aberdeen increased its budget, on average, by 5.7 percent; Matawan Borough by 6 percent, and the school district by 3.4 percent. So we

have been fiscally responsible in terms of our budgets, and yet this past year alone I had to make reductions of \$1.75 million to just stay at the cap number, and this affected many programs. We used to have three full-day kindergartens. They have been abolished. So the new formula, as it is being proposed, doesn't do anything for our residents relative to their exceedingly high tax rate, which really was created in the last year of 212, when it was underfunded -- the equalization part of the formula -- and then when the income factor was added under QEA, that is what caused this tremendous inequity in the first place.

So anything that the Assembly and the Senate can do, sir, to help to remedy that situation, would be greatly appreciated. We are not looking for more money to spend in the schools. We are looking for money to reduce the tax burden for the taxpayers.

MR. HALL: In conclusion, really the legislation does nothing to level the playing field or to correct those problems which were created by the Quality Education Act. We are asking for a second look at that, perhaps level that field, look at those exorbitant tax rates, and let's do something to at least cap those tax rates.

We left you also a copy of a report -- of a study we had done in 1992 by John Augenblick, a consultant from Denver, Colorado, who was working with a coalition of groups that were working on this at that time. Dr. Augenblick points out, rather specifically, why income should not be used in a school aid formula and the problems that that presents. There are only a few states that use income in the formula for school aid. As a matter of fact, none of those states agree on how best to use that as a measure of wealth. No one

uses it the way we use it in such a convoluted way. I would not want us to be one of those states that certainly gets on the wrong track.

Thank you, sir.

ASSEMBLYMAN WOLFE: Okay. Thank you very much, both of you.

Let me go through the list of people scheduled to be here from 2:00 to 3:00. If any of you are here, you are certainly welcome to come forward.

Suzanne Manczuk? Is that how you say your name?

**S U Z A N N E M A N C Z U K:** Yes, it is, the first time out.

ASSEMBLYMAN WOLFE: Suzanne is representing the Educational Media Association of New Jersey.

Welcome, Suzanne.

MS. MANCZUK: Good afternoon. Thank you for the opportunity to address the Committee.

I do represent the Educational Media Association of New Jersey, the school librarians' professional, all-volunteer organization. EMA, as we refer to it, commends the Department of Education for recognizing the critical importance of school library media programs in the core curriculum standards.

In reviewing the eight core curriculum content areas, it is evident that the subjects must be taught as part of an integrated curriculum; that students must be able to develop strategies for successful access, location, selection, and retrieval of information specific to that subject; and that the students must be able to access some form of technology.

Library media programs act as the catalyst for the most cost-efficient implementation of the core curriculum standards. Even if some classrooms have access to technological resources, the library media center is the logical site for networking these technology resources. The incorporation of the school library media program in the implementation of technology in New Jersey schools is the first and most expedient step “to assure equitable access to new educational technologies among all types of schools and by all groups of students.” And you have the reference in writing here -- referring to written testimony. For years, the library has been the hub of information resources in ever-changing formats. If a school is beginning to implement technology, the most logical place to start is the library media center, because all students have access to the library. As more funds are acquired, the network can web out from this hub to the classrooms.

Library media programs staffed by certified library media specialists:

- \*provide the link to information that expands textbooks;
- \*provide the link to on-line sources and Internet information;
- \*provide the link between resources and instruction;
- \*provide the link between students and their information and reading needs;
- \*provide the link between teachers and collaborative projects.

Funding resources for the school library media center is an effective and efficient method of ensuring equitable access to the most current educational software and traditional print resources. In any type of school, books, magazines, electronic databases, and Internet access in a library media

center are available to all students during the entire school day, and often before and after school as well. Although some may suggest that public libraries can provide materials and access to the information superhighway, not all students have the means to physically get to their public library. Resources in the school library media center specifically support cross-curriculum/multidisciplinary instruction for all grades and all reading levels, while public libraries serve the interests of the whole community.

William Bainbridge's study, as it appeared in "School Board Notes," March 9, 1995, verifies that, "The closest correlation to high scores of college entrance exams is not per-pupil expenditures for instruction, teacher salaries, or textbooks. Instead, by a wide margin, it is the number of local tax dollars spent per pupil on library media centers." This study was extensively validated by the research project conducted by Keith Curry Lance, et al.

Library media centers have a direct impact on student academic achievement. Research documents these four points:

- 1) The development of student competence in research and study skills is most effective when integrated with classroom instruction through cooperative program planning and team teaching by two equal teaching partners -- the classroom teacher and the teacher-librarian -- the school library media specialist.

- 2) Students in schools with good libraries and full-time librarians performed at higher levels in reading comprehension and in knowledge and use of reference materials. Student achievement in reading, study skills, and the use of newspapers was significantly greater in schools with professional library media personnel.

3) Voluntary reading is the best predictor of reading comprehension, vocabulary growth, spelling ability, grammatical usage, and writing style. Having a school library media specialist and a school library media center makes a difference in the amount of voluntary reading done.

4) Higher educational gains in reading and library skills were achieved by elementary school students who used a professionally staffed school library. An analysis of responses from 271 schools in 13 states clearly demonstrated that both the quality and the quantity of reading were substantially superior in the school library category. Student library skills were also found to be noticeably better in schools in which a librarian was involved.

We commend the Department of Education for recommending fiscal support for library media specialists in the funding model being considered by the Legislature.

The school library media center is and will continue to be the access point for all print and technological resources. It is the facility in which the certified library media specialist has been and will continue to provide the instruction which enables students to access, interpret, evaluate, and apply information in order to understand their environment, make meaningful decisions, and become humane individuals.

Thank you very much.

ASSEMBLYMAN WOLFE: Thank you very much, Ms. Manczuk.

We have a few other people scheduled between 2:00 and 3:00.

James Harris, New Jersey Black Issues Convention.

Good afternoon, Mr. Harris.

**JAMES E. HARRIS:** Good afternoon.

Mr. Chairman and members of the Committee: Thank you for the opportunity to present testimony on Senate Bill No. 40. I am here on behalf of the New Jersey Black Issues Convention. The New Jersey Black Issues Convention is a statewide organization comprised of over 45 statewide organizations. The purpose of the New Jersey Black Issues Convention is to serve as a forum for issues affecting people of African ancestry and to advocate on behalf of our members. The Honorable Donald Tucker, Councilman-at-Large for the City of Newark and President of the New Jersey Black Elected Officials, is our Chairman.

The New Jersey Black Issues Convention considers education to be a civil right to which all residents of the State of New Jersey are entitled. Furthermore, NJBIC must insist that all people be afforded equal educational opportunities in every dimension of education.

NJBIC is opposed to S-40 and A-20, the Comprehensive Educational Improvement and Financing Act of 1996. NJBIC supports the full implementation of the New Jersey Supreme Court decision in *Abbott v. Burke*.

Senate Bill No. 40 does not meet the Supreme Court mandate. NJBIC requests that you and the entire State Legislature reject this bill and write a bill that will meet all of the mandates issued by the New Jersey Supreme Court.

Senate Bill No. 40 is flawed in many areas, the most serious of which is its failure to embrace parity of funding for the poorest school districts with the wealthiest districts. This legislation is a backdoor approach to changing the New Jersey Constitution by altering the definition of thorough and efficient education. NJBIC asks that you accept the definition that was

included in the Supreme Court decision. It is tragic when legislators and the Governor attempt to make inequality public policy, and that is exactly what S-40 would tend to do.

S-40 is a bad bill because it is racially divisive. You should know that. The bill would require that some districts spend less than is required in order to raise the support toward parity for poorer school districts. Because over 80 percent of the students of African ancestry reside and attend schools in the Special Needs districts, this legislation is translated by the general public as robbing white folks to help black and Latino folks. This direction is both wrong and unnecessary. NJBIC requests that the legislation support raising funding of the poorest school districts to the funding level of the wealthiest, as the Supreme Court directed. Are students in poor neighborhoods less valuable to you than students in rich neighborhoods?

S-40 fails to address the Supreme Court mandates for specific strategies to assist students who are most at risk. That Supreme Court decision talked about some specific things that ought to be done to help at-risk students. This bill does not address those things.

This Comprehensive Educational Improvement Plan is not even comprehensive in addressing the deficiencies identified by the Court. This bill is the brainchild of some political bureaucrats who made cost estimates that may not be based on the realities of 1996. NJBIC is still waiting to see how these estimates were derived. It is hoped that you will reserve judgment on an improved bill until you see the source of the estimates and have discussions with boards of education, superintendents, and parents from urban school districts, including some that are not State operated. We fully suspect that

some of the State-operated superintendents will be dragged into this meeting room to agree with this policy which is basically corrupt.

NJBIC does not believe that there is a link between the core curriculum standards and the funding formula contained in S-40. There is support for the standards, but they must be along with full implementation of the Court decision.

In summary, NJBIC requests that S-40 be withdrawn and replaced with a bill that ensures the constitutional and Court mandates of parity of funding for all of New Jersey's students with the time frame established by the Court.

One other thing I would like to say in closing is, we are concerned that the public hearings that have been scheduled have all been scheduled in rural areas that are reasonably inaccessible to urban folks. We think it would be wise and fair that at least one hearing be held in an urban district, and we would recommend that that district be somewhere in Essex County.

Thank you.

ASSEMBLYMAN WOLFE: Thank you, Mr. Harris.

Anna Taliaferro, State President, New Jersey Association of Parent Coordinators.

**ANNA N. TALIAFERRO:** Good afternoon.

ASSEMBLYMAN WOLFE: Excuse me, Ms. Taliaferro. Do you have copies of your statement?

MS. TALIAFERRO: Yes.

ASSEMBLYMAN WOLFE: Okay. We will have them to pass around then. Thank you.

MS. TALIAFERRO: Good afternoon, Mr. Chairman and members of the Committee. I am the New Jersey Association of Parent Coordinators' State President, but I have been an advocate for parents and students for over 30 years. So the many folks that Mr. Harris talked about not having access to you-- I represent them not only from my district, but from all of the other urban school districts.

I, too, am quite upset about the fact that this hearing has not been held in an urban area. I would urge you to consider bringing a hearing to an urban area so that you can see the many parents who want to come and express their desire for you to not consider S-40.

As I talk to you today, we are commemorating the 100th anniversary of *Plessy v. Ferguson*. Very few of our State's poorest children will be able to celebrate, as public schools in our urban cities in New Jersey are still separate and unequal.

While you contemplate Senate Bill No. 40, let me begin by stating a quote from the father of school reform, Ron Edmonds. He said, "There has never been a time in the life of the American public schools when we have not known all we needed in order to teach all those whom we choose to teach." The question is: Do we have the courage? I submit to you, gentlemen of this Committee, that it takes a lot of courage to stand up for children who cannot vote.

In September, thousands of children will be returning to public schools in New Jersey. Most of these children are located in our urban cities, at a time when the State has three of these districts under direct operation. This act of State takeover is approved and led by a Governor who seeks

national prominence, as well as the fact that she has earned a reputation for turning school systems over to the private sector.

She further, in 1994-- We were all listening when she approved the Economic Development Authority, through Health Centers of America, issuing \$27 million in tax-exempt bonds and an \$11 million contract with the State Correction Department to supply inmates to a facility that did not exist.

Our question then becomes: Does this Governor really care about children, as our State's highest elected official, by her actions, believes that moneys for a prison system, not parity, not equity, not sound educational programs as mandated by our own Supreme Court, are an exciting solution?

Additionally, we have a State Commissioner and a State Board of Education that just approved the Commissioner's Comprehensive Plan that does not and will not educate all children, as it is an educational Plan to preserve the Governor's 30 percent tax cut, thereby promoting and encouraging mediocrity at its best.

In the city where I reside -- which is Paterson, New Jersey, a State-operated school district -- the Governor's funding Plan, if it is collocated with your S-40 plan, would mean \$35.1 million less of regular education, almost \$1 million less in special education aid, over \$1 million less of transportation aid, and \$1.9 million less of local revenue, as well as no optional spending, with demonstrably effective aid being \$6.4 million less. This is in direct opposition to the *Abbott v. Burke* order mandated by the Supreme Court.

The Governor's budget is her notion, we feel, of retrofitting education like this for the computer age and has something of the quality of a Grimm fairy tale.

A million children in our urban school districts are going to class each day in buildings none of you would be prepared to work in for one hour. All the boasting in the world, all the hype, all the exhortation, all the upbeat speeches by a visiting politician have no accepting effect if every single thing about the school itself -- its peeling paint, its rotting walls, its stinking corridors, its crowded makeshift classrooms in coat closets, on stair landings and in squalid corners of the basement, in schools whose budgets cannot repair the toilets or afford to pay for toilet paper-- Where can they find the money to buy IBM or Microsoft for that matter? The message this sends to our children is, "In the eyes of this society, you are not anyone at all."

Conditions like these do not just soil bodies, they also dirty souls and spirits, and they give our children instead a very clear message: no matter what we say about high expectations, no matter what exhaustive lists of goals and standards we keep churning out, the deep down truth is that we do not like them very much, nor value their potential as Americans.

Despite all of this, we face the strange phenomenon of being asked repeatedly by those who spend as much as \$20,000 yearly to enroll their children in exclusive private schools whether money really matters when it comes to the education of the poor. "Can you solve these kinds of problems," we are asked, "by throwing money at them?"

I always find this a very strange question, but especially when asked it by those who do precisely this for their own children. Money cannot do everything in life. Obviously, it cannot buy decency, and obviously, it does not buy integrity or generous spirit. But if the goal is to repair a roof, to install a wiring system, to remove lead poison, to pay for a computer, or to persuade

a first-rate teacher to remain in a tough job, then money, in my opinion, is a fine solution.

So we come at last to 1996, a time to live up to doing what is right when the forces of reaction signal it is time to “get tough with poor children.” My question to you, in considering S-40, is: How much tougher do we dare get, and how cold as a society are we prepared to be?

This time, the forces are smart enough to offer vouchers to black and poor children which will never pay for full tuition at a first-rate private school. In effect, they will simply filter off the least poor of the poor who can enhance the voucher with sufficient funds to flee into small private sanctuaries that exclude their poorest neighbors and cause and even further decay in our public schools in which no good teacher will desire to teach and where the masses of poor children will remain in buildings that are schools in name only.

Lastly, I submit to you that our vision ought to be to build a public education system that is so superb, so democratic, and so well run that no responsible or caring parent and/or persons would desire to abandon it. To bring this vision to fruition, as stated in the profound Supreme Court mandate that cries out for us to end these gross inequities, is something we are all worthy of accomplishing.

To leave this playing field to cutbacks, vouchers, virulent racism that is often beneath the surface of discussions keeps up the sense of abandonment to our children and to those of us who reside in urban communities. Your courage, tenacity, and fearlessness are needed to do battle for those youngsters who cannot fight for themselves. That way, we will all have a future generation we can all sustain and be proud of.

I urge you to turn down the Governor's Plan and accept the challenge to improve our children's schools and, further, to write off a system that is not educationally sound, responsive, and accountable to the needs of our children.

We have tried -- we have come to this table many times -- to urge you and to request of you that you to do the right thing--

ASSEMBLYMAN ROCCO: Do you want to finish up now, please, Ms. Taliaferro?

MS. TALIAFERRO: Excuse me?

ASSEMBLYMAN ROCCO: Would you like to finish up now, please? Your five minutes are up.

MS. TALIAFERRO: Yes.

As I leave you this afternoon, if the only message we get in the cities is that we are not worthy and that you will continue to deal with a budget that does not qualify children for the 21st century, then you will leave it to us to declare what we consider war.

Thank you.

ASSEMBLYMAN ROCCO: Kabili Tayari.

**K A B I L I T A Y A R I:** I would like, first, to apologize for the typographical errors you see in my written statement. My secretary is a very good secretary, but I decided this morning that I was going to try to make some last-minute editorial changes, so those are my errors, not my secretary's.

I would also like to say that every time I come before these Committee hearings, I like to echo what Ms. Taliaferro and Mr. Harris have

said. Please go to a community such as Union City, Jersey City, Newark, Camden, or somewhere like that and have one of these hearings.

Members of the Senate Education Committee and the Assembly Education Committee: My name is Kabili Tayari. Presently, I am the Chairman of the Jersey City Board of Education and an Editorial Board Member of the Association for Retarded Children. Also, I am the immediate past Chairperson of the New Jersey NAACP's Education Committee.

I am very concerned, as a parent, a taxpayer, a resident of one of the 30 poorest school districts, and a Board of Education Trustee that S-40 and A-20, known as the Comprehensive Educational Improvement and Financing Act of 1996, are introduced to be considered and passed by the New Jersey Legislature as a formula to provide equitable funding, parity, and a 21st century comprehensive quality education.

Since 1975, which was *Robinson v. Cahill*, the thorough and efficient requirement of the New Jersey Constitution and the New Jersey Supreme Court mandate were only fully funded twice. This Legislature must seriously develop a formula that meets the thorough and efficient mandate of the New Jersey Constitution. The Governor's proposed formula, nor S-40, nor A-20 do this.

Each and every public school youth in New Jersey deserves to learn algebra; to become computer literate; to learn biology; to know how to use a chemistry and a biology lab; to have a library and know how to use it; to learn a world language; to know how to play music and to have music equipment, computers, and adequate facilities whether they live in Alpine, Rockleigh, Deal, Plainfield, Penns Grove-Kellys Point, Willingboro, Camden, Piscataway,

Newark, Gloucester, Dover, or Jersey City, or whether the per capita income is \$400,000, as it is in Alpine, or \$18,000, in many of the poor districts.

Cities and towns such as Camden, Burlington, and Newark have huge municipal overburdens caused by very small amounts of ratables, especially these towns which are among the 30 poorest school districts in the State. Newark, Camden, Trenton, New Brunswick, Long Branch, Asbury Park, Gloucester, Pemberton, Hoboken, Neptune, and Burlington, 11 of the 29 poorest cities and school districts in the State, must endure increased municipal overburden under S-40 and A-20. These towns, which are located in the southern, central, and northern parts of the State, have the lowest per capita income rates and the highest amount of municipal overburden.

In the State of New Jersey, approximately 60 percent of New Jersey's 1.1 million public school youth reside in the 30 poorest school districts and towns. Yet, these children, whose parents and neighbors pay the highest taxes in New Jersey, receive an inequitable amount of funds and educational services, both instructional and noninstructional.

The Governor's proposal -- S-40 and A-20 -- circumvents the New Jersey Supreme Court's mandate and the New Jersey Constitution's thorough and efficient guarantee, and prevents implementing the core curriculum standards. By circumventing the Court mandate -- *Robinson v. Cahill* and *Abbott v. Burke* -- the poorest school districts and towns will suffer the greatest, as they have historically since 1975. Remember, 60 percent of all New Jersey's 1.1 million public school youth are in these districts.

Under the proposed Plan of more inequity, the poorest school districts do not receive equity and parity when you compare it to the Court-mandated plan. All districts lose, especially the poorest. Remember QEA. The poorest school districts received only 5 percent of the \$345 million allocated. It takes money to upgrade a school district, to implement the core curriculum standards, and to hire qualified, dedicated, skillfully committed educators -- teachers, principals, counselors, and administrators -- who will academically place demands and high expectations upon students.

Money is a necessity to hire biology teachers, guidance counselors, coaches, music teachers, world language teachers, computer teachers, nurses, custodians, bus drivers, special education teachers, and algebra teachers; to buy books, equipment, labs, musical instruments, and computers; and to upgrade facilities.

Governor Whitman's proposal, S-40 and A-20:

- \*forces 52 percent of the municipalities to decrease per pupil spending;

- \*increases reliance on property taxes;

- \*caps and reduces special education;

- \*decreases services for students with disabilities;

- \*does not provide equitable funding for all school districts as mandated by the Court.

Please do not release bills S-40 and A-20 to the Senate and the Assembly for passage.

I would like to add just one other statement: Of the 29 districts that are listed -- and Plainfield was incorrectly removed as one of the 30 former

school districts -- the Governor's formula has given 14 of those districts an increase. Eleven of those districts are still going to have to go to the taxpayers and ask for high increases in municipal overburden. But across this State, all school districts -- except for Alpine, all school districts will suffer. When you look at the fact that Alpine's per capita income is \$400,000 per year, and their tax rate is probably no more than \$.40 cents per \$100 of property tax, men and women, that is inequitable and it is an injustice. As Martin Luther King said, "Injustice anywhere is injustice everywhere." Do not release these bills.

Thank you.

ASSEMBLYMAN ROCCO: Thank you.

Michael Nabors, NAACP.

**M I C H A E L N A B O R S:** To the Chairperson and members of the Committee: My name is Michael Nabors, and I am Vice President of the National Association for the Advancement of Colored People for the State of New Jersey. Elaine Harrington, the President, was supposed to speak today, but she was called out of town on an emergency and was not able to make it. I am also the President of the Trenton Branch of the NAACP, and am Assistant Pastor of a local church here in Trenton, the Shiloh Baptist Church.

If one possessed an endless ruler placing one end down and walking with the other end to the far reaches of the earth, the projected distance would not be long enough to describe the gross inequities and disturbing realities of public education in our State, and even in our country.

Clearly, there is a phenomenal cloud, appalling and ominous, hanging over our nation and over our State when it comes to public education and its state of existence as we move to the year 2000. In my estimation,

public education, for many reasons, has failed in America. In short, education is no longer the wondrous instrument of eventual economic independence made available to one and all.

Education has become a pricey, expensive amulet, worn only by those who can afford it and understand its importance in our technologically sophisticated society and world. In its ugliest reality, public education in the country and in our State has become purchasable only by the wealthy and fortunate, while those who are poor exist well beyond education's reach.

To cover our tracks, however, we still have the public education institutions. There is a sort of dying belief that even though there are problems in the system, through and through it can still be worked out. Citizens remain convinced that education in America and in our State of New Jersey is still available to anyone who wants to utilize it. We convince ourselves and soothe our conscience into thinking that things are not as bad as they seem. We carefully select individual success stories out of dead education institutions in urban districts and we say, "If he could make it through the system and go to Harvard," or, "If she could matriculate through that system and be a National Merit scholar, then the system works." We fail to see the savagery of public education.

In the meantime, thousands and tens of thousands and hundreds of thousands are walking through a system that has, for years, failed to prepare our young men and women for economic independence. Therefore, a breakdown has occurred in the very fabric of our society at the very core of our will of control. Instead of reassessing our perceptions of public education, we have opted to blame outside forces for the internal, spontaneous combustion

occurring in places like Jersey City, Paterson, Trenton, New York, Philadelphia, Washington, D.C., and the hundreds of other urban school districts throughout our nation.

We blame the failure of educating our youth in urban districts on the erosion of family structures, the escalation of substance abuse, crime, violence, too-early sex, absence of values, and, in some cases, genetic inferiority. Take your pick. All of these issues are regularly used to defend the present state of public education and transfer blame of its disastrous failure to any shoulders except its own.

An analysis of statistics and hard data concerning public education will not suffice. Statistics and data fail to do justice to the reality of real boys and girls with real hearts and minds who are not being reached and prepared for economic independence. Dropout rates in urban districts are amazingly high, yet it has become regrettably acceptable by our State. Standardized test scores in these districts are disturbingly low, yet these scores have also become regrettably acceptable.

Students receiving high school diplomas are often incapable of reading at a ninth grade level, writing incoherent sentences, or comprehending basic equations, yet they are being thrown into a world that requires much greater understanding than a generation ago. While these students may understand less, they are required to know more in order to become economically independent. They are placed in a most deleterious position. They may not be prepared from an education point of view, but they are far from being ignorant. They realize their deficiencies and are all too aware of the

barriers existing between themselves and their counterparts in other districts faring far better.

What to do? Shall these students coming out of public education institutions ill-prepared for economic independence go to work? Minimum wage jobs may be available for them, but the jobs will not make them economically independent. Shall they continue their education? They are not motivated to do so, and heretofore have not had positive experiences with education. There appears to be but one option for the majority of these students who may or may not be high school graduates.

They will live a life where they are incapable of becoming economically independent. They will depend on society more than on themselves. They will recognize that public education has ill-prepared them for life as adults in American society. They will become accustomed to poverty, familiar with dependence on others, and closely associated with despair and hopelessness. But rest assured, they will not be happy or content with their station in life. There are grumblings even now in the form of restlessness and anger.

I know that I am limited to just five minutes, and I want to conclude by suggesting to you that I believe the most important mistake that the Department of Education for the State of New Jersey has made in trying to get information from the community, is that they have concentrated so much on the educational system, but they have not concentrated on the power of the community. In order for education to work in our State, you have to begin to take advantage of the power that exists within urban communities throughout the State of New Jersey. You have to begin to reach out to

churches, community organizations, fraternities, and sororities. You have to be able to reach out to clubs that will, in turn, be able to utilize their strength and be able to utilize their potential by coming in and rendering volunteer assistance wherever possible in their public school systems.

The only way that you are going to be able to succeed in turning around what is happening, not only in the urban districts in the State of New Jersey, but throughout the United States, is to somehow be a bridge between the gap that exists in public school institutions and the community that they seek to serve. You have to begin to utilize community organizations, and you have to understand that they are there and waiting to be told what it is they can do to make a difference.

The thing that has made our nation great, and the thing that has made the State of New Jersey great, is the principle of volunteerism. We have to be able to recapture that spirit of volunteerism so that we can begin to recapture the minds and the spirits of the young people.

I do not believe that the bill that is up for consideration could be passed, even today. It does not come remotely close to capturing the spirit and the minds and the principle that exist within the urban areas of our State.

Thank you very much.

ASSEMBLYMAN ROCCO: Kathleen Wicker, Irvington School Board? Is she here? (no response)

How about Brian Coleman, also Irvington? (no response)

The next group is the 3:00 group. I will just read the names. If anyone happens to be here, please come forward.

Dianne Veilleux?

**DIANNE VEILLEUX:** Good afternoon.

ASSEMBLYMAN ROCCO: Good afternoon.

MS. VEILLEUX: My name is Dianne Veilleux. I am Assistant Principal at the Middlesex County Vocational-Technical Schools. I am here to speak to you on behalf of the 612 special education students enrolled in the Middlesex County vocational schools. The faculty, staff, parents, and students are concerned about the potential impact the proposed Plan for Educational Funding will have on our district's future ability to provide a quality education.

The county vocational schools have established themselves as leaders in the field of secondary school programs for classified handicapped students. Middlesex County vocational and technical high schools have a secondary school enrollment of 1783 students, of which 612 are full-time equivalent special education students. This represents 34 percent of our total secondary school enrollment. We provide an educational service which is not available in a regular high school district.

ASSEMBLYMAN ROCCO: Dianne, before you get too far into it, your request is for a waiver of the cap, right, on the 10 percent?

MS. VEILLEUX: Yes.

ASSEMBLYMAN ROCCO: That is in A-20 in the Assembly version, but not in S-40.

MS. VEILLEUX: Yes, we are aware of that, but thank you very much.

ASSEMBLYMAN ROCCO: Okay. Please go ahead.

MS. VEILLEUX: The most effective measure of any vocational training program is the employment records of its graduates. The Middlesex County Vocational Department of Special Needs is proud of its ability to have placed an average of 90 percent of its special needs graduates in the competitive labor market consistently over the last decade.

Unfortunately, the proposed Comprehensive Plan for Educational Improvement and Financing, in its present form, will result in a net loss of \$1,599,633 in Special Education Aid to the Middlesex County vocational schools.

The proposed Comprehensive Plan for Educational Improvement and Financing, in its present form, will have a disproportionate and punitive effect on our classified students. The projected loss in aid to our school district is a loss of 58 percent of the present educational funding. This will devastate our present educational program. In all good conscience, where can we send them? The proposed Plan does not include an expansion of special education services in local school districts. The return of our students to their local districts will merely increase the degree of their dilemma -- not enough funding to continue to educate the already identified classified students.

The reason we have so many classified students is because we provide effective job training -- 90 percent job placement -- for a high school population unable to seek a future that requires a college education. Our students cannot meet the State standards for college matriculation due to their identified disabilities. Yet, they can meet society's standards, the acquisition of skills needed for employment in the competitive labor market.

Special education is an approach to educating young people which assumes they are at risk. Therefore, we provide extra -- extra time, extra attention, extra practice, extra help. If our students fail, we help them to try again. If our students get fired, we help them to look for another job. If our students lack confidence, we help them to improve their self-esteem by providing opportunities to experience success. We offer opportunities to learn leadership and cooperation, good work habits, and self-reliance.

It is our understanding that the Plan proposed by the Department of Education has outlined the cost of providing an education in the form of a model school district. The county vocational school is determined to be significantly over the State-defined cost under our present budget. At the same time, we are told by the State Department of Education that school districts should explore regionalizing for the purpose of more efficient use of resources.

The county vocational school district is a regional school district, and has been for 80 years. We were founded based on the principle of pooling local resources in order to provide a cost-intensive but most needed educational service. Our district budget reflects a proportionate cost for technical training and equipment for each of the 26 sending local school districts in our county. In the same sense, we bear a proportionate cost for educating special education students because we are a regional placement which is particularly attractive to a school population that is by nature not college bound.

The proper cost of the county vocational school needs to be measured with the understanding that we are morally and legally mandated to

provide costly technical training to an at-risk population. We are pleased and proud to do so very successfully.

We believe that the public dollars that support special education are an investment in the future of our communities, money well spent. The extra time and effort we invest today will result in a long-term savings for the government and the taxpayers. Our graduates are taxpayers and workers. They are contributing to our communities. They are not in need of welfare, disability programs, or government support.

Please consider the impact this Plan could have on handicapped young people and their families. Thirty years ago, children with disabilities were not treated as if they were entitled to an education. They dropped out of school, or were asked to leave. They were considered unable to learn and acquire skills. We know now that is not the case. In fact, the Individuals with Disabilities Act states that disabled youth are entitled to a free and appropriate public education. New Jersey has been a national leader in our development of a comprehensive and outstanding special education system. Do not force us to retreat. Our students can learn and they deserve a chance. Vocational education is the answer for disabled youth. Please don't take it away from them.

In conclusion, we recognize the very difficult task faced by the Legislature in the area of educational funding. We applaud your efforts on behalf of the children of New Jersey.

We would like to express our heartfelt endorsement of the Assembly plan for educational funding.

We strongly request that the county vocational schools be exempt from the 10 percent funding limit of special education enrollment.

Thank you very much.

ASSEMBLYMAN ROCCO: Thank you very much.

Senator Ewing has returned. We are into the 3:00, Senator.

Catherine Crittendon. Am I pronouncing that correctly, Catherine?

**CATHERINE CRITTENDON:** It's Crittendon. (correcting pronunciation)

ASSEMBLYMAN ROCCO: I just want to-- Before Catherine gets started, is Mr. Willis here? (no response)

Catherine?

MS. CRITTENDON: Good afternoon.

ASSEMBLYMAN ROCCO: Good afternoon.

MS. CRITTENDON: As a taxpayer and a grandparent in the City of Plainfield, I would be remiss if I did not take the time to address this Committee on this issue. The future of my grandchildren is at stake here. I cannot sit back and be complacent.

I would like to know how it can be justified that \$2.5 million be taken away from Plainfield when the Supreme Court's ruling in *Abbott v. Burke* requires that the 30 urban school districts receive an equal level of funding for regular education as is spent in the average 120 high-performing, suburban districts, and that a separate program be designed to meet the disadvantages poor children bring to school with them every day. I don't see evidence of either of these issues being addressed in this proposal.

Concerned citizens in Plainfield consider the action by this Committee to be unduly harsh and a significant obstruction to the progress being made by the local School Board, whereby there is a commitment to a mission which calls for every student to achieve high academic standards.

How can this new funding Plan be considered a way by which we will achieve thorough and efficient education for the poor and minority children of Plainfield -- or any community -- when in our quest to make this a better place to live and learn, our State legislators are taking funds away? I certainly agree with Mr. David Sciarra, Executive Director of the Education Law Center, with respect to the fact that this bill will add to the disparity between rich and poor. These are my sentiments exactly, and I challenge anyone on this Committee to convince me that this funding Plan will not do just that. I challenge the sponsor of this bill, Senator Robert Martin, to visit the 14 schools in Plainfield during the school year, and to then tell me how he contends this new funding Plan will improve education.

I respectfully request that this Committee reconsider these actions, which will directly effect the education process in the City of Plainfield.

Thank you very much.

ASSEMBLYMAN ROCCO: Thank you, Catherine.

The last speaker on the list is Mr. Willis, who is not here. If he does show up, Kathy (Committee Aide), we will have him down at Voorhees.

That concludes the hearing for today.

**(HEARING CONCLUDED)**