
Public Hearing

before

SENATE EDUCATION COMMITTEE

SENATE BILL No. 40

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

LOCATION: Parsippany Hills High School
Morris Plains, New Jersey

DATE: July 17, 1996
2:00 p.m.

MEMBERS OF COMMITTEE PRESENT:

Senator John A. Ewing, Chairman
Senator Robert J. Martin
Senator Gordon A. MacInnes

ALSO PRESENT:

Assemblyman Louis A. Romano
Assemblywoman Carol J. Murphy
Assemblyman Anthony R. Bucco
Assemblyman Michael Patrick Carroll

Darby Cannon III
Office of Legislative Services
Aide, Senate 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



New Jersey State Legislature

SENATE EDUCATION COMMITTEE

STATE HOUSE ANNEX

CN-068

TRENTON, NEW JERSEY 08625-0068

DARBY CANNON, III
Office of Legislative Services
Committee Aide
(609) 984-6843

A. EWING
man
H. A. PALAIA
Chairman
RT. J. MARTIN
A. LYNCH
ON A. MacINNES

PUBLIC HEARING NOTICE

The Senate Education Committee will hold a public hearing on the following subject:

S-40 The "Comprehensive Educational Improvement and Financing Act of 1996."

The hearing will be held on Wednesday, July 17, 1996 at 2:00 PM at Parsippany Hills High School, 20 Rita Drive, Morris Plains, New Jersey.

Persons wishing to testify should call Mary Lutz, secretary, at (609)984-6843. The committee requests that the oral presentation be limited to 5 minutes. All persons who are testifying should submit 10 written copies of their testimony. Persons who are not presenting oral testimony may submit 10 copies of written testimony for consideration by the committee and inclusion in the record.

Issued 7/9/96

**Assistive listening devices available upon 24 hours prior notice
to the committee aide listed above**

SENATE, No. 40

STATE OF NEW JERSEY

INTRODUCED JUNE 27, 1996

By Senators MARTIN and EWING

1 AN ACT providing for the maintenance and support of a thorough and
2 efficient system of free public schools and revising parts of the
3 statutory law.

4
5 BE IT ENACTED by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. (New section) This act shall be known and may be cited as the
9 "Comprehensive Educational Improvement and Financing Act of
10 1996."

11
12 2. (New section) a. The Legislature finds and declares that:

13 (1) Each child in New Jersey must be guaranteed access to a free
14 public education based on rigorous standards which define the
15 knowledge and skills all children must have in order to function in the
16 contemporary setting as a citizen and competitor in the labor market,
17 and each school district must be guaranteed access to resources to
18 provide that education in an efficient manner;

19 (2) The New Jersey Constitution requires the Legislature to
20 provide for the maintenance and support of a thorough and efficient
21 system of free public schools for the instruction of all the children in
22 the State between the ages of 5 and 18 years;

23 (3) Prior school funding laws have not succeeded in ensuring that
24 every child has access to a constitutionally sufficient system of schools
25 regardless of where the child resides, or that public funds expended in
26 support of schools are appropriately directed, in part because of the
27 lack of specific definition of what constitutes a thorough and efficient
28 education;

29 (4) Prior laws have also led to funding systems which have
30 permitted high spending levels in many districts without reference to
31 specific educational results, required State and local governments to
32 seek ever-increasing levels of taxation and funding in order to keep
33 pace with high spending districts, and failed to generate measurable
34 improvement in parity of academic achievement even in those districts

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 in which funding has been increased to higher levels; and

2 (5) Existing school budget development, approval and appeal
3 processes, and incorporation of local goals into State approval
4 procedures for review of thoroughness and efficiency have further
5 encouraged a system that defines a thorough and efficient education
6 as the sum of whatever elements each district determines to include in
7 its own individual budget.

8 b. It is, therefore, necessary for the Legislature to provide, and the
9 Legislature does hereby establish:

10 (1) A process for the establishment, and the periodic review and
11 revision, of a clear and comprehensive definition of the substantive
12 elements of a thorough and efficient system of education as required
13 by the New Jersey Constitution, uniformly applicable to districts
14 Statewide, specifying what students ought to learn and what academic
15 standards they should meet in order to function as citizens and
16 competitors in the contemporary world and workplace, as well as the
17 types of programs and services that will accomplish these ends in a
18 thorough and efficient manner;

19 (2) The level of fiscal support necessary to provide those programs
20 and services;

21 (3) A funding mechanism that will ensure such support, shared by
22 the State and local school districts in a fair and equitable manner;

23 (4) A system that directs that expenditure of public funds for the
24 maintenance and support of a thorough and efficient system of
25 education will be undertaken with prudence and sound management;

26 (5) A degree of flexibility for local school districts in achieving
27 standards established for the provision of a thorough and efficient
28 education; and

29 (6) A system of accountability with mechanisms for enforcement
30 when districts fail to meet these standards.

31
32 3. (New section) As used in this act, unless the context clearly
33 requires a different meaning:

34 "Abbott District" means one of the 28 urban districts in district
35 factor groups A and B specifically identified in the appendix to
36 Raymond Abbott, et al. v. Fred G. Burke, et al. decided by the New
37 Jersey Supreme Court on June 5, 1990 (119 N.J. 287, 394);

38 "Area cost allowance" means, commencing annually with January
39 1996, an average determined by multiplying the average estimated
40 five-city historical cost index for construction in New Jersey reported
41 by the R. S. Means Company, Inc. (Means Index) for January of each
42 year by \$ 88 and dividing by 121.5;

43 "Average monthly allowable increase in the area cost allowance for
44 the prior year" means the amount determined for the 1997 calendar
45 year and each calendar year annually thereafter by subtracting the area
46 cost allowance for January of the prior calendar year from the area

1 cost allowance for January of the current calendar year and dividing
2 the result by twelve;

3 "Bilingual education pupil" means a pupil enrolled in a program of
4 bilingual education or in an English as a second language program
5 approved by the State Board of Education;

6 "Budgeted local share" means the sum of designated general fund
7 balance, miscellaneous revenues estimated consistent with GAAP, and
8 that portion of the district's local tax levy contained in the T&E budget
9 certified for taxation purposes;

10 "Capacity utilization" means the number of pupils eligible for
11 transportation aid actually transported on regular vehicles divided by
12 the number of regular vehicles utilized;

13 "Commissioner" means the Commissioner of Education;

14 "Concentration of low income pupils" means, for a school district
15 or a county vocational school district, the number of low income
16 pupils among those counted in modified district enrollment, divided by
17 modified district enrollment. For a school, it means the number of low
18 income pupils enrolled at that school, divided by the school's total
19 enrollment;

20 "CPI" means the average annual increase, expressed as a decimal,
21 in the consumer price index for the New York City and Philadelphia
22 areas during the fiscal year preceding the prebudget year as reported
23 by the United States Department of Labor;

24 "County special services school district" means any entity
25 established pursuant to article 8 of chapter 46 of Title 18A of the
26 New Jersey Statutes;

27 "County vocational school district" means any entity established
28 pursuant to article 3 of chapter 54 of Title 18A of the New Jersey
29 Statutes;

30 "County vocational school, special education services pupil" means
31 a pupil who is attending a county vocational school and who is
32 receiving specific services pursuant to chapter 46 of Title 18A of the
33 New Jersey Statutes;

34 "Debt service" means and includes payments of principal and
35 interest upon school bonds and other obligations issued to finance the
36 purchase or construction of school facilities, additions to school
37 facilities, or the reconstruction, remodeling, alteration, modernization,
38 renovation or repair of school facilities, including furnishings,
39 equipment, architect fees and the costs of issuance of such obligations
40 and shall include payments of principal and interest upon bonds
41 heretofore issued to fund or refund such obligations, and upon
42 municipal bonds and other obligations which the commissioner
43 approves as having been issued for such purposes. Debt service
44 pursuant to the provisions of P.L.1978, c.74 (C.18A:58-33.22 et seq.),
45 P.L.1971, c.10 (C.18A:58-33.6 et seq.) and P.L.1968, c.177
46 (C.18A:58-33.2 et seq.) and for the acquisition of a site is excluded;

1 "District income" for the 1997-98 school year means the aggregate
2 income of the residents of the taxing district or taxing districts, based
3 upon data provided by the Bureau of the Census in the United States
4 Department of Commerce for the most recent year prior to the budget
5 year. Beginning with the 1998-99 school year and thereafter, district
6 income means the aggregate taxable income of the residents of the
7 taxing district or taxing districts, based upon data provided by the
8 Division of Taxation in the New Jersey Department of the Treasury
9 and contained on the New Jersey State Income Tax forms for the
10 calendar year ending prior to the prebudget year. With respect to
11 regional districts and their constituent districts, however, the district
12 income as described above shall be allocated among the regional and
13 constituent districts in proportion to the number of pupils in each of
14 them;

15 "Estimated minimum equalized tax rate" means a school district's
16 required local share divided by its equalized valuation;

17 "Equalized valuation" means the equalized valuation of the taxing
18 district or taxing districts expressed in units of \$100, as certified by
19 the Director of the Division of Taxation on October 1 of the prebudget
20 year. With respect to regional districts and their constituent districts,
21 however, the equalized valuations as described above shall be
22 allocated among the regional and constituent districts in proportion to
23 the number of pupils in each of them;

24 "GAAP" means the generally accepted accounting principles
25 established by the Governmental Accounting Standards Board as
26 prescribed by the State board pursuant to N.J.S.18A:4-14;

27 "Household income" means income as defined in 7CFR 245.2 and
28 245.6 or any subsequent superseding federal law or regulation;

29 "Lease purchase payment" means and includes payments of
30 principal and interest for lease purchase agreements in excess of five
31 years approved pursuant to subsection f. of N.J.S.18A:20-4.2 to
32 finance the purchase or construction of school facilities, additions to
33 school facilities, or the reconstruction, remodeling, alteration,
34 modernization, renovation or repair of school facilities, including
35 furnishings, equipment, architect fees and issuance costs. Approved
36 lease purchase agreements shall be accorded the same accounting
37 treatment as school bonds. Lease purchase agreement principal and
38 interest for the acquisition of a site is excluded;

39 "Local leeway budget" means that portion of the district's local levy
40 that is above the maximum T&E budget and therefore used to support
41 educational expenditures that are not necessary to deliver the
42 substantive elements of a thorough and efficient education;

43 "Low-income pupils" means those pupils from households with a
44 household income at or below the most recent federal poverty
45 guidelines available on December 30 of the prebudget year multiplied
46 by 1.30;

1 "Maintenance" means expenditures which are approved by the
2 commissioner for repairs and replacements for the purpose of keeping
3 a school facility open, comfortable and safe for use or in its original
4 condition, including repairs and replacements to a school facility's
5 heating, lighting, ventilation, security and other built-in furnishings or
6 equipment to keep the furnishings or equipment in effective working
7 condition. Maintenance shall not include any salaries or contracted
8 custodial or janitorial services, expenditures for the cleaning of a
9 school facility or its built-in furnishings or equipment, the care and
10 upkeep of grounds or parking lots, and the cleaning of, or repairs and
11 replacements to, movable furnishings or equipment;

12 "Minimum permissible T&E budget" means the sum of a district's
13 core curriculum standards aid, and required local share calculated
14 pursuant to sections 14 and 15 of this act;

15 "Modified district enrollment" means the number of pupils who, on
16 the last school day prior to October 16 of the current school year, are
17 enrolled in the school district or county vocational school district; or
18 are resident in the school district or county vocational school district
19 and are: (1) receiving home instruction, (2) enrolled in an approved
20 private school for the handicapped, (3) enrolled in a regional day
21 school, or (4) enrolled in a county special services school district;

22 "Net budget" means the sum of the net T&E budget and the local
23 leeway budget;

24 "Net T&E budget" means the sum of the T&E program budget,
25 early childhood program aid, demonstrably effective program aid,
26 transportation aid, and categorical program aid received pursuant to
27 sections 19 through 22, 24, 28, and 29 of this act;

28 "Prebudget year" means the school year preceding the year in which
29 the school budget is implemented;

30 "Projected area cost allowance" means the amount determined
31 annually for each month of the twelve month period commencing on
32 January 1 of each calendar year by adding the area cost allowance for
33 January of that calendar year and the average monthly allowable
34 increase in the area cost allowance for the prior year. The projected
35 area cost allowance for each subsequent month shall be determined by
36 adding the projected area cost allowance for the previous month and
37 the average monthly allowable increase in the area cost allowance for
38 the prior year. For the purposes of determining approved costs of
39 school facilities projects, the projected area cost allowance shall be
40 that of the month of issuance of facilities bonds or certificates of
41 participation;

42 "Report on the Cost of Providing a Thorough and Efficient
43 Education" or "Report" means the report issued by the commissioner
44 pursuant to section 4 of this act;

45 "Resident enrollment" means the number of pupils who, on the last
46 school day prior to October 16 of the current school year, are

1 residents of the district and are enrolled in: (1) the public schools of
2 the district, including evening schools, (2) another school district,
3 other than a county vocational school district in the same county on
4 a full-time basis, or a State college demonstration school or private
5 school to which the district of residence pays tuition, or (3) a State
6 facility; or are residents of the district and are: (1) receiving home
7 instruction, or (2) in a shared-time vocational program and are
8 regularly attending a school in the district and a county vocational
9 school district. Pupils in a shared-time vocational program shall be
10 counted on an equated full-time basis in accordance with procedures
11 to be established by the commissioner. Resident enrollment shall
12 include regardless of nonresidence, the enrolled children of teaching
13 staff members of the school district who are permitted, by contract or
14 local district policy, to enroll their children in the educational program
15 of the school district without payment of tuition. Handicapped
16 children between three and five years of age and receiving programs
17 and services pursuant to N.J.S.18A:46-6 shall be included in the
18 resident enrollment of the district.

19 For purposes of calculating State aid pursuant to this act unless
20 otherwise specified within the act, the commissioner shall utilize
21 enrollment data from prior years, any available data on births, and a
22 cohort survival methodology to project current resident enrollment.
23 The commissioner shall adjust aid calculations as soon as practicable
24 after the availability of actual resident enrollment data. Beginning in
25 1997-98 and thereafter, resident enrollment shall also include those
26 nonresident children who are permitted to enroll in the educational
27 program without payment of tuition as part of a voluntary program of
28 interdistrict public school choice approved by the commissioner;

29 "School district" means any local or regional school district
30 established pursuant to chapter 8 or chapter 13 of Title 18A of the
31 New Jersey Statutes;

32 "School enrollment" means the number of pupils enrolled at the
33 school for the purpose of calculating demonstrably effective program
34 aid, and for determining eligibility for academic achievement rewards
35 pursuant to sections 18 and 29 of this act;

36 "School facilities" means and includes any structure, building or
37 facility used wholly or in part for academic purposes by a school
38 district and shall exclude athletic stadiums and grandstands and any
39 structure, building or facility used wholly for school administration;

40 "Special education services pupils" means a pupil receiving specific
41 services pursuant to chapter 46 of Title 18A of the New Jersey
42 Statutes;

43 "Stabilization aid growth limit" means 10% or the district's rate of
44 growth in the district's projected resident enrollment over the
45 prebudget year, whichever is greater. For the 1997-98 school year,
46 this means 10% or one-half the district's rate of growth in the district's

1 projected resident enrollment between the October 1991 enrollment
2 report as contained on the district's Application for State School Aid
3 for 1992-93 and the 1997-98 school year, whichever is greater. For
4 the 1998-99 school year, this means the greatest of the following:
5 10%, one-half the district's rate of growth in projected resident
6 enrollment over the October 1991 enrollment report as contained on
7 the district's Application for State School Aid for 1992-93, or the
8 district's projected rate of growth in resident enrollment over the
9 prebudget year;

10 "State facility" means a State developmental center; a day training
11 center which is operated by or under contract with the State and in
12 which all the children have been placed by the State, including a
13 private school approved by the Department of Education which is
14 operated under contract with the Bureau of Special Residential
15 Services in the Division of Developmental Disabilities in the
16 Department of Human Services; a State Division of Youth and Family
17 Services' residential center; a State residential mental health center; a
18 State training school secure care facility; a State juvenile community
19 program; or a county juvenile detention center under the supervisory
20 authority of the Juvenile Justice Commission pursuant to P.L.1995,
21 c.284 (C.52:17B-169 et seq.);

22 "Statewide average equalized school tax rate" means the amount
23 calculated by dividing the general fund tax levy for all school districts,
24 other than county vocational school and county special services school
25 districts, in the State for the prebudget year by the equalized
26 valuations of all taxing districts in the State except taxing districts for
27 which there are no school tax levies;

28 "Statewide equalized valuation" means the equalized valuation of
29 all taxing districts in the State, expressed in units of \$100, as certified
30 by the Director of the Division of Taxation in the Department of the
31 Treasury on October 1 of the prebudget year. In the event that the
32 equalized table certified by the director shall be revised by the tax
33 court after December 15 of the prebudget year, the revised valuations
34 shall be used in the recomputation of aid for an individual school
35 district filing an appeal, but shall have no effect upon the calculation
36 of the property value multiplier;

37 "T&E amount" means the cost per elementary pupil of delivering
38 the core curriculum content standards and extracurricular and
39 cocurricular activities necessary for a thorough regular education
40 under the assumptions of reasonableness and efficiency contained in
41 the Report on the Cost of Providing a Thorough and Efficient
42 Education;

43 "T&E flexible amount" means the dollar amount which shall be
44 applied to the T&E amount to determine the T&E range;

45 "T&E program budget" means the sum of core curriculum
46 standards aid, supplemental core curriculum standards aid,

1 stabilization aid, designated general fund balance, miscellaneous local
2 revenue and that portion of the district's local levy that supports the
3 district's T&E budget;

4 "T&E range" means the range of regular education spending which
5 shall be considered thorough and efficient. The range shall be
6 expressed in terms of T&E budget spending per elementary pupil, and
7 shall be delineated by alternatively adding to and subtracting from the
8 T&E amount the T&E flexible amount;

9 "Total Statewide income" means the sum of the district incomes of
10 all taxing districts in the State;

11 "Unhoused students" means the number of students who are
12 projected to be enrolled in five years in preschool handicapped,
13 preschool, kindergarten, grades one through twelve, and special
14 education services pupil educational programs, located and currently
15 being provided in a school district or which will be located and
16 provided in a school district within five years, which are in excess of
17 the capacity of the school district's current school facilities or the
18 capacity of the school facilities which will be available within five
19 years other than the school facilities for which the approved cost is
20 determined, based upon a long range facilities plan as prescribed by the
21 commissioner. The plan shall be submitted to and approved by the
22 commissioner and shall include a cohort survival enrollment projection
23 in which special education services students shall be considered part
24 of the grade level to which the students' chronological age
25 corresponds. For the purposes of calculating unhoused students, for
26 districts which do not qualify for early childhood program aid pursuant
27 to section 16 of this act, unhoused preschool students shall not be
28 counted, and unhoused kindergarten students shall be counted at 50%
29 of the actual count of unhoused kindergarten students. For districts
30 that qualify for early childhood program aid pursuant to section 16 of
31 this act, unhoused preschool and kindergarten students shall be
32 counted at 100% of the actual count of unhoused preschool and
33 kindergarten pupils.

34
35 4. (New section) a. The State Board of Education shall adopt,
36 and shall review and update every five years, core curriculum content
37 standards which define the substance of a thorough education as
38 guaranteed by the State Constitution. The standards shall ensure that
39 all children are provided the educational opportunity needed to equip
40 them for the role of citizen and labor market competitor in the
41 contemporary setting.

42 b. The Commissioner of Education shall develop and establish,
43 through the report issued pursuant to subsection c. of this section,
44 efficiency standards which define the types of programs, services,
45 activities, and materials necessary to achieve an efficient education.
46 The efficiency standards shall be reviewed biennially and revised as

1 appropriate.

2 As part of the periodic review process for the standards established
3 pursuant to this subsection and subsection a. of this section, the State
4 board and commissioner shall review local leeway budgets submitted
5 in the intervening years to assess whether elements included in those
6 budgets should be incorporated into the revised standards.

7 c. Biennially in each even numbered year, in conjunction with
8 transmittal of the State budget message pursuant to section 11 of
9 P.L.1944, c.112 (C.52:27B-20), the Governor, after consultation with
10 the commissioner, shall recommend to the Legislature through the
11 issuance of the Report on the Cost of Providing a Thorough and
12 Efficient Education:

13 (1) the per pupil T&E amount, based upon the thoroughness and
14 efficiency standards established pursuant to subsections a. and b. of
15 this section;

16 (2) the T&E range as calculated pursuant to section 12 of this act;
17 and

18 (3) additional per pupil amounts for the following aid programs:
19 special education;
20 early childhood programs;
21 demonstrably effective programs;
22 bilingual education;
23 county vocational schools; and
24 distance learning network.

25 The amounts, adjusted for inflation by the CPI in the second year
26 to which the report applies, shall be deemed approved for the two
27 successive fiscal years beginning one year from the subsequent July 1,
28 unless between the date of transmittal and the subsequent July 1, the
29 Legislature adopts a concurrent resolution stating that the Legislature
30 is not in agreement with all or any part of the report, in which case the
31 amounts then in effect shall continue in effect.

32
33 5. (New section) a. Biennially, within 30 days following the
34 approval of the Report on the Cost of Providing a Thorough and
35 Efficient Education, the commissioner shall notify each district of the
36 T&E amount, the T&E flexible amount, the T&E range, early
37 childhood program amount, demonstrably effective program amount,
38 and categorical amounts per pupil for the subsequent two fiscal years.

39 Annually, within two days following the transmittal of the State
40 budget message to the Legislature by the Governor pursuant to section
41 11 of P.L.1944, c.112 (C.52:27B-20), the commissioner shall notify
42 each district of the maximum amount of aid payable to the district in
43 the succeeding school year pursuant to the provisions of this act, and
44 shall notify each district of the district's T&E budget, maximum T&E
45 budget, and minimum permissible T&E budget for the succeeding
46 school year.

1 b. Each district shall have a required local share. In order to meet
2 this requirement, each district shall raise a tax levy which, when added
3 to the general fund balance designated for the budget year,
4 miscellaneous revenues estimated consistent with GAAP to be
5 realized during the budget year, supplemental core curriculum
6 standards aid calculated pursuant to section 17 of this act and
7 stabilization aid calculated pursuant to section 10 of this act, equals no
8 less than the lesser of the local share calculated at the district's
9 minimum T&E budget pursuant to section 13 of this act, or the
10 district's budgeted local share for the prebudget year; except that for
11 an Abbott District, it shall equal no less than the district's local share
12 calculated at its minimum T&E budget pursuant to section 13 of this
13 act. For 1997-98, the budgeted local share for the prebudget year
14 shall not include miscellaneous revenues and general fund balance.

15 For the 1997-98 school year, any tax increase which would be
16 required of an Abbott District to meet its required local share, after
17 consideration of supplemental core curriculum standards aid and
18 stabilization aid shall be fully funded by the State and recorded as
19 supplemental core curriculum standards aid. An assessment of the
20 district's tax ratables and overall tax burden shall be conducted by a
21 committee appointed by the commissioner. Upon receipt of the
22 committee's assessment, the commissioner, in consultation with the
23 Commissioner of the Department of Community Affairs and the
24 Director of the Division of Local Government Services in the
25 Department of Community Affairs, shall determine an appropriate
26 phase-out schedule for all or part of the additional State aid.

27 c. Annually, on or before March 4, each district board of education
28 shall adopt, and submit to the commissioner for approval, together
29 with such supporting documentation as the commissioner may
30 prescribe, a budget that provides no less than the minimum permissible
31 T&E budget, and no greater than the maximum T&E budget, plus
32 categorical amounts required for a thorough and efficient education as
33 established pursuant to the report, special revenue funds and debt
34 service funds. Additional budget amounts in excess of the maximum
35 T&E budget shall not be submitted for approval, but shall proceed as
36 set forth in paragraph (1) of subsection d. of this section.

37 d. (1) A district proposing a budget which includes spending
38 which exceeds the maximum T&E budget established pursuant to
39 section 13 of this act shall submit at the annual school budget election
40 conducted pursuant to the provisions of P.L.1995, c.278 (C.19:60-1
41 et seq.), a separate proposal or proposals, including interpretive
42 statements, specifically identifying the purposes for which the
43 proposed funds shall be used, to the voters, who may, by voter
44 approval, authorize proposed additional spending above the maximum
45 T&E budget amount. The purposes identified in the interpretive
46 statements shall not include any use of funds defined within the

1 thoroughness and efficiency standards established pursuant to section
2 4 of this act. Any proposal rejected by the voters shall be submitted
3 to the governing body of each of the municipalities included within the
4 district for determination of such amounts, if any, as should be
5 expended notwithstanding voter rejection. There shall be no appeal
6 from the determination of the municipal governing body or bodies as
7 to these amounts. In the case of a district having a board of school
8 estimate, the question of additional spending shall be submitted to the
9 board for determination of such amounts, if any, as should be
10 expended above the maximum T&E budget. There shall be no appeal
11 from the determination of the board as to these amounts.

12 When the voters, municipal governing body or bodies, or the board
13 of school estimate authorize additional spending, the district shall
14 submit the resulting local leeway budget to the commissioner within
15 15 days of the action of the voters or municipal governing body or
16 bodies, whichever is later, or of the board of school estimate as the
17 case may be.

18 (2) A district which adopts a budget set at or below the T&E
19 budget established pursuant to section 13 of this act, need not submit
20 the budget to the voters or board of school estimate for approval. The
21 budget shall be deemed approved upon its adoption by the board of
22 education following review by the commissioner pursuant to
23 subsection c. of this section.

24 The commissioner shall, for any Abbott district, when he deems it
25 necessary to ensure implementation of the thoroughness standards,
26 direct additional expenditures above the T&E budget in specific
27 accounts and for specific purposes, up to the maximum T&E budget
28 without approval of the local voters or board of school estimate, as
29 applicable.

30 (3) A district proposing a budget set below the maximum T&E
31 budget, but including amounts in excess of the T&E budget established
32 pursuant to section 13 of this act, shall submit, at the annual school
33 election conducted pursuant to the provisions of P.L.1995, c.278
34 (C.19:60-1 et seq.), a separate proposal or proposals, including
35 interpretive statements, specifically identifying the purposes for which
36 the proposed funds shall be used, to the voters of the district, who
37 may, by voter approval, authorize proposed additional spending above
38 the T&E budget. Any proposal rejected by the voters shall be
39 submitted to the governing body of each of the municipalities included
40 in the district for determination of such amounts, if any, as should be
41 expended notwithstanding voter rejection. Proposed amounts not
42 approved by the municipal governing body or bodies, the sum of which
43 does not exceed the maximum T&E budget when added to the T&E
44 budget, may be appealed to the commissioner on grounds that the
45 amounts are necessary for a thorough and efficient education. In the
46 case of a district having a board of school estimate, the question of

1 additional spending shall be submitted to the board for determination
2 of such amounts, if any, as should be expended above the T&E budget.
3 Proposed amounts not approved by a board of school estimate, the
4 sum of which does not exceed the maximum T&E budget when added
5 to the T&E budget, may be appealed to the commissioner on grounds
6 that the amounts are necessary for a thorough and efficient education.

7 When the voters, municipal governing body or bodies, or the board
8 of school estimate authorize additional spending, the district shall
9 resubmit its final approved budget or amend the T&E budget filed
10 previously with the commissioner and submit the resulting amended
11 budget to the commissioner within 15 days of the action of the voters,
12 or municipal governing body or bodies, whichever is later, or of the
13 board of school estimate as the case may be.

14 e. Subsections c. and d. of this section shall not apply to
15 State-operated school districts which shall be governed by the
16 provisions of section 19 of P.L.1987, c.399 (C.18A:7A-52).

17
18 6. (New section) a. The commissioner shall not approve any
19 budget submitted pursuant to subsection c. of section 5 of this act
20 unless he is satisfied that the district has adequately implemented
21 within the budget the thoroughness and efficiency standards set forth
22 pursuant to section 4 of this act. In those instances in which a district
23 submits a budget set at less than its minimum T&E budget, the
24 commissioner may, when he deems it necessary to ensure
25 implementation of standards, direct additional expenditures, in specific
26 accounts and for specific purposes, up to the district's T&E budget.
27 A district which submits a budget set at less than its minimum T&E
28 budget and which fails to meet core curriculum content standards in
29 any school year shall be required to increase expenditures so as to
30 meet at least the T&E minimum budget within the next two budget
31 years. In those instances in which a district submits a budget at or
32 above its minimum T&E budget, the commissioner may likewise, when
33 he deems it necessary to ensure implementation of standards, direct
34 additional expenditures, in specific accounts and for specific purposes,
35 up to the T&E budget. In all cases, including those instances in which
36 a district submits a budget above its T&E budget, up to and including
37 its maximum T&E budget, the commissioner may direct such
38 budgetary reallocations and programmatic adjustments, or take such
39 other measures, as he deems necessary to ensure implementation of
40 the required thoroughness and efficiency standards.

41 b. In addition, whenever the commissioner determines, through the
42 results of Statewide assessments conducted pursuant to law and
43 regulation, or during the course of an evaluation of school
44 performance conducted pursuant to section 10 of P.L.1975, c.212
45 (C.18A:7A-10), that a district, or one or more schools within the
46 district, is failing to achieve the core curriculum content standards, the

1 commissioner may summarily take such action as he deems necessary
2 and appropriate, including but not limited to:

- 3 (1) directing the restructuring of curriculum or programs;
- 4 (2) directing staff retraining or reassignment;
- 5 (3) conducting a comprehensive budget evaluation;
- 6 (4) redirecting expenditures;
- 7 (5) enforcing spending at the full per pupil T&E amount; and
- 8 (6) notwithstanding any provisions of the "New Jersey
9 Employer-Employee Relations Act," P.L.1941, c.100 (C. 34:13A-1 et
10 seq.), to the contrary, reviewing and approving the terms of future
11 collective bargaining agreements.

12 Nothing in this section shall be construed to limit such general or
13 specific powers as are elsewhere conferred upon the commissioner
14 pursuant to law.

15
16 7. (New section) a. If the amount of the budgeted general fund
17 for the prebudget year is \$100 million or less, an undesignated general
18 fund balance in excess of 6% of that amount or \$75,000, whichever is
19 greater, shall be appropriated by a school district for the purpose of
20 the budget prepared pursuant to section 5 of this act. If the amount
21 of the budgeted general fund for the prebudget year exceeds \$100
22 million, an undesignated general fund balance in excess of 6% of the
23 first \$100 million and in excess of 3% of the amount which exceeds
24 \$100 million shall be appropriated by a school district for the purpose
25 of the budget prepared pursuant to section 5 of this act.

26 b. Notwithstanding the provisions of subsection a. of this section,
27 if the district has a formal plan to expand, renovate or construct school
28 facilities, join a distance learning network, or make a major
29 replacement or acquisition of instructional equipment within the
30 subsequent five years, the district may, with the approval of the
31 commissioner, transfer the excess undesignated general fund balance
32 to the capital reserve account established pursuant to N.J.S.18A:21-3
33 for that purpose.

34 c. If it is determined that the undesignated general fund balances
35 at June 30 of any school year exceed those permitted under subsection
36 a. of this section, the excess undesignated general fund balances shall
37 be reserved and designated in the subsequent year's budget submitted
38 to the commissioner pursuant to subsection c. of section 5 of this act.

39 d. The commissioner may withhold State aid in an amount not to
40 exceed the excess undesignated general fund balances for failure to
41 comply with subsection c. of this section.

42
43 8. (New section) The amounts payable to each school district
44 pursuant to this act shall be paid by the State Treasurer upon the
45 certification of the commissioner and warrant of the Director of the
46 Division of Budget and Accounting. Five percent of the appropriation

1 for core curriculum standards aid, supplemental core curriculum
2 standards aid, special education, transportation, early childhood
3 programs, demonstrably effective programs, bilingual, county
4 vocational education program, distance learning network, and other
5 aid pursuant to this act shall be paid on the first and fifteenth of each
6 month from September through June. If a local board of education
7 requires funds prior to the first payment, the board shall file a written
8 request with the commissioner stating the need for the funds. The
9 commissioner shall review each request and forward for payment those
10 for which need has been demonstrated.

11 Facilities funds shall be paid as required to meet due dates for
12 payment of principal and interest. Each school district shall file an
13 annual written request for facilities payments to the commissioner 30
14 days prior to the beginning of the fiscal year for which the
15 appropriation is made. The request shall include the amount of
16 interest bearing school debt, if any, of the municipality or district then
17 remaining unpaid, together with the rate of interest payable thereon,
18 the date or dates on which the bonds or other evidences of
19 indebtedness were issued, and the date or dates upon which they fall
20 due. In the case of a Type I school district, the board secretary shall
21 secure the schedule of outstanding obligations from the clerk of the
22 municipality.

23
24 9. (New section) In order to receive any State aid pursuant to this
25 act, a school district shall comply with the rules and standards for the
26 equalization of opportunity which have been or may hereafter be
27 prescribed by law or formulated by the commissioner pursuant to law,
28 including those implementing this act or related to the core curriculum
29 content standards required by this act, and shall further comply with
30 any directive issued by the commissioner pursuant to section 6 of this
31 act. The commissioner is hereby authorized to withhold all or part of
32 a district's State aid for failure to comply with any rule, standard or
33 directive. No State aid shall be paid to any district which has not
34 provided public school facilities for at least 180 days during the
35 preceding school year, but the commissioner, for good cause shown,
36 may remit the penalty.

37
38 10. (New section) a. Notwithstanding any other provision of this
39 act to the contrary, the total stabilized aid for each district shall not
40 be increased by more than the district's stabilization aid growth limit.
41 In the event that total stabilized aid exceeds the prebudget total by a
42 rate greater than the stabilization aid growth limit, the commissioner
43 shall adjust the components of total stabilized aid so that they total
44 exactly the prebudget total increased by the stabilization aid growth
45 limit. For the 1997-98 school year, the prebudget total shall include
46 foundation aid, transition aid, categorical aids for special education,

1 bilingual education and county vocational education, and
2 transportation aid paid for the 1996-97 school year. For the 1998-99
3 school year and thereafter, the prebudget total shall be the total for the
4 same aid categories as included in total stabilized aid plus any
5 stabilization aid the district has received pursuant to subsection b. of
6 this section, as paid in the prebudget years. For the 1997-98 and
7 1998-99 school years, total stabilized aid shall include core curriculum
8 standards aid, categorical aids for special education programs,
9 bilingual education programs, county vocational programs and State
10 facilities pupils, transportation aid, and aid for adult and postsecondary
11 programs calculated pursuant to sections 15, 19, 20, 21, 24, 25, and
12 28 of this act. For the 1999-2000 school year and thereafter, total
13 stabilized aid shall include core curriculum standards aid, supplemental
14 core curriculum standards aid, distance learning network aid,
15 categorical aids for special education programs, bilingual education
16 programs, county vocational programs and State facilities pupils, early
17 childhood program aid, demonstrably effective program aid,
18 transportation aid, aid for adult and postsecondary programs, and
19 academic achievement rewards calculated pursuant to sections 15
20 through 22, 24, 25, 28 and 29 of this act.

21 b. Notwithstanding any other provision of this act to the contrary,
22 the total of a district's stabilization aid, core curriculum standards aid,
23 supplemental core curriculum standards aid, distance learning network
24 aid, categorical aids for special education programs, bilingual
25 education programs, county vocational programs and State facilities
26 pupils, early childhood program aid, demonstrably effective program
27 aid, transportation aid, aid for adult and postsecondary programs, and
28 academic achievement rewards calculated pursuant to subsection a. of
29 this section and sections 15 through 22, 24, 25, 28 and 29 of this act,
30 shall not be decreased by more than 10% below the amounts paid for
31 these categories in the prebudget year. In the event that the sum of
32 the formula entitlements calculated pursuant to those sections is less
33 than 90% of the prebudget total, stabilization aid shall be paid in the
34 amount of the difference between 90% of the prebudget total and the
35 sum of those entitlements. For the 1997-98 school year, the prebudget
36 total shall include foundation aid, transition aid, aid for at-risk pupils,
37 technology aid and categorical aids for special education, bilingual
38 education and county vocational education, and transportation aid.

39 c. For the 1997-98 school year, supplementary stabilization aid
40 shall be paid to any district in which:

41 (1) the total aid payable for the categories listed in subsection b. of
42 this section is less than the prebudget total for the same aids by an
43 amount which exceeds 1% of the prebudget net budget;

44 (2) the total supplemental core curriculum standards aid is less than
45 that decline;

46 (3) resident enrollment exceeds resident enrollment for the

1 prebudget year or the prebudget equalized tax rate exceeded the State
2 average equalized tax rate by 10% or more; and

3 (4) the decline in the aids listed in subsection b. of this section,
4 after offset by any stabilization aid provided pursuant to that
5 subsection, represents a decline of 10% from the prebudget total or is
6 equal to or greater than \$750,000.

7 An eligible district shall be aided in the amount of its total aid
8 decline, after offset by any stabilization aid provided pursuant to
9 subsection b. of this section, or \$2,000,000, whichever is less. The
10 commissioner, in consultation with the Commissioner of the
11 Department of Community Affairs and the Director of the Division of
12 Local Government Services in the Department of Community Affairs,
13 shall examine the fiscal ability of districts eligible for supplementary
14 stabilization aid to absorb aid losses and shall make recommendations
15 to the Legislature and the Governor regarding the continuation of
16 supplementary stabilization aid.

17 d. Any stabilization aid and supplementary stabilization aid paid
18 pursuant to this section shall be applied as a reduction to the required
19 local share of the school district or county vocational school district
20 which receives the aid.

21
22 11. (New section) The State's core curriculum standards aid
23 contribution for the 1997-98 school year shall be \$2,620,200,000. In
24 subsequent years, the State's core curriculum standards aid
25 contribution shall be the total Statewide core curriculum standards aid
26 calculated pursuant to section 15 of this act for the prebudget year and
27 prior to the application of section 10 indexed by the sum of 1.0, the
28 CPI, and the State average enrollment growth percentage between the
29 prebudget year and the budget year as projected by the commissioner.

30
31 12. (New section) The commissioner shall establish, based on the
32 standards issued pursuant to section 4 of this act, a basic per pupil
33 T&E amount, and shall develop appropriate weights reflecting the
34 differing costs of providing education at the kindergarten, elementary
35 school, middle school, and high school levels, which weights shall be
36 applied in determining a district's T&E budget as set forth in section
37 13 of this act. The T&E amount for the 1997-1998 school year shall
38 be \$ 6,720, which shall be adjusted for inflation by the CPI for the
39 1998-1999 school year. The weights for kindergarten, elementary
40 (grades 1-5), middle (grades 6-8), and high school (grades 9-12) levels
41 for the 1997-98 school year shall be 0.5, 1.0, 1.12 and 1.20
42 respectively. In subsequent years, the T&E amount and the school
43 level weights shall be established biennially in the Report on the Cost
44 of Providing a Thorough and Efficient Education, with the T&E
45 amount adjusted for inflation by the CPI in the second year to which
46 the report applies.

For the 1997-98 school year, the T&E flexible amount shall be \$336, and the T&E range shall be from \$ 6,384 to \$ 7,056. These figures shall be adjusted by the CPI for the 1998-99 school year. In subsequent years, the T&E range shall be established biennially in the Report on the Cost of Providing a Thorough and Efficient Education, with the T&E range adjusted for inflation by the CPI in the second year to which the report applies.

13. (New section) a. The weighted enrollment for each school district and each county vocational school district shall be calculated as follows:

$$\text{WENR} = \text{PW} \times \text{PENR} + \text{EW} \times \text{EENR} + \text{MW} \times \text{MENR} + \text{HW} \times \text{HENR}$$

where

PW is the T&E weight for kindergarten enrollment;

EW is the T&E weight for elementary enrollment;

MW is the T&E weight for middle school enrollment;

HW is the T&E weight for high school enrollment;

PENR is the resident enrollment for kindergarten;

EENR is the resident enrollment for grades 1-5;

MENR is the resident enrollment for grades 6 - 8; and

HENR is the resident enrollment for grades 9 - 12.

For the purposes of this section, ungraded pupils shall be counted in their age-equivalent grade.

b. The maximum T&E budget for each school district and each county vocational school district shall be calculated as follows:

$$\text{MAXBUD} = (\text{TE} + \text{FL}) \times \text{WENR}$$

where

TE is the T&E amount; and

FL is the T&E flexible amount.

c. The minimum T&E budget for each school district and each county vocational school district shall be calculated as follows:

$$\text{MINBUD} = (\text{TE} - \text{FL}) \times \text{WENR}$$

except in the case of Abbott districts in which the minimum T&E budget shall be calculated as follows:

$$\text{MINBUD} = \text{TE} \times \text{WENR}$$

where

TE is the T&E amount;

FL is the T&E flexible amount; and

WENR is the district's weighted enrollment.

d. The T&E budget for each school district and each county vocational school district shall be calculated for 1997-98 as follows:

$$\text{TEBUD} = \text{PBNB} \times (1 + \text{CPI}) - (\text{CAT} + \text{DEP} + \text{ECP});$$

provided that TEBUD shall be neither less than MINBUD nor greater than MAXBUD and where

PBNB is the district's prebudget year net budget;

CAT is the sum of aids payable in accordance with sections 19,

20, 21, 22, 24, 25, 28 and 29 of this act;

DEP is the aid payable in accordance with section 18 of this act; and

ECP is the aid payable in accordance with section 16 of this act.

In subsequent years, T&E budget shall be calculated as follows:

$$\text{TEBUD} = (\text{WENR} \times \text{PBNB/PBWENR}) \times (1 + \text{CPI}) - (\text{CAT} + \text{DEP} + \text{ECP});$$

provided that TEBUD shall be neither less than MINBUD nor greater than MAXBUD and where

PBNB is the district's prebudget year net T&E budget;

CAT is the sum of aids payable in accordance with sections 19, 20, 21, 22, 24, 25, 28 and 29 of this act;

DEP is the aid payable in accordance with section 18 of this act;

ECP is the aid payable in accordance with section 16 of this act;

WENR is the district's weighted enrollment; and

PBWENR is the district's weighted enrollment for the prebudget year.

14. (New section) Each school district and each county vocational school district shall receive core curriculum standards aid predicated on a local share determined by district property wealth and district income.

a. Each district's local share shall be calculated as follows:

$$\text{LSHARE} = (\text{TEBUD}/\text{MINBUD}) \times (\text{WRT} \times \text{EQVAL} + \text{IRT} \times \text{INC})/2$$
 where

TEBUD is the T&E budget as determined pursuant to subsection d. of section 13 of this act;

MINBUD is the minimum T&E budget as determined pursuant to subsection c. of section 13 of this act;

WRT is the Statewide property value multiplier determined pursuant to subsection c. of this section;

IRT is the Statewide income multiplier determined pursuant to subsection c. of this section;

EQVAL is the district's prebudget year equalized valuation; and,

INC is the district's income.

b. The local share for each county vocational school district shall be calculated as follows:

$$\text{LSHARE} = (\text{COLSHARE}/\text{COTEBUD}) \times \text{TEBUD}$$

where

COLSHARE is the sum of the local shares for all school districts in the county calculated pursuant to subsection a. of this section;

1 COTEBUD is the sum of the T&E budgets for all school
2 districts in the county calculated pursuant to subsection d. of section
3 13 of this act; and

4 TEBUD is the county vocational district's T&E budget
5 calculated pursuant to subsection d. of section 13 of this act.

6 c. The values for the property value multiplier and the income
7 multiplier shall be annually determined by the commissioner as follows:

8 The property value multiplier shall be determined such that core
9 curriculum standards aid equals the Statewide available core
10 curriculum standards aid for all districts determined according to this
11 act had each school district's local share equaled the product of the
12 property value multiplier and the district's equalized valuation, and had
13 each district's general fund levies equaled its local share.

14 The income multiplier shall be determined such that core curriculum
15 standards aid equals the Statewide available core curriculum standards
16 aid for all districts determined according to this act had each school
17 district's local share equaled the product of the income multiplier and
18 the district's income, and had each district's general fund levies equaled
19 its local share.

20 In the event that these multipliers, when used in accordance with
21 the provisions of this section and assuming that each district's general
22 fund levy is equal to its local share, do not result in core curriculum
23 standards aid for all districts equal to the Statewide available core
24 curriculum standards aid, the commissioner shall adjust these
25 multipliers appropriately, giving equal weight to each.

26
27 15. (New section) Each district's core curriculum standards aid
28 shall be calculated as follows:

29 $CCSAID = TEBUD - LSHARE$ provided that CCSAID shall not be
30 less than zero; and
31 where

32 LSHARE is the district's local share calculated pursuant to section
33 14 of this act; and

34 TEBUD is the district's T&E budget calculated pursuant to
35 subsection d. of section 13 of this act.

36 Each district's core curriculum standards aid for general fund
37 expenses shall be expended to provide a thorough and efficient system
38 of education consistent with the standards established pursuant to
39 section 4 of this act.

40
41 16. (New section) Early childhood program aid shall be distributed
42 to all school districts with high concentrations of low-income pupils,
43 for the purpose of providing full-day kindergarten and prekindergarten
44 classes and other early childhood programs and services.

45 For districts in which the concentration of low income pupils is
46 equal to or greater than 20% and less than 40%, aid shall be

distributed according to the following formula:

$$\text{Aid} = A1 \times \text{Modified District Enrollment.}$$

For districts in which the concentration of low income pupils is equal to or greater than 40 %, aid shall be distributed according to the following formula for the purpose of expanding instructional services previously specified to 3 year olds, or of providing, in addition to the instructional services previously specified, transition and social services to primary grade students:

$$\text{Aid} = A2 \times \text{Modified District Enrollment}$$

where

$$A1 = \$465; \text{ and}$$

$$A2 = \$750.$$

For the 1998-1999 school year, the per pupil funding amounts shall be these amounts multiplied by the CPI. For subsequent years, the amounts shall be established biennially in the Report on the Cost of Providing a Thorough and Efficient Education and shall be derived from cost analyses of appropriate programmatic applications of these funds as identified in the report. The amounts shall be adjusted for inflation by the CPI in the second year of the period to which the report applies.

County vocational school districts and limited purpose regional high school districts meeting the eligibility criteria of this section shall receive aid payable under this section as demonstrably effective program aid in addition to amounts received pursuant to section 18 of this act.

Each district which receives early childhood program aid shall submit to the commissioner for approval an operational plan that shall be a subset of the district's comprehensive strategic plan, to establish preschool and full-day kindergarten for all four and five year olds by the 2001-2002 school year and to maintain them thereafter. Districts shall appropriate the aid in a special revenue fund for expenditure, but may place all or a portion of the aid in a capital reserve account during the first four years to establish facilities for these purposes. Districts which maintain progress consistent with the implementation plan may also use the funds for demonstrably effective programs pursuant to section 18 prior to establishing the programs required pursuant to this section. The commissioner shall establish guidelines to track the specific purposes of expenditures under this section.

17. (New section) a. Each school district and county vocational school district which meets the following criteria shall be eligible to receive supplemental core curriculum standards aid:

(1) the district's concentration of low-income pupils, relative to modified district enrollment, equals or exceeds 40%; and

(2) the district's estimated minimum equalized tax rate exceeds that estimated for the State as a whole by more than 10%.

b. Each district and school district which is determined to be eligible to receive aid pursuant to subsection a. of this section shall receive aid according to the following formula if the calculated result is greater than zero:

$$(MEQTXRT - 1.10 \times STEQTXRT) \times EQVAL$$

where

MEQTXRT is the district's estimated minimum equalized tax rate;

STEQTXRT is the estimated minimum equalized tax rate for the State; and

EQVAL is the district's equalized valuation.

18. (New section) a. Demonstrably effective program aid shall be generated by individual schools and distributed to districts for the purpose of providing instructional, school governance, and health and social service programs to students enrolled in the generating school according to the following formulas:

Aid shall be distributed to districts with schools in which the concentration of low-income pupils is equal to or greater than 20% and less than 40% as follows:

$$\text{Aid} = B1 \times \text{SENR1}$$

where

SENR1 is the sum of school enrollments for all schools in the district enrolling low-income pupils at rates greater than 20% but less than 40%.

Aid shall be distributed to districts with schools in which the concentration of low-income pupils is equal to or greater than 40% as follows:

$$\text{Aid} = B2 \times \text{SENR2}$$

where

SENR2 is the sum of the school enrollments for all schools in the district enrolling low-income pupils at rates in excess of 40%;

where

$$B1 = \$300; \text{ and}$$

$$B2 = \$425.$$

For the 1998-1999 school year, the per pupil funding amounts shall be these amounts multiplied by the CPI. For subsequent years, the amounts shall be established biennially in the Report on the Cost of Providing a Thorough and Efficient Education and be derived from cost analyses of appropriate programmatic applications as identified in the report. The amounts shall be adjusted for inflation by the CPI in the second year of the period to which the report applies.

b. The State Board of Education, upon the recommendation of the commissioner, shall adopt regulations governing the use of demonstrably effective program aid and an accounting mechanism to ensure that use. The rules shall provide for:

(1) Programs. A definition as recommended by the commissioner

1 shall be established of the demonstrably effective programs and
2 services which shall qualify for aid. The commissioner shall establish
3 the per-pupil cost of providing these effective programs and services
4 in the Report on the Cost of Providing a Thorough and Efficient
5 Education.

6 (2) Accountability. A recipient district shall be required to obtain
7 the approval of the Department of Education for the planned uses of
8 demonstrably effective program funds. A periodic public process shall
9 be established by which specific programmatic uses for the funds shall
10 be identified and approved. A district failing to use the funds in the
11 prescribed manner shall be subject to rescission of aid and additional
12 monetary penalties as established by the commissioner.

13 (3) Monitoring. To facilitate State monitoring of the uses of the
14 funds, districts shall be required to maintain separate program and
15 service accounts in the special revenue section of district budgets and
16 financial records in accordance with GAAP and specifications
17 prescribed by the commissioner.

18 c. The Department of Education shall develop, in collaboration
19 with the Departments of Human Services and Health and Senior
20 Services, as well as other appropriate State departments and agencies
21 mechanisms, necessary to coordinate the provision of programs and
22 services at the local level.

23
24 19. (New section) a. Special education categorical aid for each
25 school district and county vocational school district shall be calculated
26 for the 1997-98 school year as follows:

27
$$\text{SPAID} = (\text{SE1} + 0.95 \times \text{SE2} + 0.7 \times \text{SE3} + 0.45 \times \text{SE4} + 0.2 \times \text{SE5})$$

28
$$\times \text{SACF}$$

29 where

30 SE1 is the number of classified pupils resident in the district not to
31 exceed 10% of resident enrollment;

32 SE2 is the number of classified pupils resident in the district in
33 excess of 10% resident enrollment but not to exceed 11% of resident
34 enrollment;

35 SE3 is the number of classified pupils resident in the district in
36 excess of 11% resident enrollment but not to exceed 12% of resident
37 enrollment;

38 SE4 is the number of classified pupils resident in the district in
39 excess of 12% resident enrollment but not to exceed 13% of resident
40 enrollment;

41 SE5 is the number of classified pupils resident in the district in
42 excess of 13% resident enrollment but not to exceed 14% of resident
43 enrollment; and

44 SACF is the additional cost factor for special education general
45 categorical aid.

46 b. Special education general categorical aid for the 1998-99 and

subsequent school years shall be calculated as follows:

$$\text{SPAID} = \text{SPAIDE} + \text{SPAIDM} + \text{SPAIDH}$$

where

$$\text{SPAIDE} = (\text{SEE1} + 0.95 \times \text{SEE2} + 0.70 \times \text{SEE3} + 0.45 \times \text{SEE4} + 0.20 \times \text{SEE5}) \times \text{SACFE};$$

$$\text{SPAIDM} = (\text{SEM1} + 0.95 \times \text{SEM2} + 0.70 \times \text{SEM3} + 0.45 \times \text{SEM4} + 0.20 \times \text{SEM5}) \times \text{SACFM};$$

$$\text{SPAIDH} = (\text{SEH1} + 0.95 \times \text{SEH2} + 0.70 \times \text{SEH3} + 0.45 \times \text{SEH4} + 0.20 \times \text{SEH5}) \times \text{SACFH};$$

SEE1, SEM1, SEH1 are the numbers of classified pupils resident in the district of elementary, middle school, and high school equivalent age not to exceed 10% of the elementary, middle, and high school age equivalent resident enrollments;

SEE2, SEM2, SEH2 are the numbers of classified pupils resident in the district of elementary, middle school, and high school equivalent age in excess of 10% of the elementary, middle, and high school age equivalent resident enrollments but not to exceed 11% of those same resident enrollments;

SEE3, SEM3, SEH3, are the numbers of classified pupils resident in the district of elementary, middle school, and high school equivalent age in excess of 11% of the elementary, middle, and high school age equivalent resident enrollments but not to exceed 12% of those same resident enrollments;

SEE4, SEM4, SEH4, are the numbers of classified pupils resident in the district of elementary, middle school, and high school equivalent age in excess of 12% of the elementary, middle, and high school age equivalent resident enrollments but not to exceed 13% of those same resident enrollments; and

SEE5, SEM5, SEH5, are the numbers of classified pupils resident in the district of elementary, middle school, and high school equivalent age in excess of 13% of the elementary, middle, and high school equivalent resident enrollments but not to exceed 14% of those same resident enrollments.

For the purposes of this section, classified pupil counts shall include pupils attending State developmental centers, State day training centers, State Division of Youth and Family Services' residential centers, and State residential mental health centers. Classified pupils of elementary equivalent age shall include classified preschool handicapped and kindergarten pupils.

c. In those instances in which the cost of providing education for an individual classified pupil exceeds \$50,000, after an assessment by the review panel of placements and placement costs for the applicable school year; in those cases in which the district must educate an extraordinary number of classified pupils; or in those instances in which the district is ordered to make a high cost placement by a tribunal of competent jurisdiction, the district may apply to the

1 commissioner for additional aid. A panel established by the
2 commissioner for this purpose shall review the district's application
3 and determine whether to grant the district's request based on factors
4 including, but not limited to: an assessment of whether the district is
5 spending appropriate amounts of regular and special education funds
6 on special education pupils; the facts of the particular case or cases at
7 issue; the district's level of compliance with regulatory requirements;
8 and the impact of the extraordinary costs on the district's budget.
9

10 20. (New section) Bilingual education categorical aid for each
11 school district and each county vocational school district shall be
12 calculated as follows:

$$13 \quad \text{BAID} = \text{BACF} \times \text{B}$$

14 where

15 BACF is the additional cost factor for bilingual education
16 categorical aid; and

17 B is the number of bilingual education pupils in the district.
18

19 21. (New section) County vocational categorical aid for each
20 county vocational school district shall be calculated as follows:

$$22 \quad \text{CVAID} = \text{CVACF} \times \text{CV}$$

23 where

24 CVACF is the additional cost factor for county vocational
25 categorical aid; and

26 CV is the number of county vocational pupils in the district.
27

28 22. (New section) a. Distance learning network aid shall be
29 calculated for each school district and county vocational school district
30 as follows:

$$31 \quad \text{TECHAID} = \text{TECHACF} \times \text{RES}$$

32 where

33 TECHACF is the additional cost factor for distance learning
34 network aid; and

35 RES is the district's resident enrollment.

36 b. A Statewide distance learning network shall be established and
37 each district shall be a member by the 2001-2002 school year. The
38 distance learning network shall be used to create a Statewide
39 infrastructure for the delivery of voice, video and data, and shall
40 provide all districts with the opportunity to share curricular offerings
41 so as to expand the scope, quality, richness and diversity of curricula
42 in all school districts and contribute to the redefining of teaching and
43 learning in the contemporary setting.
44

45 23. (New section) The following additional cost factors shall be
46 in effect for the purpose of calculating aid for the 1997-98 school year

1 pursuant to sections 19 through 22 of this act:

2 SACF = \$4,798 for districts with resident pupils in grades K-6;
 3 = \$4,824 for districts with resident pupils in grades K-8;
 4 = \$4,638 for districts with resident pupils in grades K-12;
 5 = \$4,452 for districts with resident pupils in grades 7-12; and
 6 = \$4,221 for districts with resident pupils in grades 9-12.

7 BACF = \$1,073;

8 CVACF = \$1,662; and

9 TECHACF = \$40.

10 For the 1998-99 school year, the additional cost factors shall be
 11 these cost factors inflated by the CPI, except that the following special
 12 education general categorical aid cost factors for 1997-98, for the
 13 purpose of this calculation, shall be as follows:

14 SACFE = \$4,779 x (1+CPI);

15 SACFM = \$4,913 x (1+CPI); and

16 SACFH = \$4,221 x (1+CPI).

17 For subsequent years, the additional cost factors shall be established
 18 biennially in the Report on the Cost of Providing a Thorough and
 19 Efficient Education and adjusted for inflation by the CPI for the
 20 second year of the period to which the report applies.

21

22 24. (New section) Each district's categorical aid for State facilities
 23 aid shall be determined by multiplying the pupils in each category by
 24 the following aid amounts:

25 Juvenile community programs \$10,052; and

26 Training school/secure care facility \$ 4,050

27 Annually by April 1, the Department of Corrections, the
 28 Department of Human Services, and the Juvenile Justice Commission
 29 shall each submit to the commissioner for approval, with respect to the
 30 facilities under their operational or supervisory authority, a budget for
 31 educational programs as set forth in section 8 of P.L.1979, c.207
 32 (C.18A:7B-4) for the subsequent year, together with estimated
 33 enrollments and per pupil cost. In the subsequent year, pursuant to
 34 P.L.1979, c.207 (C.18A:7B-1 et seq.) for students resident in a
 35 district, approved per pupil amounts shall be deducted from each
 36 school district's State aid and remitted to the appropriate agency,
 37 except that for county juvenile detention centers, 50% of approved per
 38 pupil amounts shall be deducted and remitted to the Juvenile Justice
 39 Commission.

40

41 25. (New section) a. Each district's State aid for transportation
 42 shall consist of base aid (BA) and an incentive factor (IF) determined
 43 as follows:

44 $BA = (BA1 \times IF) + BA2$

45 where

46 $BA1 = CP1 \times P1 + CD1 \times P1 \times D1$; and

1 $BA2 = CP2 \times P2 + CD2 \times P2 \times D2$;

2 P1 is the total number of eligible regular education public pupils,
3 regular nonpublic pupils, and special education pupils with no special
4 transportation requirements;

5 D1 is the average home-to-school mileage for P1 pupils;

6 P2 is the total number of eligible pupils with special transportation
7 requirements;

8 D2 is the average home-to-school mileage for P2 pupils; and

9 CP1, CD1, CP2 and CD2 are cost coefficients with values set forth
10 in subsection b. of this section.

11 IF is the incentive factor, which modifies base aid paid for pupils
12 transported on regular vehicles according to each district's percentile
13 rank in regular vehicle capacity utilization. For the school year
14 1997-98, IF = 1. For the school year 1998-99, districts at or above the
15 90th percentile rank shall receive 100% of BA1, through the use of IF
16 = 1.0, while those at or below the 10th percentile rank shall receive
17 50% of BA1 through the use of IF = 0.5. Districts ranking between
18 the 10th and 90th percentiles of capacity utilization shall receive an
19 intermediate proportion of BA1 according to the following formula:

20 $IF = 0.5 + 0.5 \times ((RKUTIL - 0.1) / 0.8)$

21 where RKUTIL is the district's percentile rank in vehicle capacity
22 utilization. The minimum, and maximum values of IF, and the formula
23 for intermediate districts, shall be revised by the commissioner on a
24 biennial basis with the first adjustment effective for the 2001-2002
25 school year.

26 b. For 1997-98, the cost coefficients in subsection a. of this section
27 shall have the following values:

28 CP1 = \$ 280.24;

29 CD1 = \$ 28.75;

30 CP2 = \$1,192.69; and

31 CD2 = \$ 80.12.

32 For 1998-99, the coefficients shall be inflated by the CPI.

33 In subsequent years, the coefficients shall be revised by the
34 commissioner on a biennial basis and similarly adjusted by the CPI in
35 intervening years.

36 c. For the 1997-1998 school year, each district's base aid shall be
37 prorated such that the overall distribution of base aid does not exceed
38 that distributed in the 1996-1997 school year.

39

40 26. (New section) State aid for school facilities shall be distributed
41 to each school district according to the following formula:

42 Aid is the sum of A for each issuance of facilities bonds authorized
43 after July 1, 1997 and for each issuance of certificates of participation
44 for lease purchase agreements approved after July 1, 1997,

45 where

46 $A = B \times AC/P \times CCSAID/TEBUD \times M$, with $AC/P = 1$

1 whenever AC/P would otherwise yield a number greater than one,
2 and where

3 B is the portion of the district's debt service or lease purchase
4 payment for the individual issuance for the fiscal year that is generated
5 by eligible school facilities, as defined in section 3 of this act;

6 AC is the total approved costs for facilities projects for which the
7 individual issuance is made, determined pursuant to subsection a. of
8 this section;

9 P is the principal of the individual issuance;

10 CCSAID is the district's core curriculum standards aid amount,
11 determined pursuant to section 15 of this act;

12 TEBUD is the district's T&E budget, determined pursuant to
13 section 13 of this act; and

14 M is a factor representing the degree to which a district has fulfilled
15 maintenance requirements, determined pursuant to subsection f. of this
16 section.

17 a. Approved costs for facilities shall be determined according to
18 the following formulas where:

19 EA is the percentage allowance for equipment and furnishings,
20 determined pursuant to subsection c. of this section;

21 AA is the percentage allowance for architect/engineering fees,
22 determined pursuant to subsection d. of this section; and

23 IA is the percentage allowance for issuance costs, determined
24 pursuant to subsection e. of this section.

25 (1) Construction of new facilities and additions to facilities,
26 characterized by an increase in the square footage of the facility, shall
27 generate State aid only if necessary for reasons of unhoused students.

28
$$\text{Approved costs} = AU \times C \times (1 + EA + AA + IA)$$

29 where

30 AU is the approved area for unhoused students, determined
31 pursuant to subsection b. of this section; and

32 C is the projected area cost allowance.

33 (2) For reconstruction, remodeling, alteration, modernization,
34 renovation or repair of school facilities which were originally
35 constructed by the district or which the district purchased more than
36 five years previous to the date of issuance:

37
$$\text{Approved costs} = R \times A$$

38 where $R = \text{the replacement costs of the facility} = GA \times C \times (1$
39 $+ EA + AA + IA)$ and where

40 GA is the gross area (square footage) of the existing school facility
41 being reconstructed, remodeled, altered, modernized, renovated or
42 repaired;

43 C is the projected area cost allowance; and

44 A is a factor determined by the age of the school facility according
45 to the following table:

1	<u>Age of the School Facility</u>	A
2	Less than 20 years	zero
3	20 years or more and less than 30 years	80%
4	30 years or more and less than 40 years	60%
5	40 years or more and less than 50 years	40%
6	Greater than 50 years	20%

7 For the purposes of this section the age of the school facility shall
8 be a composite measure of the age of individual sections of the
9 building determined in accordance with a method approved by the
10 commissioner. The commissioner may adjust A if the district
11 demonstrates that renovating the building is the only means by which
12 the district is able to address health and safety conditions or
13 obsolescence.

14 (3) New construction done in lieu of renovations shall be aided as
15 new construction, with approved costs determined pursuant to
16 paragraph (1) of subsection a. of this section, only when the age of the
17 building being replaced is 50 years or greater or in the case of
18 extraordinary circumstances, to be determined by the commissioner.
19 When new construction done in lieu of renovations qualifies for aid as
20 new construction, the approved area for unhoused students shall be
21 determined by the commissioner, with consideration of the existing
22 facilities in the district.

23 New construction done in lieu of renovations for facilities less than
24 50 years of age shall be aided in accordance with the methodology for
25 aiding renovations, with the approved costs determined pursuant to
26 paragraph (2) of subsection a. of this section.

27 (4) For purchase of an existing facility, and renovations made to a
28 purchased facility within five years of purchase: (a) purchase of an
29 existing facility shall be aided as new construction, with approved
30 costs determined pursuant to paragraph (1) of subsection a. of this
31 section; and (b) the approved costs of any reconstruction, remodeling,
32 alteration, modernization, renovation or repair made to the purchased
33 facility within five years of purchase shall be determined as follows:

$$34 \text{ Approved Costs} = (\text{ACP-PC}) \times (\text{C/CP})$$

35 where

36 APC is Approved costs for facilities purchase pursuant to (a) of this
37 paragraph;

38 PC is Purchase cost for the facility;

39 C is Projected area cost allowance at the time of issuance; and

40 CP is Projected area cost allowance at the time of issuance for the
41 purchase.

42 Approved costs so calculated shall not be less than zero.

43 b. The approved area for unhoused students shall be determined
44 according to the following formula:

$$45 \text{ AU} = (\text{UE} \times \text{SE}) + (\text{UM} \times \text{SM}) + (\text{UH} \times \text{SH})$$

46 where

1 UE, UM, UH are the numbers of unhoused students at the
2 elementary, middle, and high school, respectively; and

3 SE, SM, SH are the area allowances per student at the elementary,
4 middle, and high school grade cohorts, respectively.

5 In fiscal years 1997-98 and 1998-99, the area allowance per student
6 shall be as follows:

<u>Grade Cohorts</u>	<u>Area Allowance Per Student</u>
Elementary/ 9 Grades Kindergarten-5 (E)	80 square feet (SE)
10 Middle: Grades 6-8 (M)	100 square feet (SM)
11 High: Grades 9-12 (H)	120 square feet (SH)

12 The commissioner shall develop for the Report on the Cost of
13 Providing a Thorough and Efficient Education, models of an
14 elementary, middle, and high school consistent with the core
15 curriculum school delivery models in the report and sufficient for the
16 achievement of the core curriculum content standards. The space
17 allowances per student in subsequent years shall be derived from these
18 models.

19 c. Determination of the percentage allowance for equipment and
20 furnishing (EA) shall be made according to the following table:

<u>Type of School</u>	<u>Allowance (EA)</u>
22 Elementary School (Grades K-5)	2.3 %
23 Middle School (Grades 6-8)	3.2 %
24 High School (Grades 9-12)	4.1 %
25 Special Education Services Pupils Only	5.0 %

26 For the purposes of this section, in the event that the school shall
27 house students in more than one of the first three categories listed
28 above, the percentages shall be applied based upon the proportionate
29 number of students in each category in accordance with a method
30 approved by the commissioner.

31 d. Determination of the percentage allowance for
32 architect/engineering fees (AA) shall be made according to the
33 following table:

34 For new construction and additions:

<u>Approved Area for Unhoused Students</u> <u>(AU)</u>	<u>Allowance (AA)</u>
37 Under 3,700	10.00 %
38 3,700	9.00 %
39 7,350	8.75 %
40 11,000	8.50 %
41 14,650	8.25 %
42 18,300	8.00 %
43 25,700	7.75 %
44 36,700	7.50 %
45 55,000	7.25 %
46 73,400	7.00 %

1	101,000	6.75 %
2	128,450	6.50 %
3	156,000	6.25 %
4	183,500 and above	6.00 %

5 For the purposes of this section, when the approved area for
6 unhoused students is between any two successive amounts listed
7 above, the allowance for architect/engineering fees shall be determined
8 by summing the two amounts obtained by first applying the greater
9 percentage to the lesser approved area amount on the list and then
10 applying the lower percentage to the amount of the approved area in
11 excess of the lesser amount on the list, and then dividing the sum by
12 the actual approved area for unhoused students. For reconstruction,
13 remodeling, alteration, modernization, renovation or repair, the
14 allowance shall be one and one-half of the percentages calculated
15 pursuant to this paragraph.

16 e. The percentage allowance for issuance costs (IA) for projects
17 financed from the proceeds of school bonds shall be one and one-half
18 percent, except that IA shall be neither less than $\$50,000/(AU \times C)$ or
19 $\$50,000/(GA \times C)$, whichever is applicable, nor greater than
20 $\$150,000/(AU \times C)$ or $\$150,000/(GA \times C)$, whichever is applicable.

21 The allowance for issuance costs for projects financed by a lease
22 purchase agreement shall be three and one-half percent, except that IA
23 for these projects shall be neither less than $\$50,000/(AU \times C)$ or
24 $\$50,000/(GA \times C)$, whichever is applicable, nor greater than
25 $\$350,000/(AU \times C)$ or $\$350,000/(GA \times C)$, whichever is applicable.

26 f. The maintenance factor (M) shall be 1.0 except when one of the
27 following conditions applies, in which case the maintenance factor
28 shall be as specified:

29 (1) Effective ten years from the date of the enactment of this act,
30 the maintenance factor for aid for reconstruction, remodeling,
31 alteration, modernization, renovation or repair, shall be zero for all
32 issuances for work performed on a facility for which the district fails
33 to demonstrate a net investment over the previous ten years in
34 maintenance of the facility of at least two percent of the replacement
35 cost of the facility, determined pursuant to paragraph (2) of subsection
36 a. of this section using the projected area cost allowance of the month
37 ten years preceding the month in which the school bonds are
38 authorized or in which a lease purchase agreement is approved;

39 (2) For new construction, or additions approved or authorized
40 after July 1, 1997, beginning in the fourth year after occupancy of the
41 facility, the maintenance factor shall be reduced according to the
42 following schedule for all issuances for which the district fails to
43 demonstrate in the prior fiscal year an investment in maintenance of
44 the facility or facilities for which the issuance generated funding of at
45 least two-tenths of one percent of the replacement cost of the facility,
46 determined pursuant to paragraph (2) of subsection a. of this section.

<u>Maintenance Percentage</u>	<u>Maintenance Factor (M)</u>
.199% - .151%	75%
.150% - .100%	50%
Less than .100%	Zero

27. (New section) For each issuance of facilities bonds or certificates of participation in a lease purchase project authorized before July 1, 1997,

Aid = the sum of A

where

$A = B \times \text{CCSAID} / \text{TEBUD}$

and where

B' is the portion of the district's debt service payment for the individual issuance for the fiscal year;

CCSAID is the district's core curriculum standards aid amount, determined pursuant to section 15 of this act; and

TEBUD is the district's T&E budget determined pursuant to section 13 of this act.

28. (New section) For the 1997-98 school year, State aid shall be distributed to adult high schools and county vocational schools on an unweighted per pupil basis. The commissioner shall conduct a review of existing programs to determine programmatic definitions and establish appropriate per pupil amounts. For the 1998-99 school year, these amounts shall be distributed as inflated by the CPI. Thereafter, per pupil funding amounts shall be established in a supplement to the Report on the Cost of Providing a Thorough and Efficient Education.

29. (New section) a. There is hereby established in the Department of Education the Academic Achievement Reward Program. The purpose of the program shall be to provide rewards to districts having one or more schools that meet criteria for absolute success or significant progress towards high student academic achievement, pursuant to subsection b. of this section. To determine eligibility for the absolute success and the significant progress rewards, schools shall be sorted into three groupings by enrollment for each of the Statewide assessments established pursuant to the provisions of P.L.1979, c.241 (C.18A:7C-1 et seq.). Schools located in districts that were penalized in the prebudget year under the "School Efficiency Program Act," P.L.1995, c.236 (C.18A:7E-6 et seq.), shall not be eligible for either reward.

b. Schools with 90% of student enrollment performing at or above the passing scores on one or more of the Statewide assessments as provided in subsection a. of this section shall be eligible for the absolute success reward. Schools that do not qualify for the absolute success reward shall be eligible for the significant progress reward.

1 All eligible schools shall be grouped into five bands based on the initial
2 passing rate for each of the three Statewide assessments. The 10% in
3 each band with the highest level of improvement from the previous
4 year's passing rate shall be eligible for the significant progress reward.

5 c. The Legislature shall make an annual appropriation to effectuate
6 the purposes of this section. The amount appropriated shall be divided
7 proportionally according to the average size of schools within each
8 enrollment grouping among all districts with schools determined to be
9 eligible for either the absolute success or the significant progress
10 reward. Funds awarded shall be payable to the school district in which
11 the school is located and shall be included within the district's net
12 budget.

13
14 30. (New section) a. When State aid is calculated for any year and
15 a part of any district becomes a new school district or a part of another
16 school district, including a county vocational school district
17 established after January 1, 1991, or comes partly under the authority
18 of a regional board of education, the commissioner shall adjust the
19 State aid calculations among the districts affected, or between the
20 district and the county vocational school district or the regional board,
21 as the case may be, on an equitable basis in accordance with the intent
22 of this act.

23 Whenever an all-purpose regional school district is approved by the
24 voters during any calendar year, the regional district shall become
25 effective on the succeeding July 1 for the purpose of calculating State
26 aid, and the commissioner shall request supplemental appropriations
27 for such additional State aid as may be required. After a regional
28 school district becomes entitled to State aid, it shall continue to be
29 entitled to aid as calculated for a regional district notwithstanding the
30 subsequent consolidation of the constituent municipalities of the
31 regional school district.

32 b. For a period of five years following regionalization, each
33 regional school district formed after the effective date this act shall be
34 eligible to receive supplemental State aid equal to the difference
35 between the regional district's core curriculum standards aid calculated
36 pursuant to section 15 of this act for the budget year and the sum of
37 core curriculum standards aid received by each constituent district of
38 that regional school district in the year prior to regionalization,
39 multiplied by the transition weight. For the purpose of this section,
40 the transition weight shall equal 1.0 for the first year following
41 regionalization, .80 for the second year following regionalization, .60
42 for the third year following regionalization, .40 for the fourth year
43 following regionalization, and .20 for the fifth year following
44 regionalization.

45
46 31. (New section) Annually, on or before October 20, the

1 secretary of the board of education, with approval of the
2 superintendent of schools, or if there is no superintendent of schools,
3 with the approval of the county superintendent of schools, shall file
4 with the commissioner a report stating the number of pupils enrolled
5 by grade, the number of these pupils classified as eligible for special
6 education services, bilingual education, and the number of pupils in
7 State facilities, county vocational schools, State college demonstration
8 schools, evening schools, other public or private schools to which the
9 district is paying tuition, or who are receiving home instruction on the
10 last school day prior to October 16. In addition, districts shall file
11 annual reports providing such information as the commissioner may
12 require for pupils receiving special education services.

13
14 32. Section 3 of P.L.1975, c.212 (C.18A:7A-3) is amended to read
15 as follows:

16 3. For the purposes of this act, unless the context clearly requires
17 a different meaning:

18 "Administrative order" means a written directive ordering specific
19 corrective action by a district which has shown insufficient educational
20 progress within a reasonable period of time in meeting goals and
21 standards.

22 ["Goals" means a written statement of educational aspirations for
23 learner achievement and the educational process stated in general
24 terms.]

25 "Joint Committee on the Public Schools" means the committee
26 created pursuant to P.L.1975, c.16 (C.52:9R-1 et seq.).

27 ["Needs assessment" means a written analysis of the current status
28 of an educational system in terms of achieving its goals.

29 "Objective" means a written statement of the intended outcome of
30 a specific educational process.

31 "Standards" means the process and stated levels of proficiency used
32 in determining the extent to which goals and objectives are being met.]
33 (cf: P.L.1990, c.52, s.30)

34
35 33. Section 10 of P.L.1975, c.212 (C.18A:7A-10) is amended to
36 read as follows:

37 10. For the purpose of evaluating the thoroughness and efficiency
38 of all the public schools of the State, the commissioner, with the
39 approval of the State board and after review by the Joint Committee
40 on the Public Schools, shall develop and administer a uniform,
41 Statewide system for evaluating the performance of each school.
42 [Such a] The system shall be based [in part on annual testing for
43 achievement in basic skill areas, and in part] on such [other] means
44 as the commissioner deems proper in order to (a) determine pupil
45 status and needs, (b) ensure pupil progress, and (c) assess the degree
46 to which the [educational objectives have been] thoroughness and

1 efficiency standards established pursuant to section 4 of P.L. , c.
2 (C.) (now pending before the Legislature as this bill) are being
3 achieved.
4 (cf: P.L.1975, c.212, s.10)

5
6 34. Section 11 of P.L.1975, c.212 (C.18A:7A-11) is amended to
7 read as follows:

8 11. Each school district shall make an annual report of its progress
9 in conforming to the [goals, objectives and standards developed
10 pursuant to this act] standards for the evaluation of school
11 performance adopted pursuant to section 10 of P.L.1975, c.212
12 (C.18A:7A-10). Each district's annual report shall include but not be
13 limited to:

- 14 a. Demographic data related to each school;
- 15 b. Results of designated assessment programs, including Statewide
16 [and district testing conducted at each school, and the result of the
17 district evaluation of pupil proficiency in basic communication and
18 computational skills] assessment programs established pursuant to law
19 and regulation;
- 20 c. Information on each school's fiscal operation, including the
21 budget of each school;
- 22 d. [Results of each school's effectiveness in achieving State,
23 district and school goals and objectives applicable to the pupils,
24 including the effectiveness of any "basic skills improvement plan";]
25 (Deleted by amendment, P.L. , c.).
- 26 e. Plans and programs for professional improvement;
- 27 f. Plans to carry out innovative [or experimental] educational
28 programs designed to improve the quality of education; [and]
- 29 g. Recommendations for school improvements during the ensuing
30 year ;and
- 31 h. Such additional information as may be prescribed by the
32 commissioner.

33 Additionally, the State Board of Education may [from time to
34 time] require each district to submit a facilities survey, including
35 current use practices and projected capital project needs[, but not
36 more frequently than once every 2 years].

37 The district reports shall be submitted to the commissioner [by July
38 1 of each year and he] annually on a date to be prescribed by the
39 commissioner, who shall make them the basis for an annual report to
40 the Governor and the Legislature, describing the condition of
41 education in New Jersey, the efforts of New Jersey schools in meeting
42 the standards of a thorough and efficient education, the steps
43 underway to correct deficiencies in school performance, and the
44 progress of New Jersey schools in comparison to other state education
45 systems in the United States.

1 [In addition to such annual report the commissioner shall, 4 years
2 from the effective date of this amendatory act, report to the Governor
3 and the Joint Committee on the Public Schools assessing the
4 effectiveness of this amendatory act in improving the proficiency of the
5 pupils of this State in basic communications and computational skills.
6 Within 6 months of receiving such report the Joint Committee on the
7 Public Schools shall recommend to the Legislature any necessary or
8 desirable changes or modifications in this amendatory act.]

9 (cf: P.L.1976, c.97, s.4)

10
11 35. Section 14 of P.L.1975, c.212 (C.18A:7A-14) is amended to
12 read as follows:

13 14. a. (1) The commissioner shall review the results of the
14 evaluations conducted and reports submitted pursuant to sections 10
15 and 11 of P.L.1975, c.212 (C.18A:7A-10 and 18A:7A-11). The
16 commissioner shall establish a mechanism for parent, school employee
17 and community resident input into the review process. If the
18 commissioner shall find that a school district satisfies the evaluation
19 criteria, the commissioner shall recommend that the State board certify
20 the school district for a period of seven years as providing a thorough
21 and efficient system of education. If the commissioner finds that a
22 school district can correct the deficiency or deficiencies without
23 additional diagnostic monitoring or technical assistance, the
24 commissioner may certify the school district with the condition that
25 the district correct the deficiency within a period of time to be
26 determined by the commissioner. If the commissioner shall find that
27 a school district has failed to show sufficient progress toward
28 achieving the [goals, guidelines, objectives and standards, including
29 the State goals and any local interim goals concerning pupil
30 proficiency in reading, writing, mathematics, science and health,
31 geography, history, civics, physical education and the arts established
32 in and pursuant to this act] thoroughness and efficiency standards
33 established pursuant to section 4 of P.L. , c. (C.) (now
34 pending before the Legislature as this bill), the commissioner shall
35 advise the local board of education of [such] that determination, and
36 shall direct that the district enter level II monitoring, as defined
37 pursuant to law and regulation. Nothing herein shall preclude the
38 commissioner from taking the steps set forth in section 6 of P.L. ,
39 c. (C.) (now pending before the Legislature as this bill) upon a
40 finding that the district is failing to meet core curriculum content
41 standards.

42 (2) The board of education of a school district which is directed to
43 enter level II monitoring may appeal that decision to the State Board
44 of Education. The State board may refer the hearing of that appeal to
45 a committee of not less than three of its members, which committee
46 shall hear the appeal and report thereon, recommending its

1 conclusions, to the board and the board shall decide the appeal by
2 resolution in open meeting. A determination of the appeal by the State
3 board shall be considered final.

4 b. (1) When a district enters level II monitoring, the commissioner
5 shall establish procedures whereby parents, school employees and
6 community residents may meet with the commissioner or the
7 commissioner's designee to discuss their concerns and the county
8 superintendent shall appoint an external review team whose members
9 shall be qualified by training and experience to examine the conditions
10 in the specific district. In conjunction with the Department of
11 Education, the team, at the direction of the commissioner, shall either
12 examine only those aspects of the district's operations bearing on the
13 areas of deficiency, or shall examine all aspects of the district's
14 operation, including but not limited to education, governance,
15 management and finance. In addition, the team shall examine
16 conditions in the community which may adversely affect the ability of
17 the pupils to learn and the team may recommend measures to mitigate
18 the effects of those conditions. The team shall report its findings and
19 conclusions, including directives to be utilized by the district in the
20 preparation of a corrective action plan to achieve certification and
21 recommendations as to the technical assistance which the district will
22 require in order to effectively implement the corrective action plan, to
23 the commissioner. The commissioner shall direct the district to
24 respond to the report of the external review team in establishing a
25 corrective action plan. The corrective action plan shall be submitted
26 to and approved by the commissioner. The commissioner shall assure
27 that the local district's budget provides the resources necessary to
28 implement the approved plan, including the necessary technical
29 assistance. The entire cost of those activities associated with the
30 review team shall be paid by the Department of Education. The
31 commissioner shall also have the authority to order necessary
32 budgetary reallocations within the district, or such other measures as
33 he deems necessary and appropriate. Further, nothing herein shall
34 preclude the commissioner from taking the steps set forth in section 6
35 of P.L. , c. (C.) (now pending before the Legislature as this bill)
36 upon a finding that the district is failing to meet core curriculum
37 content standards.

38 (2) If the commissioner finds that the district is unsuccessful in
39 correcting the deficiencies noted in the evaluation process, the
40 commissioner shall direct that the district enter level III monitoring, as
41 defined pursuant to law and regulation. However, if the commissioner
42 determines that a district is making reasonable progress toward
43 correcting deficiencies, the commissioner may grant an extension for
44 a specific period of time. During this extension the district will remain
45 under level II monitoring. At the end of the extension the
46 commissioner shall determine whether the district is eligible for

1 certification or if the district must be directed to enter level III
2 monitoring.

3 c. (1) When a district which has had a comprehensive examination
4 of all aspects of the district's operations by an external review team
5 pursuant to subsection b. of this section is directed to enter level III
6 monitoring the commissioner shall prepare an administrative order
7 directing the corrective actions which shall be taken by the district
8 based upon the findings and conclusions of the level II external review
9 team and the department's monitoring of the level II plan. The
10 commissioner shall insure that technical assistance is provided to the
11 district in order to implement those actions. The commissioner shall
12 also have the power to order necessary budgetary reallocations within
13 the district, or such other measures as the commissioner deems
14 necessary and appropriate. Further, nothing herein shall preclude the
15 commissioner from taking the steps set forth in section 6 of P.L. , c.
16 (C.) (now pending before the Legislature as this bill) upon a finding
17 that the district is failing to meet core curriculum content standards.

18 (2) When a district which has not had a comprehensive examination
19 of all aspects of the district's operations by an external review team
20 pursuant to subsection b. of this section is directed to enter level III
21 monitoring, the commissioner shall designate the county
22 superintendent to appoint an external review team whose members
23 shall be qualified by training and experience to examine the conditions
24 in the specific district. In conjunction with the Department of
25 Education, the team shall examine all aspects of the district's
26 operations including but not limited to education, governance,
27 management and finance. The team shall report its findings and
28 conclusions, including directives to be utilized in the preparation of a
29 corrective action plan to achieve certification, to the commissioner.
30 The commissioner shall prepare an administrative order directing the
31 corrective actions which shall be taken by the district based upon the
32 findings and conclusions of the level III external review team and the
33 department's monitoring of the level II plan. The commissioner shall
34 insure that technical assistance is provided to the district in order to
35 implement those actions. The commissioner shall also have the power
36 to order necessary budgetary reallocations within the district, or such
37 other measures as the commissioner deems necessary and appropriate.
38 Further, nothing herein shall preclude the commissioner from taking
39 the steps set forth in section 6 of P.L. , c. (C.) (now pending
40 before the Legislature as this bill) upon a finding that the district is not
41 meeting core curriculum content standards.

42 (3) The board of education of a school district which is directed to
43 enter level III monitoring may appeal that decision to the State Board
44 of Education. The State board may refer the hearing of that appeal to
45 a committee of not less than three of its members, which committee
46 shall hear the appeal and report thereon, recommending its

1 conclusions, to the board and the board shall decide the appeal by
2 resolution in open meeting. A determination of the appeal by the State
3 board shall be considered final.

4 (4) If the commissioner finds, based upon the findings and
5 directives of the level II or level III review team and the Department
6 of Education, that conditions within the district may preclude the
7 successful implementation of a corrective action plan or that the
8 district has failed to make reasonable progress in the implementation
9 of a corrective action plan to achieve certification, the commissioner
10 shall direct that a comprehensive compliance investigation be
11 conducted by the Department of Education. If the commissioner
12 directs that a comprehensive compliance investigation be conducted,
13 the commissioner may order any necessary action to insure the security
14 of the books, papers, vouchers and records of the district.

15 d. Whenever a district in level II monitoring is directed to establish
16 a corrective action plan or whenever a district in level III monitoring
17 shall be required to implement an approved corrective action plan
18 pursuant to this section, the commissioner shall determine the cost to
19 the district of implementation of those portions of the corrective action
20 plan which are directly responsive to the district's deficiencies as
21 identified in the report of the external review team or, where
22 applicable, by the commissioner. In making this fiscal assessment, the
23 commissioner shall identify those aspects of the corrective action plan
24 which are already contained in the district's current expense budget.
25 Where appropriate, the commissioner shall reallocate funds within the
26 district's budget to support the corrective action plan. Once
27 reallocated, any transfers among line items of the district's budget may
28 occur only with the commissioner's approval. The commissioner shall
29 further determine the amount of additional revenue, if any, needed to
30 implement the corrective action plan and shall recertify a budget for
31 the district.

32 e. A comprehensive compliance investigation shall entail a
33 thorough and detailed examination of a district's educational programs,
34 fiscal practices, governance and management. Based on the
35 investigation, the commissioner shall issue a report which will
36 document any irregularities and list all those aspects of the corrective
37 action plan established pursuant to subsections b. and c. of this section
38 which have not been successfully implemented by the district or the
39 conditions which would preclude the district from successfully
40 implementing a plan. A copy of this report shall be given to the
41 district. The commissioner shall also order the local board to show
42 cause why an administrative order, subject to the provisions of section
43 15 of P.L.1975, c.212 (C.18A:7A-15) and section 1 of P.L.1987,
44 c.399 (C.18A:7A-34) should not be implemented. The plenary hearing
45 before a judge of the Office of Administrative Law, pursuant to the
46 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et

1 seq.), upon said order to show cause shall be conducted in the manner
2 prescribed by subdivision B of article 2 of chapter 6 of Title 18A of
3 the New Jersey Statutes.

4 In the proceeding the State shall have the burden of showing that
5 the recommended administrative order is not arbitrary, unreasonable
6 or capricious.

7 (cf: P.L.1991, c.3, s.3)

8
9 36. Section 1 of P.L.1991, c.3 (C.18A:7A-14.1) is amended to
10 read as follows:

11 1. The Legislature finds and declares that:

12 a. It is the constitutional obligation of the Legislature to provide
13 all children in New Jersey with a thorough and efficient system of free
14 public schools;

15 b. The breadth and scope of such a system ~~【were】~~ are defined by
16 the Legislature 【in P.L.1975, c.212】 ~~through the commissioner and~~
17 ~~the State board pursuant to P.L. . c. (C.) (now pending~~
18 ~~before the Legislature as this bill)~~ so as to insure quality educational
19 programs for all children;

20 c. ~~【In the rapidly changing educational and occupational~~
21 ~~environment of the 1990s it】~~ It is imperative that the program in every
22 school district in this State includes all of the major elements identified
23 as essential for that system consistent with standards adopted pursuant
24 to section 10 of P.L.1975, c.212.(C.18A:7A-10);

25 d. It is the responsibility of the State to insure that any school
26 district which is shown to be deficient in one or more of these major
27 elements takes corrective actions without delay in order to remedy
28 those deficiencies;

29 e. This responsibility can ~~【best】~~ be fulfilled, addition to the
30 mechanisms for ensuring compliance established pursuant to section
31 6 of P.L. . c. (C.) (now pending before the Legislature as this
32 bill), through an effective and efficient system of evaluation and
33 monitoring which will insure quality and comprehensive instructional
34 programming in every school district and provide for immediate and
35 direct corrective action to insure that identified deficiencies do not
36 persist, and which does so within the context of the maximum of local
37 governance and management and the minimum of paperwork and
38 unnecessary procedural requirements.

39 (cf: P.L.1991, c.3, s.1)

40
41 37. Section 17 of P.L.1987, c.399 (C.18A:7A-50) is amended to
42 read as follows:

43 17. The State district superintendent of a State-operated school
44 district shall develop a budget on or before March 22 and shall present
45 this budget to the board of education to elicit the board's comments
46 and recommendations. This budget shall conform in all respects with

1 the requirements of chapter 22 of Title 18A of the New Jersey Statutes
2 and shall be subject to the limitations on spending by local school
3 districts otherwise required by [P.L.1990, c.52 (C.18A:7D-1 et al.)]
4 P.L. , c. (C.) (now pending before the Legislature as this bill).
5 (cf: P.L.1995 ,c.278, s.38)

6
7 38. Section 19 of P.L.1987, c.39 (18A:7A-52) is amended to read
8 as follows:

9 19. a. After the public hearing provided for by section 18 of [this
10 amendatory and supplementary act] P.L.1987, c.399 (C.18A:7A-51)
11 but not later than April 8, the State district superintendent shall fix and
12 determine the amount of money necessary to be appropriated for the
13 ensuing school year and shall certify the amounts to be raised by
14 special district tax for school purposes as well as the sum necessary for
15 interest and debt redemption, if any, to the county board of taxation
16 and the amount or amounts so certified shall be included in the taxes
17 assessed, levied and collected in the municipality or municipalities
18 comprising the district. [Within 15 days after the certification by the
19 State district superintendent, the governing body of the municipality
20 or municipalities comprising the district shall notify the State district
21 superintendent of its intent to appeal to the commissioner the amount
22 determined to be necessary to be appropriated for each item appearing
23 in the proposed budget. The commissioner, upon receipt of the appeal
24 from the governing body of the municipality or municipalities
25 comprising the district and upon completion of the hearing process,
26 shall determine the amount necessary for the district to provide a
27 thorough and efficient educational program including the
28 implementation of the plan to correct deficiencies] This amount shall
29 not exceed the maximum T&E budget.

30 b. [Notwithstanding that the State-operated district shall receive
31 State education aid for its budget as prepared by the State district
32 superintendent and as approved by the commissioner pursuant to
33 subsection a. of this section, the governing body of the municipality or
34 municipalities comprising the district may apply to the Director of the
35 Division of Local Government Services in the Department of
36 Community Affairs for a determination that the local share of revenues
37 needed to support the district's budget results in an unreasonable tax
38 burden. The director's findings of an unreasonable tax burden in a
39 State-operated school district may be based on the overall school,
40 county and municipal tax rates including any overlapping obligation of
41 the community, cash deficit, insufficient percentage of tax collections,
42 insufficient collection of other revenues, overanticipation of the
43 revenues of prior years, nonliquidation of interfund transfers, reliance
44 on emergency authorizations, continual rollover of tax anticipation
45 notes, or other factors indicating a constrained ability to raise
46 sufficient revenues to meet its budgetary requirements. In addition,

1 the director's review may include but need not be limited to an analysis
2 of the ratable base of the community, the per capita income of the
3 residents of the district and the percentage of residents on a fixed
4 income, cash reserves and receivables of the district including the
5 availability of any deferred tax, the ability of the community to dispose
6 of property for which no public purpose is anticipated and all other
7 current revenue raising capacity including procedures for collection
8 which may permit greater anticipation of revenue.] (Deleted by
9 amendment, P.L. , c.).

10 c. [Based upon his review, the director shall certify the amount of
11 revenues which can be raised locally to support the budget of the
12 State-operated district. Any difference between the amount which the
13 director certifies and the total amount of local revenues required by
14 the budget approved by the commissioner shall be paid by the State in
15 the fiscal year in which the expenditures are made, subject to the
16 availability of appropriations.] (Deleted by amendment, P.L. , c.).

17 d. Notwithstanding the provisions of subsection a. of this section,
18 a State-operated school district which, as of the 1996-97 school year
19 or upon the establishment of State-operation, is spending at a level
20 higher than the district's maximum T&E budget, shall develop a plan,
21 approved by the commissioner, to phase out any local leeway spending
22 within the next four school years. In accordance with its approved
23 phase-out plan, a State-operated district may certify an amount above
24 the maximum T&E budget.

25 (cf: P.L.1992, c.159, s.8)

26
27 39. Section 6 of P.L.1979, c.207 (C.18A:7B-2) is amended to read
28 as follows:

29 6. a. For each child who is resident in a district and in a State
30 facility, or in a county juvenile detention center under the supervisory
31 authority of the Juvenile Justice Commission established pursuant to
32 section 2 of P.L.1995, c.284 (C.52:17B-170), on the last school day
33 prior to October 16 [of the prebudget year], the Commissioner of
34 Education shall deduct from the State aid payable to [such] that
35 district an amount equal to the [State foundation amount plus the
36 appropriate special education aid] approved per pupil cost established
37 pursuant to the provisions of P.L. , c. (C) (now pending
38 before the Legislature as this bill); except that for county juvenile
39 detention centers, 50% of the per pupil cost shall be deducted.

40 b. If, for any district, the amount to be deducted pursuant to
41 subsection a. of this section is greater than State aid payable to the
42 district, the district shall pay to the Department of Education the
43 difference between the amount to be deducted and the State aid
44 payable to the district.

45 c. The amount deducted pursuant to subsection a. of this section
46 and the amount paid to the Department of Education pursuant to

1 subsection b. of this section shall be forwarded to the Department of
2 Human Services if the facility is operated by or under contract with
3 that department, or to the Department of Corrections if the facility is
4 operated by or under contract with that department, or to the Juvenile
5 Justice Commission established pursuant to section 2 of P.L.1995,
6 c.284 (C.52:17B-170) if the facility is operated by that commission,
7 and shall serve as payment by the district of tuition for the child.
8 **[This amount] In the case of county juvenile detention centers, the**
9 **tuition shall be deemed to supplement funds currently provided by the**
10 **county for this purpose under chapter 10 and chapter 11 of Title 9 of**
11 **the Revised Statutes, and a county shall not decrease its level of**
12 **contribution as a result of the payment of tuition pursuant to this**
13 **section. Amounts so deducted** shall be used solely for the support of
14 educational programs and shall be maintained in a separate account for
15 that purpose. No district shall be responsible for the tuition of any
16 child admitted to a State facility after the last school day prior to
17 October 16 **[of the prebudget year].**
18 (cf: P.L.1995, c.280, s.24)
19

20 40. Section 9 of P.L.1979, c.207 (C.18A:7B-5) is amended to read
21 as follows:

22 9. The Commissioner of Education, with the approval of the State
23 Board of Education, shall promulgate rules and regulations to ensure
24 a thorough and efficient education, consistent with the provisions of
25 P.L. .c. (C.) (now pending before the Legislature as this bill).
26 for the children in State facilities and county juvenile detention
27 centers. In the case of county juvenile detention centers, the Office of
28 Education in the Juvenile Justice Commission shall develop, in
29 consultation with the commissioner, appropriate standards for the
30 provision of such education by the county for facilities established
31 under chapter 10 and chapter 11 of Title 9 of the Revised Statutes.

32 The commissioner shall continually review the operation of
33 educational programs in State facilities and county juvenile detention
34 centers. If he finds that the operation of any of these programs does
35 not meet the educational standard required by the regulations, he shall
36 direct that a remedial plan be prepared by the education director of the
37 facility in which the program is located, together with the director of
38 educational services of the department which is operating or
39 contracting with the facility. The plan shall be submitted to the
40 Commissioner of Education for his approval. If he approves the plan,
41 it shall be implemented in a timely and effective manner. If he finds
42 the plan or its implementation to be insufficient, he may, until the
43 insufficiency is corrected, withhold and place in a special account any
44 State aid funds which otherwise would have been forwarded pursuant
45 to section 6 of this act.

46 (cf: P.L.1979, c.207, s.9)

1 41. Section 11 of P.L.1979, c.207 (C.18A:7B-7) is amended to
2 read as follows:

3 11. a. Any parent or guardian of a pupil in a State facility or
4 county juvenile detention center, and any pupil in a State facility or
5 county juvenile detention center between 18 and 20 years of age, may
6 request an administrative review on matters of educational
7 classification or educational program.

8 b. The administrative review process shall include the following
9 sequence:

10 (1) A conference with teaching staff members or child study team
11 personnel;

12 (2) A conference with the Director of Educational Services of the
13 Department of Human Services [or] , the Department of Corrections,
14 or the Juvenile Justice Commission, whichever is appropriate;

15 (3) A hearing by the Commissioner of Education pursuant to law
16 and regulation.

17 c. The due process rights available to children, parents and
18 guardians in the public schools on matters of educational classification
19 or educational program shall be available to children, parents and
20 guardians in State facilities and county juvenile detention centers.

21 d. The placement of a child in a particular State facility or county
22 juvenile detention center shall not be subject to an administrative
23 review or hearing pursuant to this section.

24 (cf: P.L.1979, c.207, s.11)
25

26 42. Section 19 of P.L.1979, c.207(C.18A:7B-12) is amended to
27 read as follows:

28 19. For school funding purposes, the Commissioner of Education
29 shall determine district of residence as follows:

30 a. The district of residence for children in foster homes shall be the
31 district in which the foster parents reside. If a child in a foster home
32 is subsequently placed in a State facility or by a State agency, the
33 district of residence of the child shall then be determined as if no such
34 foster placement had occurred.

35 b. The district of residence for children who are in residential State
36 facilities, or who have been placed by State agencies in group homes,
37 private schools or out-of-State facilities, shall be the present district
38 of residence of the parent or guardian with whom the child lived prior
39 to his most recent admission to a State facility or most recent
40 placement by a State agency.

41 If this cannot be determined, the district of residence shall be the
42 district in which the child resided prior to such admission or
43 placement.

44 c. The district of residence for children whose parent or guardian
45 temporarily moves from one school district to another as the result of
46 being homeless shall be the district in which the parent or guardian last

1 resided prior to becoming homeless. For the purpose of this
2 amendatory and supplementary act, "homeless" shall mean an
3 individual who temporarily lacks a fixed, regular and adequate
4 residence.

5 d. If the district of residence cannot be determined according to the
6 criteria contained herein, or if the criteria contained herein identify a
7 district of residence outside of the State, the State shall assume fiscal
8 responsibility for the tuition of the child. The tuition shall equal the
9 [State foundation amount plus the appropriate special education aid,
10 if any] approved per pupil cost established pursuant to P.L. . c.
11 (C.) (now pending before the Legislature as this bill). This
12 amount shall be appropriated in the same manner as other State aid
13 under this act. The Department of Education shall pay the amount to
14 the Department of Human Services, the Department of Corrections or
15 the Juvenile Justice Commission established pursuant to section 2 of
16 P.L.1995, c.284 (C.52:17B-170) or, in the case of a homeless child,
17 to the school district in which the child is enrolled.
18 (cf: P.L.1995, c.280, s.26)

19
20 43. Section 20 of P.L.1979, c.207 (C.18A:7B-13) is amended to
21 read as follows:

22 20. Beginning in the school year [1981-82] 1996-97, the
23 Commissioner of Education shall annually report to the Legislature,
24 describing the condition of educational programs in State facilities and
25 county juvenile detention centers, the efforts of the Departments of
26 Corrections and Human Services and the Juvenile Justice Commission
27 in meeting the standards of a thorough and efficient education in these
28 facilities, the steps underway to correct any deficiencies in their
29 educational programs, and the progress of the educational programs
30 in New Jersey State facilities and county juvenile detention centers in
31 comparison with those in the State facilities and county juvenile
32 detention centers of other states. At that time the commissioner shall
33 recommend to the Legislature any necessary or desirable changes or
34 modifications in [this act] P.L.1979, c.207 (C.18A:7B-1 et seq.).
35 (cf: P.L.1979, c.207, s.20)

36
37 44. Section 2 of P.L.1979, c.241 (C.18A:7C-2) is amended to read
38 as follows:

39 2. By July 1, 1981, pursuant to guidelines established by the
40 Commissioner of Education, each board of education shall establish
41 standards for graduation from its secondary schools. [Said] The
42 standards shall [be appropriate to local goals and objectives and shall]
43 include, but need not be limited to:

- 44 a. Satisfactory performance on the Statewide assessment test as
45 provided for in section 1 of [this act] P.L.1979, c.241 (C.18A:7C-1);
46 b. Demonstration of proficiencies in those subject areas and skills

1 identified by the board as necessary for graduation other than those
2 assessed by the Statewide assessment tests.

3 The Commissioner of Education shall monitor local plans for the
4 assessment of proficiencies required for graduation including
5 techniques and instruments to be used to determine pupil proficiency;
6 required programs designed to provide the opportunity for pupils to
7 progress toward the mastery of proficiencies required for graduation;
8 and remediation programs for pupils who fail to meet graduation
9 proficiency standards in order to assure compliance with the
10 requirement of [this act] P.L.1979, c.241 (C.18A:7C-1 et seq.).

11 The Commissioner of Education shall, upon request of the local
12 board, provide such technical assistance as may be necessary to aid a
13 district in the planning, implementation and evaluation of graduation
14 standards.

15 (cf: P.L.1979, c.241, s.2)

16
17 45. N.J.S.18A:13-23 is amended to read as follows:

18 18A:13-23. The annual or special appropriations for regional
19 districts, including the amounts to be raised for interest upon, and the
20 redemption of, bonds payable by the district, shall be apportioned
21 among the municipalities included within the regional district, as may
22 be approved by the voters of each municipality at the annual school
23 election or a special school election, upon the basis of:

24 a. the portion of each municipality's equalized valuation allocated
25 to the regional district, calculated as described in the definition of
26 equalized valuation in section 3 of [P.L.1990, c.52 (C.18A:7D-3)]
27 P.L. , c. (C.) (now pending before the Legislature as this bill);

28 b. the proportional number of pupils enrolled from each
29 municipality on the 15th day of October [of the prebudget year] in the
30 same manner as would apply if each municipality comprised separate
31 constituent school districts; or

32 c. any combination of apportionment based upon equalized
33 valuations pursuant to subsection a. of this section or pupil
34 enrollments pursuant to subsection b. of this section.

35 (cf: P.L.1993, c.67, s.1)

36
37 46. N.J.S.18A:21-3 is amended to read as follows:

38 18A:21-3. [Such] The account shall be established by resolution
39 of the board of school estimate or the board of education, as the case
40 may be, in such form as shall be prescribed by the commissioner, a true
41 copy of which shall be filed with the department. For any school year
42 an amount not to exceed 1.5 percent of the amount of [foundation aid
43 anticipated in the capital outlay budget] core curriculum standards aid,
44 as calculated pursuant to section [10 of P.L.1990, c.52
45 (C.18A:7D-10)] 15 of P.L. , c. (C.) (now pending before the
46 Legislature as this bill), plus any additional sum expressly approved by

1 the voters of the district or the board of school estimate, and any
2 [free] undesignated general fund balance amount, authorized under
3 section [3 of P.L.1993, c.80 (C.18A:7D-27.1)] 7 of P.L. . c.
4 (C.) (now pending before the Legislature as this bill), may be
5 appropriated to the account. The account shall also include the
6 earnings attributable to the investment of the assets of the account.
7 (cf: P.L.1993, c.80, s.2)

8
9 47. N.J.S.18A:21-4 is amended to read as follows:

10 18A:21-4. A board of education may in any school year draw
11 against its capital reserve account, up to the amount of the balance
12 therein, to the extent that [such] the withdrawal is anticipated as a
13 revenue in the school budget for the then current school year or
14 approved by the commissioner for good cause; provided, that no
15 money drawn from the account may be used for current expenses of
16 the general fund or debt service payments but shall be used exclusively
17 for capital expenses of the general fund or capital projects fund when
18 expressly authorized as part of a referendum.

19 (cf: P.L.1990, c.52, s.40)

20
21 48. N.J.S.18A:22-8 is amended to read as follows:

22 18A:22-8. The budget shall be prepared in such detail and upon
23 such forms as shall be prescribed by the commissioner and to it shall
24 be annexed a statement so itemized as to make the same readily
25 understandable, in which shall be shown:

26 a. In tabular form there shall be set forth the following:

27 (1) The total expenditure for each item for the preceding school
28 year, the amount appropriated for the current school year adjusted for
29 transfers as of February 1 of the current school year, and the amount
30 estimated to be necessary to be appropriated for the ensuing school
31 year, indicated separately for each item as determined by the
32 commissioner;

33 (2) The amount of the surplus account available at the beginning
34 of the preceding school year, at the beginning of the current school
35 year and the amount anticipated to be available for the ensuing school
36 year; (3) The amount of revenue available for budget purposes for the
37 preceding school year, the amount available for the current school year
38 as of February 1 of the current school year and the amount anticipated
39 to be available for the ensuing school year in the following categories:

40 (a) Total to be raised by local property taxes

41 (b) Total State aid

42 (i) [Foundation]Core curriculum standards aid

43 (ii) Special education aid

44 (iii) Transportation aid

45 (iv) [At-risk aid

46 (v) Bilingual aid

- 1 (vi) Early childhood program aid
- 2 (v) Demonstrably effective program aid
- 3 (vi) Supplemental core curriculum standards aid
- 4 (vii) Distance learning network aid
- 5 (viii) Bilingual aid
- 6 (ix) Other (detailed at the discretion of the commissioner)
- 7 **[(vii) Transition aid]**
- 8 (c) Total federal aid
- 9 (i) Elementary and Secondary Education Act of 1965 (20 U.S.C.
- 10 §2701 et seq.)
- 11 (ii) Handicapped
- 12 (iii) Impact Aid
- 13 (iv) Vocational
- 14 (v) Other (detailed at the discretion of the commissioner)
- 15 (d) Other sources (detailed at the discretion of the commissioner).
- 16 **[(4) Transfers between current expense and capital outlay for the**
- 17 **preceding school year, the current school year as of February 1 of that**
- 18 **year and transfers anticipated for the ensuing school year.]**
- 19 b. (Deleted by amendment, P.L.1993, c.117).
- 20 c. In the event that the total expenditure for any item of
- 21 appropriation is equal to \$0.00 for: (1) the preceding school year, (2)
- 22 the current school year, and (3) the amount estimated to be necessary
- 23 to be appropriated for the ensuing school year, that item shall not be
- 24 required to be published pursuant to N.J.S.18A:22-11.
- 25 d. The instruction function of the budget shall be divided into
- 26 elementary (K-5), middle school (6-8), and high school (9-12) cost
- 27 centers, each of which shall be further divided by the core curriculum
- 28 content areas.
- 29 (cf: P.L.1993, c.117, s.1)

30
31 49. Section 3 of P.L.1979, c.294 (C.18A:22-8.2) is amended to
32 read as follows:

33 3. No transfer may be made under this section from appropriations
34 or surplus accounts for:

- 35 a. Interest and debt redemption charges;
- 36 b. Capital reserve account;
- 37 c. Items classified as general fund expenses except to other items
- 38 so classified, or to the capital projects fund to supplement the
- 39 proceeds from a bond authorization or lease purchase agreement upon
- 40 application to and a formal finding by the commissioner that the
- 41 transfer is in the best interests of both the students and taxpayers of
- 42 the district after consideration of alternative corrective actions.
- 43 (cf: P.L.1993, c.83, s.5)

44
45 50. Section 4 of P.L.1979, c.294 (C.18A:22-8.3) is amended to
46 read as follows:

1 4. On or after November 15 of each school year, all adjustments to
2 State aid amounts payable for the succeeding school year, pursuant to
3 [P.L.1990, c.52 (C.18A:7D-1 et al.)] P.L. , c. (C.) (now
4 pending before the Legislature as this bill), due to corrections in the
5 count of pupils enrolled in various grades and programs, shall be made
6 to the State aid amounts payable during the school year following the
7 succeeding school year.
8 (cf: P.L.1990, c.52, s.45)

9
10 51. N.J.S.18A:22-14 is amended to read as follows:

11 18A:22-14. At or after **[said]** ~~the~~ public hearing but not later than
12 April 8, the board of school estimate of a type I district shall fix and
13 determine by official action taken at a public meeting of the board the
14 amount of money necessary to be appropriated for the use of the
15 public schools in the district for the ensuing school year, exclusive of
16 the amount which shall have been apportioned to it by the
17 commissioner and which shall be no less than the amount determined
18 by the board of education within its T&E budget pursuant to the
19 provisions of section 5 of P.L. , c. (C.) (now pending before
20 the Legislature as this bill), and shall make two certificates of **[such]**
21 ~~the~~ amount signed by at least three members of the board, one of
22 which shall be delivered to the board of education and the other to the
23 governing body of the district.

24 Within 15 days after receiving **[such]** ~~the~~ certificate the board of
25 education shall notify the board of school estimate and governing body
26 of the district if it intends to appeal to the commissioner the board of
27 school estimate's determination as to **[the]** any additional amount of
28 money requested, the sum of which does not exceed the maximum
29 T&E budget when added to the district's T&E budget pursuant to the
30 provisions of section 5 of P.L. , c. (C.) (now pending before
31 the Legislature as this bill), necessary to be appropriated for the use
32 of the public schools of the district for the ensuing school year.
33 (cf: P.L.1992, c.159, s.14)

34
35 52. N.J.S.18A:22-26 is amended to read as follows:

36 18A:22-26. At or after **[said]** ~~the~~ public hearing but not later than
37 April 8, the board of school estimate of a type II district having a
38 board of school estimate shall fix and determine by a recorded roll call
39 majority vote of its full membership the amount of money necessary to
40 be appropriated for the use of the public schools in **[such]** ~~the~~ district
41 for the ensuing school year, exclusive of the amount which shall be
42 apportioned to it by the commissioner for **[said]** ~~the~~ year and which
43 amount shall be no less than the amount determined by the board of
44 education within its T&E budget pursuant to the provisions of section
45 5 of P.L. , c. (C.) (now pending before the Legislature as this

1 bill) and shall make a certificate of [such] the amount signed by at
2 least a majority of all members of [such] the board, which shall be
3 delivered to the board of education and a copy thereof, certified under
4 oath to be correct and true by the secretary of the board of school
5 estimate, shall be delivered to the county board of taxation on or
6 before April 15 in each year and a duplicate of [such] the certificate
7 shall be delivered to the board or governing body of each of the
8 municipalities within the territorial limits of the district having the
9 power to make appropriations of money raised by taxation in the
10 municipalities or political subdivisions and to the county
11 superintendent of schools and [such] the amount shall be assessed,
12 levied and raised under the procedure and in the manner provided by
13 law for the levying and raising of special school taxes voted to be
14 raised at an annual or special election of the legal voters in type II
15 districts and shall be paid to the treasurer of school moneys of the
16 district for such purposes.

17 Within 15 days after receiving [such] the certificate the board of
18 education shall notify the board of school estimate and governing body
19 of each municipality within the territorial limits of the school district,
20 and the commissioner, if it intends to appeal to the commissioner the
21 board of school estimate's determination as to [the] any additional
22 amount of money requested, the sum of which does not exceed the
23 maximum T&E budget when added to the district's T&E budget
24 pursuant to the provisions of section 5 of P.L. , c. (C.) (now
25 pending before the Legislature as this bill), necessary to be
26 appropriated for the use of the public schools of the district for the
27 ensuing school year.
28 (cf: P.L.1992, c.159, s.15)

29
30 53. N.J.S. 18A:22-32 is amended to read as follows:

31 18A:22-32. At or after the public hearing on the budget but not
32 later than 18 days prior to the election, the board of education of each
33 type II district having no board of school estimate shall fix and
34 determine by a recorded roll call majority vote of its full membership
35 the amount of money to be raised pursuant to section 5 of P.L. ,
36 c. (C.) (now pending before the Legislature as this bill) and any
37 additional amounts to be voted upon by the legal voters of the district
38 at the annual election pursuant to section 5 of that act, which sum or
39 sums shall be designated in the notice calling [such] the election as
40 required by law.
41 (cf: P.L.1995, c.278, s.42)

42
43 54. N.J.S. 18A:22-33 is amended to read as follows:

44 18A:22-33. The board of education of each type II district not
45 having a board of school estimate [shall] may, at each annual school

1 election, submit to the voters of the district, ~~the~~ any amount of
2 money fixed and determined in excess of its T&E budget, excluding
3 therefrom the sum or sums stated therein to be used for its T & E
4 budget and for interest and debt redemption charges, in the manner
5 provided by law, to be voted upon for the use of the public schools of
6 the district for the ensuing school year, which amount shall be stated
7 in the notice of the election, and the legal voters of the district shall
8 determine at ~~such~~ the election, by a majority vote of those voting
9 upon the proposition, the sum or sums, not exceeding those stated in
10 the notice of the election, to be raised by special district tax for said
11 purposes, in the district during the ensuing school year and the
12 secretary of the board of education shall certify the excess amount so
13 determined upon, if any, and the sums so stated for the district's T&E
14 budget and interest and debt redemption charges, to the county board
15 of taxation of the county within two days following the ~~date~~
16 certification of the election results and the amount or amounts so
17 certified shall be included in the taxes assessed, levied and collected in
18 the municipality or municipalities comprising the district for such
19 purposes.

20 (cf: P.L.1993, c.83, s.9)

21
22 55. N.J.S.18A:22-37 is amended to read as follows:

23 18A:22-37. If the voters reject any of the items submitted at the
24 annual school election, the board of education shall deliver the
25 ~~proposed school~~ rejected additional spending proposals, approved
26 additional spending proposals, and the district's T&E budget to the
27 governing body of the municipality, or of each of the municipalities
28 included in the district within two days thereafter. The governing
29 body of the municipality, or of each of the municipalities, included in
30 the district shall, after consultation with the board, and by May 19,
31 determine the amount of additional spending proposals rejected by the
32 voters which, in the judgment of ~~said~~ the body or bodies, ~~is~~
33 necessary to ~~shall~~ be appropriated in addition to the amount necessary
34 for a thorough and efficient education and additional spending
35 proposals approved by the voters, for each item appearing in ~~such~~
36 the budget, to provide a thorough and efficient system of schools in
37 the district, and certify to the county board of taxation the totals of
38 the amount so determined to be necessary for each of the following:

- 39 a. General fund expenses of schools; or
40 b. Appropriations to capital reserve account.

41 Within 15 days after the governing body of the municipality or of
42 each of the municipalities included in the district shall make ~~such~~ the
43 certification to the county board of taxation, the board of education
44 shall notify ~~such~~ the governing body or bodies if it intends to appeal
45 to the commissioner the amounts which when added to the district's

1 T&E budget and any additional amounts approved by the voters or the
2 governing body or bodies do not exceed the maximum T&E budget
3 which [said] the body or bodies determined to be necessary to be
4 appropriated [for each item appearing in the proposed school budget].
5 (cf: P.L.1995, c.94, s.2)

6
7 56. N.J.S.18A:22-38 is amended to read as follows:

8 18A:22-38. If [said] the governing body or bodies [shall] fail
9 [so] to certify any amount not in excess of the maximum T&E budget,
10 determined by [them] the local board of education to be necessary for
11 any item rejected at the annual school election, or in the event that the
12 governing bodies of the municipalities comprising a school district,
13 shall certify different amounts, then upon petition of the board of
14 education, the commissioner shall determine the amount or amounts
15 which in his judgment, are necessary to be appropriated, for each of
16 the items appearing in the budget, submitted to [such] the governing
17 body or bodies, to provide a thorough and efficient system of public
18 schools in the district, and certify to the county board of taxation the
19 totals of the amount [so] determined to be necessary for each of the
20 following:

21 a. General fund expenses of schools; or

22 b. Appropriations to capital reserve account;

23 and the amounts [so] certified shall be included in the taxes to be
24 assessed, levied and collected in [such] the municipality or
25 municipalities for [such] those purposes.

26 (cf: P.L.1993, c.83, s.11)

27
28 57. Section 2 of P.L.1976, c.39 (C.18A:24-87) is amended to read
29 as follows:

30 2. For the purposes of this act, unless the context clearly requires
31 a different meaning:

32 a. "Commissioner" means the Commissioner of Education of the
33 State of New Jersey;

34 b. "Debt service" means and includes payments of principal and
35 interest upon qualified bonds issued pursuant to the terms of this act
36 or amounts required in order to satisfy sinking fund payment
37 requirements with respect to such bonds;

38 c. "Local Finance Board" means the Local Finance Board in the
39 Division of Local Government Services in the Department of
40 Community Affairs, established pursuant to P.L.1974, c.35
41 (C.52:27D-18.1);

42 d. "Paying agent" means any bank, trust company or national
43 banking association having the power to accept and administer trusts,
44 named or designated in any qualified bond of a school district or
45 municipality as the agent for the payment of the principal of and

1 interest thereon and shall include the holder of any sinking fund
2 established for the payment of such bonds;

3 e. "Qualified bonds" means those bonds of a school district or
4 municipality authorized and issued in conformity with the provisions
5 of this act;

6 f. "State board" means the State Board of Education of the State
7 of New Jersey;

8 g. "School district" means a Type I, Type II, regional, or
9 consolidated school district as defined in Title 18A of the New Jersey
10 Statutes;

11 h. "State school aid" means the funds made available to local
12 school districts pursuant to [section 4 of P.L.1990, c.52
13 (C.18A:7D-4)] sections 15 and 17 of P.L. . c. (C.) (now
14 pending before the Legislature as this bill) .

15 (cf: P.L.1990, c.52, s.47)

16
17 58. Section 7 of P.L.1985, c.321 (C.18A:29-5.6) is amended to
18 read as follows:

19 7. a. The actual salary paid to each teacher under each district's or
20 educational services commission's 1984-85 approved salary guide shall
21 be considered a base salary for purposes of this act.

22 b. In addition to all other funds to which the local district or
23 educational services commission is entitled under the provisions of
24 [P.L.1990, c.52 (C.18A:7D-1 et al.)] P.L. . c. (C.) (now
25 pending before the Legislature as this bill) and other pertinent statutes,
26 each board of education or board of directors of an educational
27 services commission shall receive from the State during the 1985-86
28 academic year and for two years thereafter an amount equal to the sum
29 of the amounts by which the actual salary prescribed for each current
30 full-time teaching staff member under the salary schedule adopted by
31 the local board of education or board of directors for the 1984-85
32 academic year in the manner prescribed by law is less than \$18,500.00,
33 provided that the teaching staff member has been certified by the local
34 board of education or board of directors as performing his duties in an
35 acceptable manner for the 1984-85 school year pursuant to
36 N.J.A.C.6:3-1.19 and 6:3-1.21. Each local board of education or
37 board of directors shall receive from the State on behalf of the newly
38 employed full-time teaching staff members for the 1985-86 academic
39 year and for two years thereafter an amount equal to the sum of the
40 amounts by which the actual salary prescribed for each newly
41 employed full-time teaching staff member under the salary schedule
42 adopted by the local board of education or board of directors for the
43 1984-85 academic year is less than \$18,500.00. All adjustments for
44 teachers who are hired or who leave employment during the school
45 year and who make less than \$18,500.00 shall be made in the school
46 year following the year in which they were hired or left employment.

1 c. For the 1988-89 academic year and thereafter, this act shall be
2 funded in accordance with the recommendations of the State and Local
3 Expenditure and Revenue Policy Commission created pursuant to
4 P.L.1984, c.213. If the commission's recommendations for funding
5 this program are not enacted into law, this act shall be funded in
6 accordance with subsection d. of this section and sections 9 and 10 of
7 this act.

8 d. For the purpose of funding this act in the 1988-89 academic year
9 as determined pursuant to this section, each teacher's salary based on
10 the 1984-85 salary guide shall be increased by the product of the base
11 salary multiplied by 21%.

12 e. In each subsequent year the product of the base salary times 7%
13 shall be cumulatively added to each teacher's salary as calculated in
14 subsection d. of this section in determining the aid payable. In any
15 year subsequent to the 1987-88 academic year in which the base salary
16 plus the cumulative increases under this section exceed \$18,500.00,
17 aid will no longer be payable.

18 (cf: P.L.1990, c.52, s.48)

19
20 59. Section 3 of P.L. 1988, c.12 (C.18A:38-7.9) is amended to
21 read as follows:

22 3. a. In the event the designated district is composed of more than
23 one municipality, when allocating equalized valuations or district
24 incomes, pursuant to the provisions of section 3 of [P.L.1990, c.52
25 (C.18A:7D-3)] P.L. , c. (C.) (now pending before the
26 Legislature as this bill), for the purpose of calculating State aid,
27 persons attending schools in the designated district pursuant to section
28 2 of this act shall be assigned to each municipality comprising the
29 designated district in direct proportion to the number of persons
30 ordinarily attending school from each municipality in the designated
31 district without considering the persons attending pursuant to this act.

32 b. In the event the designated district is a constituent district of a
33 limited purpose regional district, when allocating equalized valuations
34 or district incomes, pursuant to the provisions of section 3 of
35 [P.L.1990, c.52 (C.18A:7D-3)] P.L. , c. (C.) (now pending
36 before the Legislature as this bill), for the purpose of apportioning the
37 amounts to be raised by taxes for the limited purpose regional district
38 of which the designated district is a constituent district, persons
39 attending schools in the designated district pursuant to section 2 of
40 this act shall not be counted.

41 (cf: P.L.1990, c.52, s.49)

42
43 60. Section 4 of P.L.1988, c.105 (C.18A:38-7.13) is amended to
44 read as follows:

45 4. The county superintendent of schools shall, within 120 days of
46 the effective date of this act, certify to the Commissioner of Education

1 which local school district shall be the designated district for persons
2 of school age residing in a multi-district federal enclave. The district
3 certified as the designated district shall count all pupils who reside in
4 a multi-district federal enclave in the resident enrollment of the district
5 for all State aid purposes and shall be designated by the commissioner
6 to receive State aid and all federal funds provided under
7 Pub.L.81-874, (20 U.S.C. §236 et seq.)

8 For the purposes of calculating State aid pursuant to [P.L.1990,
9 c.52 (C.18A:7D-1 et al.)] P.L. , c. (C.) (now pending before
10 the Legislature as this bill), whenever pupils residing in one district are
11 attending the schools of the designated district, the district income of
12 the resident district shall be allocated between the resident district and
13 the designated district in proportion to the number of pupils residing
14 in the resident district attending the schools of the resident district and
15 designated district.

16 (cf: P.L.1990, c.52, s.82)

17
18 61. N.J.S.18A:38-19 is amended to read as follows:

19 18A:38-19. Whenever the pupils of any school district are
20 attending public school in another district, within or without the state,
21 pursuant to this article, the board of education of the receiving district
22 shall determine a tuition rate to be paid by the board of education of
23 the sending district to an amount not in excess of the actual cost per
24 pupil as determined consistent with the thoroughness and efficiency
25 standards under rules prescribed by the commissioner and approved
26 by the state board, and [such] the tuition shall be paid by the
27 [custodian] treasurer of school moneys of the sending district out of
28 any moneys in his hands available for [current] general fund expenses
29 of the district upon order issued by the board of education of the
30 sending district, signed by its president and secretary, in favor of the
31 [custodian] treasurer of school moneys of the receiving district.

32 Any receiving district which in the 1996-97 school year has a sum
33 of local property taxes, foundation aid and transition aid which
34 exceeds the district's maximum T&E budget for the 1997-98 school
35 year shall phase out the excess amount from the actual cost per pupil
36 over a four year period provided it receives approval from its local
37 voters or the municipal governing body or bodies to maintain a local
38 leeway budget in each of the subsequent four years. If at any time
39 during the four year period the local leeway budget is eliminated,
40 whether by the receiving district, the local voters, or the municipal
41 governing body or bodies, no excess amounts shall be included
42 thereafter. The excess amount shall be phased out as follows:

43 a. 80% of the original excess amount or the local leeway budget,
44 whichever is less, may be included in the 1997-98 school year;

45 b. 60% of the original excess amount or the local leeway budget,
46 whichever is less, may be included in the 1998-99 school year;

1 c. 40% of the original excess amount or the local leeway budget,
2 whichever is less, may be included in the 1999-2000 school year; and
3 d. 20% of the original excess amount or the local leeway budget,
4 whichever is less, may be included in the 2000-2001 school
5 (cf: N.J.S.18A:38-19)

6
7 62. Section 2 of P.L.1981, c.57 (C.18A:39-1a) is amended to read
8 as follows:

9 2. Beginning in the 1993-94 school year and in each subsequent
10 year, the maximum amount of nonpublic school transportation costs
11 per pupil provided for in N.J.S.18A:39-1 shall be increased or
12 decreased in direct proportion to the increase or decrease in the State
13 transportation aid per pupil in the year prior to the prebudget year
14 compared to the amount for the prebudget year. As used in this
15 section, State transportation aid per pupil shall equal the total State
16 transportation aid payments made pursuant to section [16 of
17 P.L.1990, c.52 (C.18A:7D-18)] 25 of P.L. , c. (C.) (now
18 pending before the Legislature as this bill) divided by the number of
19 pupils eligible for transportation.
20 (cf: P.L.1992, c.33, s.2)

21
22 63. N.J.S.18A:39-1.1 is amended to read as follows:

23 18A:39-1.1. In addition to the provision of transportation for
24 pupils pursuant to N.J.S.18A:39-1 and N.J.S.18A:46-23, the board of
25 education of any district may provide, by contract or otherwise, in
26 accordance with law and the rules and regulations of the State board,
27 for the transportation of other pupils to and from school.

28 Districts shall not receive State transportation aid pursuant to
29 section [16 of P.L.1990, c.52 (C.18A:7D-18)] 25 of P.L. , c.
30 (C.) (now pending before the Legislature as this bill) for the
31 transportation of pupils pursuant to this section.
32 (cf: P.L.1990, c.52, s.52)

33
34 64. N.J.S.18A:39-15 is amended to read as follows:

35 18A:39-15. If the county superintendent of the county in which the
36 districts are situate shall approve the necessity, the cost, and the
37 method of providing [such] joint transportation and the agreement
38 whereby the same is to be provided, each [such] board of education
39 providing joint transportation shall be entitled to State transportation
40 aid pursuant to section [16 of P.L.1990, c.52 (C.18A:7D-18)] 25 of
41 P.L. , c. (C.) (now pending before the Legislature as this
42 bill).
43 (cf: P.L.1990, c.52, s.53)

44
45 65. Section 11 of P.L.1987, c.387, (C.18A:40A-18) is amended to
46 read as follows:

1 11. The Commissioner of Education, in consultation with the
2 Commissioner of Health, shall develop and administer a program
3 which provides for the employment of substance awareness
4 coordinators in certain school districts.

5 a. Within 90 days of the effective date of this act, the
6 Commissioner of Education shall forward to each local school board
7 a request for a proposal for the employment of a substance awareness
8 coordinator. A board which wants to participate in the program shall
9 submit a proposal to the commissioner which outlines the district's
10 plan to provide substance abuse prevention, intervention and treatment
11 referral services to students through the employment of a substance
12 awareness coordinator. Nothing shall preclude a district which
13 employs a substance awareness coordinator at the time of the effective
14 date of this act from participating in this program. The commissioner
15 shall select school districts to participate in the program through a
16 competitive grant process. The participating districts shall include
17 urban, suburban and rural districts from the north, central and southern
18 geographic regions of the State with at least one school district per
19 county. In addition to all other State aid to which the local district is
20 entitled under the provisions of [P.L.1990, c.52 (C.18A:7D-1 et al.)]
21 P.L. .c. (C.) (now pending before the Legislature as this bill)
22 and other pertinent statutes, each board of education participating in
23 the program shall receive from the State, for a three year period, the
24 amount necessary to pay the salary of its substance awareness
25 coordinator.

26 b. The position of substance awareness coordinator shall be
27 separate and distinct from any other employment position in the
28 district, including, but not limited to district guidance counselors,
29 school social workers and school psychologists. The State Board of
30 Education shall approve the education and experience criteria
31 necessary for employment as a substance awareness coordinator. The
32 criteria shall include a requirement for certification by the State Board
33 of Examiners. In addition to the criteria established by the State board,
34 the Department of Education and the Department of Health shall
35 jointly conduct orientation and training programs for substance
36 awareness coordinators, and shall also provide for continuing
37 education programs for coordinators.

38 c. It shall be the responsibility of substance awareness coordinators
39 to assist local school districts in the effective implementation of this
40 act. Coordinators shall assist with the in service training of school
41 district staff concerning substance abuse issues and the district
42 program to combat substance abuse; serve as an information resource
43 for substance abuse curriculum development and instruction; assist the
44 district in revising and implementing substance abuse policies and
45 procedures; develop and administer intervention services in the
46 district; provide counseling services to pupils regarding substance

1 abuse problems; and, where necessary and appropriate, cooperate with
2 juvenile justice officials in the rendering of substance abuse treatment
3 services.

4 d. The Commissioner of Education, in consultation with the
5 Commissioner of Health, shall implement a plan to collect data on the
6 effectiveness of the program in treating problems associated with
7 substance abuse and in reducing the incidence of substance abuse in
8 local school districts. Six months prior to the expiration of the
9 program authorized pursuant to this section, the Commissioner of
10 Education shall submit to the Governor and the Legislature an
11 evaluation of the program and a recommendation on the advisability
12 of its continuation or expansion to all school districts in the State.
13 (cf: P.L.1990, c.52, s.54)
14

15 66. N.J.S.18A:46-14 is amended to read as follows:

16 18A:46-14. The facilities and programs of education required under
17 this chapter shall be provided by one or more of the following:

18 a. A special class or classes in the district, including a class or
19 classes in hospitals, convalescent homes, or other institutions;

20 b. A special class in the public schools of another district in this
21 State or any other state in the United States;

22 c. Joint facilities including a class or classes in hospitals,
23 convalescent homes or other institutions to be provided by agreement
24 between one or more school districts;

25 d. A jointure commission program;

26 e. A State of New Jersey operated program;

27 f. Instruction at school supplementary to the other programs in the
28 school, whenever, in the judgment of the board of education with the
29 consent of the commissioner, the handicapped pupil will be best served
30 thereby;

31 g. Sending children capable of benefiting from a day school
32 instructional program to privately operated day classes, in New Jersey
33 or, with the approval of the commissioner to meet particular
34 circumstances, in any other state in the United States, the services of
35 which are nonsectarian whenever in the judgment of the board of
36 education with the consent of the commissioner it is impractical to
37 provide services pursuant to subsection a., b., c., d., e. or f. otherwise;

38 h. Individual instruction at home or in school whenever in the
39 judgment of the board of education with the consent of the
40 commissioner it is impracticable to provide a suitable special education
41 program for a child pursuant to subsection a., b., c., d., e., f. or g.
42 otherwise.

43 Whenever a child study team determines that a suitable special
44 education program for a child cannot be provided pursuant to
45 subsection a., b., c., d., e., f., g. or h. of this section, and that the most
46 appropriate placement for that child is in an academic program in an

1 accredited nonpublic school within the State or, to meet particular
2 circumstances, in any other state in the United States, the services of
3 which are nonsectarian, and which is not specifically approved for the
4 education of handicapped pupils, that child may be placed in that
5 academic program by the board of education, with the consent of the
6 commissioner, or by order of a court of competent jurisdiction. An
7 academic program which meets the requirements of the child's
8 Individual Education Plan as determined by the child study team and
9 which provides the child with a thorough and efficient education, shall
10 be considered an approved placement for the purposes of [Chapter]
11 chapter 46 of this Title, and the board of education shall be entitled to
12 receive State aid for that child as provided pursuant to [P.L.1990,
13 c.52 (C.18A:7D-1 et al.)] P.L. . c. (C.) (now pending before
14 the Legislature as this bill), and all other pertinent statutes.

15 Whenever any child shall be confined to a hospital, convalescent
16 home, or other institution in New Jersey or in any other state in the
17 United States and is enrolled in an education program approved under
18 this article, or shall be placed in any other State facility as defined in
19 section 3 of [P.L.1990, c.52 (C.18A:7D-3)] P.L. . c. (C.)
20 (now pending before the Legislature as this bill), the board of
21 education of the district in which the child resides shall pay the tuition
22 of [said] that child. The board of education may also furnish (a) the
23 facilities or programs provided in this article to any person over the
24 age of 20 who does not hold a diploma of a high school approved in
25 this State or in any other state in the United States, (b) suitable
26 approved facilities and programs for children under the age of 5.
27 (cf: P.L.1990, c.52, s.58)

28
29 67. Section 14 of P.L.1977, c.193 (C.18A:46-19.8) is amended to
30 read as follows:

31 14. On November 5 of each year, each board of education shall
32 forward to the commissioner an estimate of the cost of providing,
33 during the next school year, examination, classification and speech
34 correction services to nonpublic school children who attend a
35 nonpublic school located within the district who were identified as
36 eligible to receive each of these services pursuant to this act during the
37 previous school year. Each board of education shall report the number
38 of nonpublic school children who attended a nonpublic school located
39 within the district, who were identified as eligible for supplementary
40 instruction services during the preceding school year. The number of
41 these pupils shall be multiplied by [the appropriate cost factor from
42 section 14 of P.L.1990, c.52 (C.18A:7D-16) and by the State
43 foundation amount as defined in section 6 of P.L.1990, c.52
44 (C.18A:7D-6)] \$752.41. This product shall be added to the estimated
45 cost for providing examination, classification and speech correction
46 services.

1 In preparing its annual budget, each board of education shall
2 include as an expenditure the estimated cost of providing services to
3 nonpublic school children pursuant to P.L.1977, c.193 (C.18A:46-19.1
4 et al.).

5 In preparing its annual budget, each board of education shall
6 include as a revenue State aid in an amount equal to [such] the
7 estimated cost of providing services to nonpublic school children
8 pursuant to P.L.1977, c.193 (C.18A:46-19.1 et al.).

9 During each school year, each district shall receive an amount of
10 State aid equal to 10% of [such] the estimated cost on the first day in
11 September and on the first day of each month during the remainder of
12 the school year. If a board of education requires funds prior to
13 September, the board shall file a written request with the
14 Commissioner of Education stating the need for the funds. The
15 commissioner shall review each request and forward those for which
16 need has been demonstrated to the appropriate officials for payment.

17 In the event the expenditures incurred by any district are less than
18 the amount of State aid received, the district shall refund the
19 unexpended State aid after completion of the school year. The refunds
20 shall be paid no later than December 1. In any year, a district may
21 submit a request for additional aid pursuant to P.L.1977, c.193
22 (C.18A:46-19.1 et al.). If the request is approved and funds are
23 available from refunds of the prior year, payment shall be made in the
24 current school year.

25 (cf: P.L.1991, c.128, s.5)

26
27 68. N.J.S.18A:46-23 is amended to read as follows:

28 18A:46-23. The board of education shall furnish transportation to
29 all children found under this chapter to be handicapped who shall
30 qualify therefor pursuant to law and it shall furnish [such] the
31 transportation for a lesser distance also to any handicapped child, if it
32 finds upon the advice of the examiner, his handicap to be such as to
33 make transportation necessary or advisable.

34 The board of education shall furnish transportation to all children
35 being sent by local boards of education to an approved 12-month
36 program pursuant to N.J.S.18A:46-14, or any other program approved
37 pursuant to N.J.S.18A:46-14 and who qualify therefor pursuant to
38 law, during the entire time the child is attending [such a] the program.
39 The board shall furnish [such] transportation for a lesser distance also
40 to [such] a handicapped child, if it finds upon the advice of the
41 examiner, his handicap to be such as to make [such] the
42 transportation necessary or advisable.

43 The school district shall be entitled to State aid for [such] the
44 transportation pursuant to section [16 of P.L.1990, c.52
45 (C.18A:7D-18)] 25 of P.L. , c. (C.) (now pending before

1 the Legislature as this bill) when the necessity for [such] the
2 transportation and the cost and method thereof have been approved by
3 the county superintendent of the county in which the district paying
4 the cost of [such] the transportation is situated.

5 (cf: P.L.1990, c.52, s.59)
6

7 69. Section 3 of P.L.1971, c.271 (C.18A:46-31) is amended to
8 read as follows:

9 3. a. Any school established pursuant to P.L.1971, c.271
10 (C.18A:46-29 et seq.) shall accept all eligible pupils within the county,
11 so far as facilities permit. Pupils residing outside the county may be
12 accepted should facilities be available only after provision has been
13 made for all eligible pupils within the county. Any child accepted shall
14 be classified pursuant to chapter 46 of Title 18A of the New Jersey
15 Statutes.

16 b. The board of education of any county special services school
17 district may receive such funds as may be appropriated by the county
18 pursuant to section 13 of P.L.1971, c.271 (C.18A:46-41) and shall be
19 entitled to collect and receive from the sending districts in which the
20 pupils attending the county special services school reside, for the
21 tuition of [such] those pupils, a sum not to exceed the actual cost per
22 pupil as determined for each special [education category] services
23 school district, according to rules prescribed by the commissioner and
24 approved by the State board. Whenever funds have been appropriated
25 by the county, the county special services school district may charge
26 a fee in addition to tuition for any pupils who are not residents of the
27 county. The fee shall not exceed the amount of the county's per pupil
28 appropriation to the county special services school district. For each
29 special education category, the tuition shall be at the same rate per
30 pupil for each sending district whether within or without the county.
31 Ten percent of the tuition amount and the nonresident fee amount, if
32 any, shall be paid on the first of each month from September to June
33 to the receiving district by each sending district. The annual aggregate
34 amount of all tuition may be anticipated by the board of education of
35 the county special services school district with respect to the annual
36 budget of the county special services school district. The amounts of
37 all annual payments or tuition to be paid by any [such] other school
38 district shall be raised in each year in the annual budget of [such] the
39 other school district and paid to the county special services school
40 district.

41 Any special services school district which receives State debt
42 service aid in the 1996-97 school year may include in its actual cost
43 per pupil an amount equal to the 1996-97 State support percentage
44 until the retirement of the debt issuance which generated the 1996-97
45 State aid. All other debt issuances shall be the full responsibility of the
46 county board of chosen freeholders. The tuition charged to a board of

1 education shall not exceed the actual cost per pupil in the prebudget
 2 year adjusted by the CPI.

3 c. The board of education of any county special services school
 4 district, with the approval of the board of chosen freeholders of the
 5 county, may provide for the establishment, maintenance and operation
 6 of dormitory and other boarding care facilities for pupils in
 7 conjunction with any one or more of its schools for special services,
 8 and the board shall provide for the establishment, maintenance and
 9 operation of such health care services and facilities for the pupils as
 10 the board shall deem necessary.

11 d. (Deleted by amendment, P.L.1991, c.62).
 12 (cf: P.L.1991, c.62, s.23)

13
 14 70. Section 9 of P.L.1977, c.192 (C.18A:46A-9) is amended to
 15 read as follows:

16 9. The apportionment of State aid among local school districts
 17 shall be calculated by the commissioner as follows:

18 a. The per pupil aid amount for providing the equivalent service to
 19 children of limited English-speaking ability enrolled in the public
 20 schools, shall be [determined by multiplying the bilingual program
 21 weight from section 81 of P.L.1990, c.52 (C.18A:7D-21) or the
 22 appropriate cost factor from section 14 of P.L.1990, c.52
 23 (C.18A:7D-16) by the State foundation amount as defined in section
 24 6 of P.L.1990, c.52 (C.18A:7D-6)] \$1274.03. The appropriate per
 25 pupil aid amount for compensatory education shall be [determined by
 26 multiplying the per pupil amount of compensatory education aid in the
 27 prebudget year by the PCIs as defined by section 3 of P.L.1990, c.52
 28 (C.18A:7D-3)] \$628.71.

29 b. The appropriate per pupil aid amount shall then be multiplied by
 30 the number of auxiliary services received for each pupil enrolled in the
 31 nonpublic schools who were identified as eligible to receive each
 32 auxiliary service as of the last school day of June of the prebudget
 33 year, to obtain each district's State aid for the next school year.

34 c. The per pupil aid amount for home instruction shall be
 35 determined by multiplying the [State foundation amount as defined in
 36 section 6 of P.L.1990 c.52 (C.18A:7D-6)] T&E amount by a cost
 37 factor of 0.0037 by the number of hours of home instruction actually
 38 provided in the prior school year.

39 (cf: P.L.1991, c.128, s.3)

40
 41 71. Section 6 of P.L.1974, c.79 (C.18A:58-37.6) is amended to
 42 read as follows:

43 6. State aid provided pursuant to [P.L.1990, c.52 (C.18A:7D-1 et
 44 al.)] P.L. . c. (C.) (now pending before the Legislature as this
 45 bill) may be expended for the purchase and loan of textbooks for
 46 public school pupils in an amount which shall not exceed the State

1 average budgeted textbook expense for the prebudget year per pupil
2 in resident enrollment. Nothing contained herein shall prohibit a board
3 of education in any district from purchasing textbooks in excess of the
4 amounts provided pursuant to this act.

5 (cf: P.L.1990, c.52, s.77)
6

7 72. (New section) The State Board of Education shall adopt,
8 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
9 (C.52:14B-1 et seq.), rules and regulations necessary to effectuate the
10 provisions of this act.
11

12 73. The following sections are hereby repealed:

13 Sections 1, 2, 4 through 9, 12 and 48 of P.L.1975, c.212
14 (C.18A:7A-1, 18A:7A-2, 18A:7A-4 through 18A:7A-9, 18A:7A-12
15 and 18A:7A-31);

16 Section 5 of P.L.1991, c.3 (C.18A:7A-6.1);

17 Section 6 of P.L.1991, c.3 (C.18A:7A-14.2);

18 Sections 1 through 4, 6 through 10, 11 through 17, 80, 81, 18, 84,
19 19 through 22, 85, 23, 24, 87, 89, and 25 through 28 of P.L.1990,
20 c.52 (C. 18A:7D-1 through 18A:7D-4, 18A:7D-6 through 18A:7D-10
21 and 18A:7D-13 through 18A:7D-36);

22 Section 26 of P.L.1991, c.62 (C.18A:7D-21.1);

23 Section 3 of P.L.1993, c.80 (C.18A:7D-27.1); and

24 Sections 33, 38, 34 and 36 of P.L.1991, c.62 (C.18A:7D-28.1
25 through 18A:7D-28.4).
26

27 74. This act shall take effect immediately and shall first apply to the
28 1997-98 school year.
29
30

31 STATEMENT

32

33 This bill provides for the establishment of a thorough and efficient
34 system of free public education (T&E) as guaranteed by the State
35 Constitution. It provides for the establishment of standards of
36 thoroughness and efficiency and a new system for funding public
37 education through a combination of State aid and local support. The
38 proposed law supersedes those portions of P.L.1975, c.212
39 (C.18A:7A-1 et seq.) which address goals and standards and replaces
40 the funding provisions established by the "Quality Education Act of
41 1990," P.L. 1990, c.52 (C.18A:7D-1 et al.), which is repealed in its
42 entirety.

43 The bill directs the State Board of Education to adopt and update
44 every five years, core curriculum content standards which shall define
45 for all students in the State the substance of a thorough education.
46 The commissioner is directed to develop and establish efficiency

1 standards which shall define the types of programs, services, activities
2 and materials necessary to achieve an efficient education. Together
3 these standards will define what is required to provide a thorough and
4 efficient education and will serve as the basis for determining the
5 amount of funding necessary to do so.

6 Under the bill's provisions, the Governor is required to issue
7 biennially in each even numbered year, the Report on the Cost of
8 Providing a Thorough and Efficient Education. The report will
9 establish the per pupil amount necessary to provide a thorough and
10 efficient regular education at the elementary, middle, and high school
11 levels and the acceptable range of deviation from that amount in order
12 to recognize and accommodate the need for local flexibility. In
13 addition the report will establish per pupil amounts for early childhood
14 and demonstrably effective program aids, and additional per pupil
15 categorical amounts. These amounts will apply to the two successive
16 fiscal years beginning one year from the subsequent July 1 and will be
17 adjusted for inflation by the CPI in the second year.

18 The per pupil amounts established in the report will in turn serve as
19 the basis for determining a school district's T&E budget, or the total
20 amount of funding needed to provide a thorough and efficient
21 education consistent with the curriculum content and efficiency
22 standards issued by the State board and commissioner. The T&E
23 budget will be determined by multiplying the per pupil amount for a
24 thorough and efficient regular education at the elementary level by the
25 district's resident enrollment, weighted based on the relative
26 proportion of kindergarten, elementary, middle, and high school pupils
27 included in the enrollment. Each school district is required to fund its
28 T&E budget through local tax revenues up to a level based on district
29 property wealth and district income. Any difference between the
30 district's T&E budget and the required local share will be funded
31 through State aid, with supplemental aid being available for certain
32 districts where the impact of the new standards on local taxes would
33 be excessive. Also, stabilization factors have been included within the
34 State aid formula so as to prevent dramatic increases or decreases in
35 a district's State aid as a result of the permanent part of the formula.
36 For each district, a maximum and minimum permissible budget level
37 is calculated within the established T&E range.

38 Every two years, the commissioner is required to notify each
39 district of the T&E amount, T&E flexible amount, T&E range, and
40 amounts per pupil for early childhood program aid, demonstrably
41 effective program aid, and the categorical programs for the subsequent
42 two fiscal years. Annually, within seven days following transmittal of
43 the State budget message to the Legislature by the Governor, the
44 commissioner shall notify each district of the maximum amount of aid
45 payable to the district in the succeeding school year and shall notify
46 each district of its T&E budget, maximum T&E budget, and minimum

1 permissible T&E budget for the succeeding school year. Annually, on
2 or before March 4, each district board of education is to adopt and
3 forward to the commissioner for approval, a budget that provides no
4 less than the minimum permissible T&E amount per pupil plus
5 categorical amounts required for a thorough and efficient education
6 and no greater than the maximum T&E budget, except as subject to
7 approval by the voters. Before approving the budgets, the
8 commissioner must determine that they properly implement the core
9 curriculum content standards, and in instances where they do not, the
10 commissioner may make such fiscal or programmatic adjustments as
11 he deems necessary, including directing additional spending up to the
12 district's maximum T&E budget level.

13 Districts seeking to budget beyond the maximum permissible T&E
14 level must submit a separate proposal or proposals to the local voters
15 for additional spending. If rejected by the local voters and not
16 restored by the municipal governing body, these amounts may not be
17 appealed to the commissioner. Districts with budgets below the
18 maximum T&E level and falling within the district's permissible T&E
19 budget need not submit the budget to the voters for approval.
20 Districts with budgets below the maximum T&E level, but in excess
21 of the district's permissible T&E budget must submit a separate
22 proposal or proposals to the local voters for additional spending up to
23 the maximum T&E amount. If rejected by the local voters and not
24 restored by the municipal governing body, these amounts may be
25 appealed to the commissioner.

26 Under the bill, special education including extraordinary costs, pupil
27 transportation, bilingual education, adult and post secondary
28 education, distance learning network, and county vocational aid are to
29 be paid to all school districts as categorical aid. Also, the department
30 is to determine programmatic definitions and establish appropriate per
31 pupil amounts for adult high school programs and post secondary
32 vocational educational programs.

33 The T&E budget is designed to give districts resources to provide
34 a thorough and efficient education. However, additional early
35 childhood education program aid and demonstrably effective program
36 aid is provided for districts that have a high number of
37 socioeconomically disadvantaged children living in conditions of
38 poverty. Early childhood aid is provided for those districts having
39 20% or more low-income pupils, and is to be used for pre-
40 kindergarten, full-day kindergarten and other early childhood
41 programs. Additional aid is provided for concentrations of low-
42 income pupils of 40% or more for transition and social services to
43 primary grade students. Demonstrably effective program aid is to be
44 distributed based on school-based concentrations of low income pupils
45 in order to provide instructional, school governance, health and social
46 services aimed at addressing the socioeconomic disadvantages of these

1 pupils. The bill also makes provision for technological advancements
2 through the establishment and funding of a distance learning network,
3 which, while available to all districts, will be especially helpful to
4 disadvantaged districts as a means of providing quality programs at
5 low cost.

6 The bill also establishes an Academic Achievement Reward
7 Program to provide rewards to districts having one or more schools
8 that meet criteria for absolute success or significant progress towards
9 high student academic achievement. Schools are to be ranked into
10 three groupings by enrollment for the High School Proficiency Test,
11 the Early Warning Test, and the Fourth Grade Test which then
12 determines reward eligibility for both the absolute success and the
13 significant progress reward. Schools with 90% of student enrollment
14 performing at or above the passing scores are eligible for the absolute
15 success reward. Schools that do not qualify for the absolute success
16 reward are eligible for the significant progress reward. The schools
17 will be grouped together in five bands and the top 10% in each band
18 with the highest level of improvement will be eligible for the significant
19 progress reward. Schools located in districts that have been penalized
20 under the "School Efficiency Program Act," P.L. 1995, c. 236, will not
21 eligible for either reward. The reward appropriation will be equally
22 divided among all districts with schools determined to be eligible for
23 a reward.

24 The pupil transportation formula established under the bill is
25 designed to encourage operational efficiency and includes two
26 principal components: a base aid amount and an efficiency factor.
27 Base aid represents a level of funding to reimburse districts for the
28 cost of efficiently transporting eligible pupils based on regular or
29 specialized modes of transportation, eligible pupils transported,
30 average miles per eligible pupil, and cost factors representative of
31 school districts in the top two quartiles of efficient performance. The
32 efficiency factor will be applied to the regular component of base aid
33 and will be based on the district's average regular vehicle utilization,
34 defined as the total number of eligible regular and special education
35 pupils transported on regular buses. Using the efficiency factor, a
36 district's aid is calculated based on the use of vehicle capacity relative
37 to all other districts.

38 State aid for school facilities shall be paid to districts toward
39 principal and interest payments on both debt service and lease
40 purchase agreement payments for the fiscal year, at the percentage of
41 State support in the district's T&E budget. The base to which this
42 percentage shall be applied shall be the full debt service and lease
43 purchase agreement payment for all debt service issuances authorized
44 and lease purchase agreements approved prior to July 1, 1997. For all
45 debt service authorized and lease purchase agreements approved after
46 July 1, 1997, the aidable base shall be that percentage of the debt

1 service or lease purchase payment equivalent to the ratio of approved
2 costs to the original issuance principal, with the ratio never to exceed
3 one, and shall be reduced for districts that fail to meet maintenance
4 requirements on aided facilities. Beginning ten years from the date of
5 enactment of the bill, districts shall be required to demonstrate a net
6 investment within the previous ten years of 2% of what the facility's
7 replacement cost was ten years prior in order to receive aid on an
8 improvement to the facility. Aid for new construction approved or
9 authorized after July 1, 1997 shall be reduced, beginning in the fourth
10 year after occupancy, for districts that fail to demonstrate in the prior
11 fiscal year an investment in maintenance of the facility of at least two-
12 tenths of one percent of the facility's replacement cost.

13 Approved costs for new construction and additions shall be the
14 product of an approved square footage of construction, derived from
15 school models developed by the department for each school level; a
16 cost allowance per square foot of construction; and percentage
17 allowances for equipment and furnishings, architect and engineering
18 fees, and issuance costs. The approved area shall be based on the
19 number of unhoused students the district shows as a result of a five-
20 year cohort survival enrollment projection. The area construction cost
21 allowance shall be determined based on a five-city historical cost index
22 for construction in New Jersey. Other allowances shall be based on
23 industry standards. Approved costs for renovations shall be the
24 product of the replacement cost of the facility, determined by
25 multiplying the gross area of the facility by the construction cost and
26 other allowances, and a factor less than one that decreases as building
27 age increases. Renovations on buildings fewer than twenty years of
28 age shall not be aided. Approved costs for new construction done in
29 lieu of renovations shall be determined as for new construction only
30 when the age of the facility is 50 years or greater or when the
31 commissioner determines that extraordinary circumstances warrant
32 differential treatment. Approved costs for new construction done in
33 lieu of renovations for facilities less than fifty years old shall be
34 determined as for renovations. For purchase of an existing facility,
35 total approved costs for both the purchase of the facility and any
36 renovations made to the facility within five years of purchase shall be
37 that amount determined as for new construction.

38 Under the bill, the commissioner is empowered to ensure that all
39 districts are meeting established standards through a variety of means.
40 In addition to his general powers of supervision, this bill requires the
41 commissioner to review annual budgets to ensure compliance with
42 core curriculum content standards, continues the existing system of
43 monitoring with a new emphasis on meeting standards, and authorizes
44 the commissioner to summarily take extraordinary measures when he
45 determines, as the result of a district or school's performance on State
46 assessments or through State evaluation, that established standards of

1 thoroughness and efficiency are not being met.

2 Finally, in the event the commissioner establishes an interdistrict
3 school choice program at a subsequent date, the bill includes language
4 that would allow nonresident students enrolled in such a program to
5 be included within a district's resident enrollment count.

6

7

8

9

10 The "Comprehensive Educational Improvement and Financing Act of
11 1996."

TABLE OF CONTENTS

	<u>Page</u>
Timothy C. Brennan, Ed.D. Superintendent Parsippany-Troy Hills School District	1
Richard A. DiPatri Deputy Commissioner New Jersey Department of Education	6
Dolores Tropp Private Citizen	15
Donald Tropp Student Bergen County Special Services School District	17
Tom Sandusky Teacher Watchung Hills Regional High School	18
Diana Autin Executive Co-Director Statewide Parent Advocacy Network, and Member, Board of Directors National Coalition of Advocates for Students and National Parent Network on Disabilities, and School Review Chair Nishuane School and Legislative Liaison PTA Council Montclair School District	22
James J. McNasby, Ed.D. Superintendent Morris Hills Regional High Schools	25
Vincent Frantantoni Trustee Concerned Taxpayers Association Belleville, New Jersey	29

TABLE OF CONTENTS (continued)

	<u>Page</u>
Brenda G. Considine Member The Coalition for Special Education Funding Reform, and former Cochairperson New Jersey Legislative Task Force on Special Education	37
Pablo Clausell, Ed.D. Superintendent West New York School District	42
David G. Sciarra Executive Director Education Law Center	45
Daniel J. Moroney Private Citizen	54
Bonnie Hollis Member Livingston Board of Education, and Member Garden State Coalition Statewide Parent Network	57
Charles V. Reilly Vice President for Finance New Jersey School Boards Association, and Member Ridgewood Board of Education	64
Robert E. Boose, Ed.D. Executive Director New Jersey School Boards Association	69

TABLE OF CONTENTS (continued)

	<u>Page</u>
Anthony DelTufo, Ed.D. Vice Chairman Special Education Committee and Member Board of Directors New Jersey School Boards Association, and Member Livingston Board of Education	70
Louis M. Ripatrzone Superintendent Stanhope School District	70
Susan Meehan Teacher Parsippany Adult High School	74
Joseph Del Grosso President Newark Teachers Union Local 481 American Federation of Teachers, AFL-CIO	77
Mary Vaughan Representative of the Finance Committee Morris Plains Board of Education	84
Sue Goldman Member New Jersey Speech-Language-Hearing Association	88
Ed Szabo Member Stillwater Township Taxpayers Association	91
James Pace Member Hanover Township Board of Education	93

TABLE OF CONTENTS (continued)

	<u>Page</u>
Sam Perelli State Chairman United Taxpayers of New Jersey	97
Judith A. Ferguson, Ed.D. Superintendent West Morris Regional High School District	101
John Foulks Principal Terrill Middle School Scotch Plains-Fanwood School District, and Vice President New Jersey Principals and Supervisors Association	106
Leonard Margolis Assistant Superintendent Bergen County Special Services School District and Bergen County Board of Vocational Education	110
William E. Burkett Member Mountain Lakes Board of Education, and Vice President Garden State Coalition of Schools	116
Carol R. Conger, Ed.D. Superintendent Chatham School District	119
Carole Beris Director of Adult and Continuing Education Plainfield School District, and Principal Plainfield Adult High School	122

TABLE OF CONTENTS (continued)

	<u>Page</u>
Claudia B. Browne Co-President Somerville Parent Teachers Association, and District Representative Garden State Coalition Statewide Parent Network	125
Marion Glantz Speech-Language Pathologist	128
Laraine Whitcomb Co-President Home-School Association Tenafly High School	133
Karla O'Rourke Private Citizen	138
Susan Young Teacher Bergen County Special Services School District	140
Andrew D. Hendry Director of Governmental Affairs The Arc of New Jersey	144
C. Michael Brady Private Citizen	147
Diane Holzberg President Demarest Board of Education, and Chairperson Legislative District 39	152
Margaret Angeli President Teaneck Board of Education, and Chairperson Legislative District 37	156

TABLE OF CONTENTS (continued)

APPENDIX:

	<u>Page</u>
Statement submitted by Timothy C. Brennan, Ed.D.	1x
Testimony submitted by Deputy Commissioner Richard A. DiPatri	3x
Testimony submitted by Dolores Tropp	7x
Testimony submitted by Donald Tropp	8x
Statement submitted by Tom Sandusky	9x
Testimony submitted by Diana Autin	12x
Impact Study plus chart submitted by James J. McNasby, Ed.D.	20x
Testimony submitted by Brenda G. Considine	22x
Statement submitted by Pablo Clausell, Ed.D.	26x
Testimony plus chart submitted by David G. Sciarra	30x
Statement plus attachments submitted by Bonnie Hollis	41x
Testimony submitted by Charles V. Reilly	46x

TABLE OF CONTENTS (continued)

APPENDIX (continued):

	<u>Page</u>
Testimony submitted by Anthony DelTufo, Ed.D.	55x
Testimony submitted by Louis M. Ripatrzone	61x
Statement plus attachments submitted by Susan Meehan	65x
Testimony plus attachment submitted by Joseph Del Grosso	72x
Testimony submitted by Mary Vaughan	107x
Statement submitted by Sue Goldman	110x
Statement submitted by Ed Szabo	114x
Statement submitted by James Pace	116x
Testimony submitted by Judith A. Ferguson, Ed.D.	119x
Testimony plus attachments submitted by John Foulks	123x
Testimony submitted by Leonard Margolis	133x
Testimony submitted by William E. Burkett	137x

TABLE OF CONTENTS (continued)

APPENDIX (continued):

	<u>Page</u>
Testimony submitted by Carol R. Conger, Ed.D.	140x
Statement submitted by Carole Beris	142x
Statement submitted by Claudia B. Browne	146x
Testimony submitted by Marion Glantz	148x
Testimony submitted by Laraine Whitcomb	153x
Testimony submitted by Karla O'Rourke	156x
Statement submitted by Susan Young	159x
Statement submitted by Andrew D. Hendry	162x
Statement submitted by C. Michael Brady	165x
Testimony submitted by Diane Holzberg	167x
Testimony plus letter submitted by Margaret Angeli	170x
Testimony submitted by William "Pat" Schubert former Assemblyman, and Bergen County Executive	175x

TABLE OF CONTENTS (continued)

APPENDIX (continued):

	<u>Page</u>
Testimony submitted by John M. Abeigon Private Citizen	181x
Testimony submitted by Wolfgang Albrecht Vice President Bergen County Board of Special Services	183x
Testimony submitted by Francis L. Dixon Private Citizen	187x
Testimony submitted by Edward J. Flaherty Montclair Tax Union	188x
Testimony submitted by Mitchel Gerry Private Citizen	195x
Statement submitted by Joann Gonzalez Private Citizen	198x
Testimony submitted by Judith E. Kesin Principal, New Brunswick Adult Learning Center, and Member Greater Raritan Workforce Investment Board plus Letter addressed to Ms. Judith Kesin from Marcy F. Smelkinson Human Resource Manager Professional Security Bureau Ltd.	200x

TABLE OF CONTENTS (continued)

APPENDIX (continued):

	<u>Page</u>
Testimony submitted by Dr. William Librera Superintendent Montclair School District	204x
Testimony submitted by Terry Luxenberg Principal North Plainfield Adult High School	206x
Statement submitted by Suzanne Manczuk Representing Educational Media Association of New Jersey	209x
Testimony submitted by Elizabeth D. Thompson President Hanover Township Board of Education	213x

lmb: 1-160

SENATOR JOHN H. EWING (Chairman): Good afternoon. I apologize for being so late. I lost my map, and I went to the wrong school. Then I took an additional wrong turn on 46. So my humble apologies to you all. I couldn't be more delighted that Dr. Brennan was very kind to let us use the auditorium on this hot day because it's air conditioned.

We've got to remember this is not a political forum whatsoever. This is for the children in the State of New Jersey from all walks of life. This is the main accomplishment we want to do is for the child, not for any group or not for any individual. And I'd like to say hello.

We have Senator Martin, who is the Senator from this district, to say a few words. Excuse me, I'm sorry, I guess we want Dr. Brennan first.

TIMOTHY C. BRENNAN, Ed.D.: Welcome to Parsippany. We are glad to have you here today and proud that the Senate Education Committee chose us as a site for their hearings.

We'd just like to say thank you to some people. We're very happy that in our town our Mayor is a moving force -- a positive force for education. Nonetheless, she is here today. Several members of our professional staff are here today including Tony Sciaino, the Principal of Parsippany Hills High School, whose open attitude and welcoming stance benefits our kids every day. And in this case, he made special accommodations to change all of the maintenance schedules for this building for the summer and have us here today. Doris McManus, our Director of Buildings and Grounds, we thank her. You're sitting in a 27-year-old facility which has never been refurbished, which has been maintained very, very well by Doris and her people. And thanks also to Joni Benos for making all the arrangements come together. And thanks to

the Academy, the students you might have seen on the way in who are fulfilling their community service requirement by showing you around, and they'll be glad to help you in any way they can.

Senator, we are honored. Thanks for honoring us with your presence.

SENATOR EWING: Thank you very much.

Senator Martin, a member of the Senate Education Committee and the Senator from this district.

SENATOR MARTIN: Thank you, Mr. Chairman.

I first want to thank Dr. Brennan. On very short notice, he was able to produce this wonderful facility. I think it's a testimony to the concern and interest of the school district and the residents of Parsippany that they would provide this. And we thank them indeed for that offer, and even the young ladies and young men who are outside who were assisting us as we came in. I think that it shows that we have very gracious hosts.

In order to expedite things, Senator Ewing, I would appreciate it if I could make a few remarks with respect to the legislation before us. I'd like to begin by emphasizing that like you, Senator Ewing, we are in the process of designing a piece of legislation that is for the benefit of our entire public school system. As a sponsor of S-40, it is my goal to obtain as much input as possible from the public and from the education community. Those of us who were here in 1990 in the Legislature remember all too well the speed with which the QEA was enacted. Without any advice and guidance from outside of the administration at that time, that bill became a flawed law that produced a flawed plan. The reality is that this Legislature currently is under a

Court-imposed mandate which came about after the Court in *Abbott vs. Burke* declared Governor Florio's QEA unconstitutional. We are under mandate to restructure the way in which we pay for the education of our children. If we do not act, the Court will. No one wants to see that happen. For one thing, a potential Court plan would likely be an unmitigated disaster for many Morris County and New Jersey school districts where a higher cost of living makes our schools appear far wealthier than they are in reality. It is obvious that housing and other basic living costs are considerably higher in the North Jersey metropolitan area than they are in any other parts of the State.

In addition to the financial ramifications of a Court-ordered solution to the funding problem, I and many of my colleagues share the Governor's position that we must use more than just money to define a thorough and efficient education. This bill uses core curriculum content standards and performance standards to determine whether a district is offering a thorough and efficient education. I believe that's a good approach to the problem, and I can't imagine why anyone would disagree. Remember, our goal is to provide our young people with the kind of education that will equip them with the skills and ability they will need to be leaders of tomorrow.

Therefore, I believe that the general concept of this legislation is a sound one. It is a strong foundation on which we will be able to shape a plan through the legislative process that will be in the best interest of every child in this State. As sponsor of S-40, I can assure everyone that our goal is not to dumb down the best districts and the best public schools of New Jersey. That is not the Governor's intent, and it is certainly not something that I could support. As we begin our review and refinement of this bill, I am confident

that the Governor will be reasonable about addressing the concerns that are raised here today and at future hearings. My colleagues in the Legislature and I are already hearing from constituents and have questions of our own that need to be addressed. Rest assured that unlike the disastrous QEA process of several years ago, we intend to listen and shape the final product after weighing all of the testimonies.

To those who have criticized Governor Whitman and the bill before us today, I would simply ask, "Do you support the constitutional right set forth and mandated by the State Supreme Court that all New Jersey students are entitled to a thorough and efficient education? If so, how will we implement it, and how do we intend to pay for?" These are important questions. While it is easy to criticize an initiative such as that presented today, which will have enormous impact on the quality of education, it may be even harder to propose responsible alternatives, ones that will be acceptable to both educators and New Jersey taxpayers.

We need only to take a look at the efforts of the past 25 years to determine that there is no easy solution. Since 1980, school spending in New Jersey has risen two and a half times the rate of inflation. Total State aid per pupil for that same period has also increased almost two and a half times as much as the rate of inflation.

There is no question that there has been strong bipartisan support for the public schools of our State and support from local taxpayers for a long period of time. Clearly though and despite this incredible support, there are still huge problems in some of our public school districts. The conclusion that can be drawn from this is that money alone will not solve the problem.

Therefore, a comprehensive solution such as presented today, which stresses performance and accountability as strongly as it does money, deserves serious and deliberate consideration. Clearly the legislation we will begin to review today is not intended to impact negatively on the quality of education in the best public schools of this State. Moreover, it does not -- it called for the taxpayers in those districts to shoulder more than their fair share of the funding of the State's public schools. In fact, there is some information that will be brought out to bear as we go along in these hearings. It would show that our schools will fare better under this bill than they would if we would be required to implement a Court-crafted plan.

As I close, I just want to emphasize again that we are open to listening to improvements and recommendations in this original proposal. That's why we have scheduled these public hearings prior to our formal hearings which will take place in September. We do want to hear the concerns of the public and all interested parties.

Two areas that have received considerable attention so far are the mainstreaming principles for special education and the local leeway spending issue. I'm now using the terms under the bill. Some of us are going to have to get used to some new educational parlance. I for one am very interested in hearing comments on those two areas. Thus, we look forward to receiving today's testimony as we go forward.

I would just end on a personal note. I think many of you know I currently have two daughters in the public schools in the Morris County school district. I was delighted that Senator Ewing would be willing to have this hearing in Morris County. It is an area which has produced some of the finest

public school districts, I think, in the State of New Jersey. We wanted to make this particularly available so that many of those people could testify here today.

Thank you for letting me make these remarks, Mr. Chairman.

SENATOR EWING: Thank you, Senator Martin.

Next will be Deputy Commissioner Rich DiPatri.

I'd like to introduce the panel that's up here now. On the left side -- well, you've seen Senator Martin, he's right here; Assemblywoman Murphy immediately to my left here; Assemblyman Bucco; and Assemblyman Carroll. And on the right-hand side: Senator MacInnes; Assemblyman Romano; and Kathy Crotty, the Executive Director of the Democratic Minority Party in the Senate. Sitting to my right here right next to me is Darby Cannon who is with the OLS staff with the Senate Education Committee.

Yes, Rich.

DEPUTY COMM. RICHARD A. DiPATRI: Good afternoon, Senator Ewing and members of the Senate Education Committee.

SENATOR EWING: If anybody can't hear the witnesses -- all right, they can't hear you in the back.

DEPUTY COMMISSIONER DiPATRI: Thank you, Senator.

I'd like to introduce two of my staff with me: Rob Krebs, to my left, Director of Information Resource Services in the Department, and Jennifer Seeland, Director of Interagency Initiatives.

Commissioner Klagholz is enjoying some preplanned vacation time this week, and I am here to provide brief remarks on the Plan and answer questions that the Committee may have. Commissioner Klagholz looks forward to testifying at your second hearing on the 25th.

First, I'd like to thank Senator Martin for sponsoring S-40 which supports the basic elements of the Comprehensive Plan and ultimately assures every child in New Jersey adequate and equitable support for a quality education.

The educational challenge we faced is difficult and complex. The first step in developing a new funding system that would reform education, as well as provide equitable resources, was to set high standards for what every student will be expected to learn. The State, with extensive public input, first tackled the problem by developing rigorous core curriculum content standards in seven subject areas which define what students should know and be able to do when they graduate from New Jersey high schools. For example, all students graduating from our high schools will know a second language, be able to use technology as a tool, and understand advanced mathematics. The most important aspect, however, is that all children will be expected to meet these standards regardless of where they reside. If our students are to be prepared for the 21st century, all of our students must reach high levels of achievement.

The second step is to provide every school with appropriate resources to do the job based on the assumption that the money will be used wisely. Districts must provide quality programs based on the new standards and assure their citizens that the dollars spent will enable students to achieve those high standards. Under the Comprehensive Plan, the State has thoroughly analyzed how much it should cost to offer the necessary programs under an efficient educational operation. In effect, we have provided a program and fiscal definition of a thorough and efficient education.

Additionally, in order to assure excellence and equity for every child, the Comprehensive Plan builds in supplemental components to enable disadvantaged children to have the types of programs that have proven effective in helping them overcome the detrimental effects of poverty on learning. In addition to the various categorical aid for special education, bilingual education, vocational/adult education, and transportation, we have provided supplemental aid for 193 at-risk districts that have schools with a concentration of low-income students greater than 20 percent. These programs include preschool, full-day kindergarten, and proven demonstrably effective programs in grades K through 12.

Recognizing that the future will depend even more heavily on the educational opportunities presented by technology, the Plan also creates a Distance Learning Network for expanded delivery of curriculum standards through interactive technology. Ultimately, our 600 districts should be able to work in close collaboration and combine resources in new and exciting ways.

Recognizing the diversity of our State, we believe the Plan has several mechanisms to accommodate the individual differences of districts: a range of acceptable spending to 5 percent above and below the thorough and efficient amount; a stabilization mechanism which prevents wide swings of State aid loss or gain in any given year; aid that is based on current enrollment to accommodate district growth; State aid that is determined on a two-year cycle which builds in a periodic review and revision process on how well the funding system is serving the attainment of the standards; and finally, special incentive-based funding to encourage academic achievement.

We believe that by defining a thorough education as the standards of academic achievement and by constructing a funding plan to provide the support to help all children meet the standards in every community, we will meet the Court mandate and provide a quality education to all children.

We have developed this funding Plan over a two-year period in which we have conducted an open and inclusive process. Our first Plan, released in February 1995, was followed by extensive hearings in every county from April through October 1995, a second report that was issued in November 1995, and finally, the report issued in May 1996 which described the effects of the Plan on local districts. Nevertheless, as the Governor and the Commissioner have stated, we are open to other ideas and ways to make the funding system the best that it can be.

Thank you for the opportunity to present my comments. I will be glad to answer any questions if you have any.

SENATOR MacINNES: Could I ask a question?

SENATOR EWING: Yes.

SENATOR MacINNES: Thank you, Mr. Chairman.

Dr. DiPatri, Senator Martin mentioned the problem that-- One of the two problems he's most interested in hearing about is the problem of the leeway budget line and the problems created for districts in this part of the State. As a matter of fact -- let me just ask you -- have you seen the OLS study which lays out the percentage of school districts in each county in the State which would be required under the Comprehensive Plan in this bill to put at least some percentage of their budget to a vote? Have you seen that study?

DEPUTY COMMISSIONER DiPATRI: No, but I obviously am familiar with it and read a number of the--

SENATOR MacINNES: Do you have any reason to believe that the report is inaccurate or that they have misconstrued the formula or anything like that? Do you accept it as being--

DR. DiPATRI: Yes, basically.

SENATOR MacINNES: Do you have any way to explain the curious geographical pattern that that report presents which shows that, peculiarly, districts in the southern part of the State, below Trenton, are in much larger number able to provide the education that you think is necessary with the dollars you think that are necessary, while districts in this part of the State overwhelmingly -- 88 percent in the case of Morris County -- are unable to do that? Do you have any explanation other than the regional cost-of-living differences that Senator Martin mentioned that might explain that?

DEPUTY COMMISSIONER DiPATRI: No. I believe that the higher-spending districts generally are in the northern end of the State rather than the southern end.

SENATOR MacINNES: But my question was, do you accept -- do you have another explanation other than the differences in the regional cost of living, which Senator Martin mentioned, as to explain how this pattern could be so extreme where you have 88 percent of the districts in Morris County and only 20 percent of the districts in Gloucester County subject to the leeway vote?

DEPUTY COMMISSIONER DiPATRI: I would not generalize that necessarily the way you did. In fact, our data that we used -- and I'd be

glad to share that with you if you would like me to walk you through it for a moment or two -- to determine the difference, the 5 percent range, when we originally talked about this for that two-year process and surely during the past year -- in fact, in front of this Committee at times -- we talked about the range as being a critical factor in terms of how much disparity would the core tolerate. We would have liked, Senator, for that number, frankly, especially in the light of the reaction thus far, for that range to be greater. What we went to, to determine the range -- we didn't think we could pull it out of a hat just as much as we didn't think we could pull per spending pupil amount out of a hat. So we chose a range that reflected the data that produced that range, and that's 5 percent. Are we open on that 5 percent and is there room for discussion? I believe so, but I'd like to first tell you how we arrived at it at the very least.

SENATOR MacINNES: Well, I think we heard that earlier that the 5 percent-- Just so you know, the OLS study assumes the 5 percent increase for the districts that are reported so that where a district is 4.5 percent over the line, in fact, they're 9.5 percent over the line that's been drawn. But you're saying that it's your concern about the potential reaction by the Court which prevents you from fully recognizing the regional costs-of-living differences which probably best explain this pattern.

I mean, if you took the average cost of housing county by county and laid that against the OLS listing of counties, which start Morris, Bergen, and Somerset being the three counties with the highest number of districts that would have to put their budgets to a leeway vote-- If you took the average cost of housing in those three counties, I'll bet you that they would be one, two,

three or two, one, three, or something like that, and all the way down. It's pretty clear that cost of living is the best explanation for that pattern. It has nothing to do with the cost of providing the thorough and efficient education that you described in this. (applause)

If I could, I would like to ask one request, through the Chair, for information that's based on the testimony that Dr. DiPatri's provided. This Plan that Senator Martin has introduced rests on the assertion that we have adopted high core curriculum standards and that the Department has done a thorough -- you have thoroughly analyzed how much it should cost to offer the necessary programs under an efficient educational operation. Question of fact: Is this what you expect would be contained two years hence in the report on the cost of a thorough and efficient education which is called for in Senator Martin's bill? Is that exactly the kind of thing you are contemplating the Department would provide to the Governor and the Legislature?

DEPUTY COMMISSIONER DiPATRI: Two years hence, yes. But I believe we have already provided it. We have provided it in the three reports I mentioned. We initially presented it in February, we did it again in November, and it's included in our May report.

SENATOR MacINNES: But there's a link that's missing. The link is the connection between the core curriculum standards and the financial model that produces these numbers and lead to the leeway budget votes. And it would be very helpful if, through the Chair, we could receive the Department's analysis which establishes this thorough and, I expect, very close link between core curriculum standards and the financial model that you have used. That's not an unfair request? You already have it, right?

DEPUTY COMMISSIONER DiPATRI: That's correct.

SENATOR MacINNES: So we could expect to see that sometime soon in terms--

DEPUTY COMMISSIONER DiPATRI: I believe it's there, and I believe it's in the document.

SENATOR MacINNES: Which document?

DEPUTY COMMISSIONER DiPATRI: In all three, but the most recent one in May of '96 presents all of the elements necessary to provide a thorough and efficient education for districts to provide instruction to meet those standards. The standards are a destination. If you suggest -- if you're asking, do I have a dollar amount that I can apply to every standard and, therefore, through 600 disparate districts in the State, the answer is no, but is there a close link between the standards and the program we provide in terms of hours of instruction, number of teaching periods, and students per class, it is all there in our report of May of 1995.

SENATOR MacINNES: I have seen that, but that's the typical sort of input model that you see all the time in terms of classroom size, hours of -- that's all the input stuff that we've been talking about for years in education. The assertion here is -- is not about what a typical school looks like or should look like because you're describing fairly typical schools that may not reflect perfectly any actual school in New Jersey. But you have an elementary school model that says, here's your classroom ratio, here's the number of hours -- that's fine. But that does not connect the financial model back to the core curricular standards, which is your assertion here and the assertion throughout. I mean, where you say--

SENATOR EWING: Excuse me. Just a minute, Senator MacInnes. You've made a request. Let him follow through with it. We will be discussing this further with the Department of Education down in Trenton. There are a lot of citizens out here who came. This is a public hearing to hear what the citizens have to say. Really, I think it ought to be continued on that basis. Have the people who testify come and testify. We'll have an opportunity to sit down with the Department. We will wait till then please. Thank you.

SENATOR MacINNES: But since I made a request for something through you--

SENATOR EWING: But you're going on -- yes, but you're going on further and further.

SENATOR MacINNES: But I want to be sure that the request was not a silly one.

SENATOR EWING: It all determines what people feel whether your request is silly or not. I might think it's silly. You don't.

SENATOR MacINNES: No. I just wanted to be sure that Dr. DiPatri and I were clear about what was being requested. He said he would provide something to us, and when he answered that it was already in the model-- I've looked at the Plan as revised in May, and I looked at it very carefully. In terms of the language you use here, I did not see in that Plan which you describe, which is your analysis -- the Departmental analysis -- which connects the core curriculum standards to what each school district financially will be required to provide in order to meet the thorough and

efficient education that the core curriculum standards are designed to produce, right? And you say you have that?

DEPUTY COMMISSIONER DiPATRI: You may defy the Chair, but I'm not going to. I've answered the question I believe, Senator, that the program--

SENATOR MacINNES: No, I-- No. No.

SENATOR EWING: All right. Just a minute please. Quiet.

Gordon. Gordon. I asked you cut off the questions now -- period.

SENATOR MacINNES: I'm not asking a question. I just--

SENATOR EWING: I asked you to stop your statement. Let's get on with the public. (applause)

The next person we're going to call -- Dolores and Donald Tropp, mother and son.

I'd like to remind the witnesses if they would speak their name and address into the small microphones on the small stand for the recorders. This meeting is being recorded. Thank you.

Proceed.

D O L O R E S T R O P P: (hearing impaired; testifies through interpreter)
Good afternoon, ladies and gentlemen. My name is Dolores Tropp. I am the mother of two deaf children: Donald, age 12, and Darlene, age 14. Both of my children are very smart, and they have been mainstreamed with the help of Bergen County Special Services School District for the hearing impaired program. They have been very successful due to the support of the administration, the speech therapist, the interpreters, the teacher assistants,

and the teachers of the deaf. They have been successfully -- be able to compete with their hearing peers.

You may ask, "Why don't I want my children to go to a school in our town? Why should they travel on a bus all the way to a special services school district if they do well with the hearing children?" Those are very good questions. My children are intelligent and motivated students. However, they need the support of a full team of trained professionals. They need to have a cultural experience that will not isolate them socially. They receive this by being educated in a school with other deaf children. If they stayed in our hometown, who would they communicate with other than an adult interpreter? This is not acceptable socialization for children. They need both deaf and hearing children to communicate fully. The Bergen County Special Services District provides that.

My children have participated in school plays, sports, and academic challenges that would not otherwise be available to them. To limit the specialized services they have received is putting a dollar amount on their future, and that is simply unacceptable. The services the deaf need are costly, including therapists, audiologists, and hearing aids, but they are essential in providing an appropriate education. They have very different needs than other children. Special education is not like bargain-basement shopping where one size fits all. Funding must be flexible to the needs of the children as individuals. I do not want to see my children placed on a sale rack of education to be picked over by the local district's ability to afford them. They are not an irregular size or to be discarded. They are one-of-a-kind students whose education must be provided with a special fitting.

Now let me introduce you to my son, Donald, so you can see for yourself how he's been a successful student due to the resources that were made available to him.

DONALD TROPP: Hello, my name is Donald Tropp. I have been in mainstreaming for three years, and next year will be my fourth year. I want to tell you, please, don't treat the kids with handicaps differently than normal kids. You should give every kid, whether handicapped or not, their rights. I want to tell you several of my experiences while being mainstreamed, because it will show how important it is for us to have the things -- that handicapped kids can do just about anything.

I get to socialize more and have more friends. I also get to learn about the hearing world, and they get to learn about the deaf world. When I was only with the deaf kids, I was in a self-contained classroom with the same teachers and only deaf friends all day. But that's all different now. Also, I go to different classes with different teachers and interpreters. I also have been involved with many activities, and I have both hearing and deaf friends. I also got good marks throughout the year. I have enjoyed being mainstreamed because it is a challenge, and I am able to show that I can do just about anything and hear better with hearing aids.

If you give kids with other disabilities a chance, you'll understand and learn that they are trying their best, and they still need help. When they receive help, they'll be able to do many things -- maybe anything. So you just have to be patient. From my point of view, people with disabilities are the same as normal people only they have a problem, but that can be solved through a good education. People need to understand how people with

disabilities feel. They need to have a heart and to be patient. You should give us our rights that we deserve a good education. You can do that by making sure there is money to pay for all of the special services that we need.

Thanks for your time. I really appreciate it.

MS. TROPP: So you can see the wonderful experience my son has had. So please don't take away the opportunity from him or other children. These children are our State's future. Our request is easy to understand. People are individuals. One-size funding does not fit all. Please enact a funding law with flexibility so that multiple cost factors are available, including one which provides enough money for severely disabled children, and make sure that Special Services School Districts receive State funding like every other school district. Thank you.

SENATOR EWING: Thank you, Mrs. Tropp and Donald. Thank you very much.

Tom Sandusky, teacher from Watchung Hills Regional High School, is he here?

T O M S A N D U S K Y: Senator Ewing, members of the Senate Education Committee--

SENATOR EWING: Excuse me, Mr. Sandusky, do you have copies of your--

MR. SANDUSKY: I just gave it to this gentlemen right here, sir.

SENATOR EWING: Thank you.

MR. SANDUSKY: Senator Ewing, members of the Senate Education Committee, ladies and gentlemen: My name is Tom Sandusky, and

I am here to speak toward Senate Bill No. 40, the Comprehensive Plan sponsored by Senator Martin.

I teach biology and environmental science at Watchung Hills Regional High School in Somerset County. I speak to you as an individual teacher and a coach. I strive for excellence and quality in my classroom and on the football field and set high standards, expecting my students and football players to meet those standards. These educational values are what made Watchung Hills Regional High School a blue-ribbon school.

Watchung Hills is one of the 300 districts in the State of New Jersey that will be over the thorough and efficient targeted \$8064 per-pupil expenditure. Eight thousand sixty-four dollars per pupil will not maintain Watchung Hills program that has achieved State and national recognition for excellence. Under S-40, Watchung Hills will be \$2.5 million short of maintaining its current program. This is approximately a 20 percent reduction in spending.

If the taxpayers would not vote to maintain the current program, that would mean Watchung Hills High School would cut athletics and extracurricular, two supervisors, twenty teachers, technology upgrades, and various amounts from other programs to come up with the \$2.5 million. Watchung Hills would no longer provide an excellent and quality education. We would no longer be a blue-ribbon school.

The first to go would be sports and extracurricular activities. I am a coach, which means I have a special relationship with my players. I am a mentor, teacher, and extra parent to my players. I see them in the classroom, hallway; joke with them; talk to them about what's going on in their life;

observe who their friends are; and get feedback from other teachers about their progress in class. I know when there are problems at home or if they are smoking, taking drugs, or not achieving. This relationship is also relevant to band directors, play directors, or any advisor of a club. There are a lot of students in which their sole motivation to do well in school or stay out of trouble is sports and extracurricular activities. I lose a few of my players to drugs, alcohol, and academic failure. It hurts. I grow very attached to these young people. But I was aware that there were problems, and I tried to help. If the taxpayers would not vote to maintain the current program at Watchung Hills, we will lose a lot more of our children to drugs, alcohol, or academic failure because there will be no coaches or advisors to mentor, listen, check up on, or be an extra parent.

In the classroom, a lot of my creative energy goes into developing laboratory activities, writing exercises, and field trips that require my students to apply higher thinking skills, the skills they need to compete in their global society. If the taxpayers would not vote to maintain the current program at Watchung Hills, I will lose those laboratory supplies that stimulate my students to solve science problems. I will no longer take my students to the Great Swamp to study wetlands; go to the Pine Barrens to witness one of the most unique ecosystems in the world; go to the sewage treatment plant to study how wastes are treated; attend environmental conferences with other high school students, and many other activities. I will no longer be able to enrich their science or excite them through activities outside the classroom.

If this bill passes in its present form, we will have much to lose at Watchung Hills. Our educational program will be stripped of its excellence

and quality if the taxpayers would not vote to maintain the current program. Why should the taxpayers of our district vote to spend \$2.5 million more of their hard earned money? After all, the Governor herself has described the targeted spending and the content standards as providing a world-class education. I am a taxpayer myself, and I personally feel that I am overburdened with taxes. If I were not an educator, I would never vote to increase my taxes when the State says that its proposed spending is enough to provide a thorough and efficient education.

Ladies and gentlemen, I trust the wisdom of the State Senate will not put Watchung Hills and hundreds of other districts at risk at losing their excellent educational programs. I urge you as a teacher and one who wants to maintain excellence to amend this bill so that quality programs, such as Watchung Hills, can maintain its current spending without appealing to the overburdened taxpayer. Thank you.

SENATOR EWING: Thank you very much, Mr. Sandusky. For your information, I believe you were a little bit low. According to the data we've gotten available to us, you'd lose \$3.3 million, which is 29.6 percent of your budget.

MR. SANDUSKY: I stand corrected, sir.

SENATOR EWING: It's even worse than what you're talking about.

MR. SANDUSKY: That's subject to the vote.

SENATOR EWING: That's subject to the vote, yes.

Diana Autin, Statewide Parent Advocacy Network.

D I A N A A U T I N: My name is Diana Autin, 9 Lexington Avenue, Montclair, New Jersey. Thank you so much for letting me be up front so I can take my kids home. I am a Montclair Public School parent of children with and without disabilities, age four through twenty, Executive Codirector of the Statewide Parent Advocacy Network, and active in school review in PTA council in Montclair.

An equitable funding formula must ensure that all children have access to the inputs that we know provide optimal opportunities to learn and achieve challenging standards and yet flexible enough to ensure that schools can be responsive to diverse populations and differing student and family needs.

People are right when they say that money alone won't ensure a thorough education for all children. But the most committed, hardworking, knowledgeable parents, teachers, and administrators can't appropriately educate children without sufficient training, time, facilities, instructional materials, and support services. This proposal fails to provide these essential elements of a thorough and efficient education. It pretends to identify what services children need to succeed but omits essential categories such as prekindergarten and all-day kindergarten in all districts, something that Montclair has right now, but which we may be losing in the very near future, especially if this funding proposal goes through.

Second language instruction and consultation and collaboration time -- the proposal also claims to be based on an elementary class size of 21. Yet for many districts like Montclair with class sizes of 25 and higher and administrative cost that even the State admits are low, it would provide a

decrease in per capita funding. Now, clearly, equity demands that every child have access to sufficient numbers and quality of teachers, instructional materials, supplies, and equipment. On the other hand, the funding formula that merely states that every school will have one beaker for every X children misses the point. There could be six beakers per child, but if teachers aren't competent at teaching children science in ways that capture their imagination, the beakers will be wasted. There could be extraordinarily competent teachers, yet if there are no support services to help children deal with the real life experiences that often interfere with their ability to focus on learning, learning will not occur. The school could have sufficient resources. Yet if those resources are not tailored and allocated equitably to support the learning of all children, many children could continue to fall by the wayside.

A school could receive extra resources for children with disabilities. Yet if those children continue to be segregated into settings that do not challenge them to reach their full potential, those extra resources would be wasted.

If we are truly committed to providing a thorough and efficient education for all New Jersey's children, education must be our highest priority. Sufficient funds must be provided at all levels to reach our goal. We need to focus on and adequately fund preservice and in-service education, parent development, repair or rebuilding of dangerous, deteriorating school buildings, development of curriculum and materials effective for all our children, and the purchase of equipment that can mean the difference between independence and dependency for children with disabilities.

Along with many other parents and concerned members of the public, we are willing to shoulder our share of the financial burden for creating and maintaining a quality, integrated, inclusive, and equitable public school system for New Jersey. But it is fundamentally unfair to continue to have to raise property taxes because essential State aid for education is being reduced to finance income and corporate tax cuts. It is even more unfair to penalize students in urban districts by continuing to allow richer districts to increase funding and provide a wider array of course offerings, smaller classes, and other benefits if they are somehow able to convince the electorate to raise funds above the thorough and efficient level.

As the New Jersey Supreme Court wisely recognized, equity in educational funding must not come at the expense of massive cuts in State aid to middle- and moderate-status districts. If that happens, many more families that can afford private school will abandon public schools throughout the State.

Equitable special education funding is also essential. SPAN congratulates the Governor, Commissioner, and Legislature for proposing to eliminate the current disability and placement-based special ed funding formula which contributes to too many students languishing in separate and unequal settings. SPAN also supports the proposal to provide special education funding for students educated full-time in regular classes.

Like other categorical funding, we believe all special education funding should go to the district of residence rather than to special services school districts. The current system masks the actual cost of those services and

encourages districts of residence to send children to those settings even if they are not the least-restrictive appropriate setting.

SPAN strongly opposes the provisions to cap special education reimbursement at a level that does not reflect the true percentage of students with disabilities. Monitoring and corrective actions are the appropriate means to address alleged overclassification. This kind of cap will not encourage districts to provide special education students with a thorough education. And when the type, intensity, and cost of the services that students may need vary so greatly, as our previous speakers mentioned, a single reimbursement rate regardless of intensity of need is insufficient. At a minimum, there should be several levels of reimbursement if not reimbursement based on actual costs.

In conclusion, insuring a thorough and efficient education for all children will require an increase in State aid for education based on a progressive income tax and increased corporate taxes, not increases in regressive property taxes. It is true that merely throwing money at a problem without a carefully developed plan and justification is not the answer. But we cannot pretend that an equitable, excellent education can be achieved with insufficient funds. Quality costs. We must be willing to pay that cost now; otherwise, we will surely pay it later in the form of jail cells, crime, dependency, and thousands of lives whose promise will never be realized.

Thank you very much for this opportunity.

SENATOR EWING: Thank you very much, Ms. Autin.

Matt Ward. Is Matt Ward here? (no response)

Dr. Jim McNasby, Superintendent Morris Hills.

JAMES J. McNASBY, Ed.D.: Yes, Senator, I'm here. Thank you.

Thank you Senator Ewing and members of the Senate Education panel and members of the panel. I have brought not a statement but a chart where I compared my school district against the Comprehensive Plan to illustrate the impact. Now, first of all, let me talk a little bit about Morris Hills. Morris Hills is the largest regional high school district in Morris County. We have slightly under 2100 students. And I'm not going to-- We're a comprehensive high school. We offer a wide variety of courses from academic to occupational-technical.

I'm not going to speak today to the conceptual merits of the Plan. I think there are some. I'm not going to be critical of the per-pupil costs, because I'm not sure we know the difference between an \$8000 per-pupil cost and the \$10,000, especially when you factor in the difference between North Jersey and South Jersey.

I would like to, however, speak to the structure of the Plan that is outlined in the Comprehensive Plan that Dr. DiPatri and others have talked about. The first thing that comes to mind is that Morris Hills District is a two high school district. One of my high schools, Morris Hills, is an 840-student high school which is very close to the high school that is identified in the Comprehensive Plan, which is a 900-pupil high school.

In that 900-pupil high school in the Plan, there are 51 classroom teachers. At Morris Hills, we have 71.5 classroom teachers for 840 kids. Now, you might wonder how you get from 51 to 71.5 with basically the same number of students. And, of course, as I looked at the Plan, I kind of like to know that myself, but here are some guesses that I have.

First of all, there are a number of programs that can't operate with the 24-average population in a classroom. For example, our average class size at Morris Hills is 19. Now, how do we get to 19? Well, here is some examples. Our average AP class is about 16. Our average occupational and technical class is 14. Our average computer class is 15, and our average high-level language class, fourth- and fifth-year language, averages about 11.8. When you factor that in, you see how keeping 24 as an average gets to be very, very difficult. I'm fearful that those are the kinds of programs that have been mentioned by others that are at risk when you talk about an average of 24.

Here's another very basic problem that you have when you schedule a high school. Let's say we are going to schedule chemistry, and we have 35 kids or 33 kids who want chemistry. Generally, chemistry labs only handle 24. Incidentally, ladies and gentlemen, we have lots of classes with 24 in them and even more than 24. But let's say, with our numbers here, we have 33 or 35 kids who want chemistry. You only have a few options. You can run two classes at 17, or you can run one class at 24 and tell 9 kids they can't take the course. There aren't a lot of great options that you have there. So that's how you get a class size of 19. Now, that 19 average, which is 25 percent less than the recommended average in the Comprehensive Plan, causes us to lose 21 teachers at Morris Hills and another 30 teachers at Morris Knolls because my other school is 50 percent bigger than Morris Hills. So using the same ratio, we're looking at a loss of 50 teachers. I think when you are looking at a loss of 50 teachers, you're looking at a loss of a lot of different programs -- advanced placement programs and vocational and technical. Incidentally, the vocational-technical, occupational-technical programs are probably some of the

more expensive programs that we operate. But they serve a real need. Everyone just can't function out of a textbook and be in an AP or high-level math.

So there is a direct relationship between class size, the number of teachers we have, and I think that's what makes the most sense to parents and to kids. How many other students are in my classes?

I'd also like to speak a little bit about cocurricular activities. The Comprehensive Plan speaks that this is a very, very important part of an educational experience. They use a figure of \$434. They don't define what that buys, but let me tell you what we spend. We spend \$875 per kid in the Morris Hills Regional District. So that translates into roughly half of what we offer in the extracurricular and cocurricular activity. Again, since I don't know what they mean by -- or what \$434 buys, I know it only buys half of what we spend.

I'd also like to talk about technology. They talk about technology -- like to have one computer for every five students. Presently, we have one computer for every three students. So over a period of time, we would have to phase out approximately two hundred fifty computers to get to that level of one to five. I think those are very interesting statistics. Interestingly enough, as critical as some people have been in Trenton of administrators, the Morris Hills Regional District, under the Comprehensive Plan, would have to add four administrators in its schools to come up to the level that they recommend. I thought that was particularly interesting. Although maybe I shouldn't say that because they might go back and change that number.

Special ed costs are absolutely -- I'm searching for a word and maybe I should have written it down -- but \$4221 times 10 percent of my population wouldn't give me enough money to place the 37 kids that I have out in special placements. It would probably only pay for about 60 percent of that cost, let alone of the other 200 that we service in district. So that number is obviously not realistic when you're talking about some schools that are charging \$40,000 and \$56,000. I have the names on my list for you.

So I will close by saying this to you. I think if you are going to use the Comprehensive Plan's concept, I would urge you to use the no vote option adjusted for the '96-'97 base level. In other words, take our '96-'97 budget and use that as a base level and then adjust that yearly on the CPI. And if you went above that, possibly a no vote. Certainly, the difference between North and South Jersey doesn't have to be stated again. I think you need a realistic proposal for special ed. This certainly isn't one. The last suggestion that I would have is that if there is an additional question above the threshold, I'd like to see the word excess dropped. I think the question ought to speak for itself and not be termed as excess right from the beginning. Thank you for listening.

SENATOR EWING: Thank you very much, Dr. McNasby.

Vincent Frantantoni, Concerned Taxpayers Association. Is he here?

VINCENT FRANTANTONI: Good afternoon, gentlemen. My name is Vincent Frantantoni, Trustee to the concerned citizens of Belleville.

I attended over a dozen hearings in the past two years on this education Plan. I was initially very encouraged when Commissioner Klagholz

presented the initial plan. Finally we were going to define thorough and efficient. However, as we witnessed briefly today, the first few speakers, the powerful teachers' union started to raise their voices, and it appears the only concern, while masked for the children, is for their own welfare, i.e., salaries and benefits. When we hear comments, "We need more State funding"-- The previous speaker says T&E will require an increase in State funds but from corporate or business taxes. This is all our money. I'm sure there's an economics teacher somewhere in the State who can sit down and work on the Plan and tell us where is the money going to come from.

The State, after *Robinson v. Cahill* case, threw \$400 million at the problem way back in the '70s when that was a lot of money -- still is today. That didn't solve the problem. *Abbott v. Burke*, more money. The QEAI, the QEAII threw several billion, with a B. What did they do in our Township of Belleville? With all the additional QEA money, the main thing they did with it was to give the teachers a new benefit -- a \$2 prescription plan for 318 teachers premium over \$400,000. We didn't see \$10,000 going for additional books or pencils.

It was three years ago, my nine-year-old daughter was told she had to bring in a quarter for her ruler when they had \$400,000 -- it's over that, but I'm just using a conservative figure -- for a new prescription plan. We can no longer afford this. We've had the theme, about seven or eight years ago, back to basics. Does anyone know what happened to that back to basics? I question many things in our educational system.

I'm a carpenter -- very difficult to get help. I worked alone the last eight years after hiring four or five men, high school graduates who can't read

a ruler. What good is the computer on a roof when you need to figure angles? Geometry comes in up there. You've got to have it in your head. You can't depend on the almighty computer. And what happens when the power goes out or the batteries die, and we're in the middle of a situation?

We've all witnessed NEX-RAD. It was in the paper. At Newark Airport, their highly touted, expensive computer program, and what are they still doing? The man still goes out on the roof every four hours, and he does it manually because the computer program failed. It has failed. And now we're spending billions more on there.

I urge this panel to support Commissioner Klagholz attempt -- and this is an attempt to finally get down to proprieting an education for our children. It is a national disgrace that we have remedial reading courses in high schools and colleges. It's an abomination. There was an article in this week's paper about social promotions in California and across the country. Privately teachers don't want to do it, but publicly none of them will stand up and tell me that -- like they've told me at baseball games and all -- I have to, they tell us to promote. And this started when the test scores started to fall. All of a sudden kids started staying back. This was a false and failed attempt to raise the test scores. But you can't fool the public. You can't go to K-Mart and spend \$7.84 and when the computer register fails to operate -- this is a personal experience -- over 10 minutes the clerk couldn't give change of a \$10 bill, had to call the supervisor. So we need to get back to basics.

In closing, I'd like to tell you something that's going on. In our Township of Belleville, like others, in the last five years, we've lost over \$40 million in rateables. As property taxes go up -- one of the biggest causes is

education -- property values drop. This is a 1994 article: "Property Values Fall." The subtitle is "Unless they cut spending, school boards and local governments are raising taxes." And we have to address where the money comes from.

The income tax reduction was not a whim, that was a result of the million protest in 1990 to the outrageous increase of Governor Florio -- the two big tax revolt rallies in front of the State House in July and September of that year. The people of the State cannot afford it. As the oldest of seven, three of my brothers have already moved to Florida. My oldest son is 23, contemplating getting married, and he said, "Dad, I think I'm going to have to go to Florida. I can't afford to live up here." This is what's happening in this State. We're chasing them out in droves.

Mr. Dennis Testa, the President of the New Jersey Education Association, he recently attacked a Federal -- proposed Federal education cuts. He then cited in his letter and paper a litany of programs that he believed would have to be cut back or eliminated. Mr. Testa stated, "Obviously the schools will survive, but I'm not sure some youngsters won't be victims or severely hurt." It was appalling to read this diatribe and realize that this leader of the most powerful union in the country never mentioned that maybe, just maybe, he should advise his members that they must follow the lead of all our major corporations and begin to get lean and face economic realities.

Mr. Testa should tell his members they can no longer demand salary increases double and triple the rate of inflation. No longer can taxpayers afford to pay for cradle-to-grave benefits. No longer can we pay for useless programs that have failed despite the billions of dollars invested in them. No

longer can we afford to produce students who can proficiently use a computer but can't spell or compute simple math problems when the power fails or the batteries go dead.

Please, Mr. Testa, wake up and tell your members that when the inevitable monetary cuts come down the pike and enrollments increase as they will, the sacrifices must be born by your organization. The boom days of the '80s are over. The taxpayers and the children have paid dearly with high taxes and lower test scores. Now it's time to share the load for the children.

Thank you for this time to address you. And please, everybody said money is not the answer. The one thing I do oppose -- I support this program -- I oppose the additional \$235 million as being thrown into this pot. I believe with the almost \$13 billion we're presently spending on education in the State of New Jersey we can adequately and very adequately educate our children. Thank you.

SENATOR EWING: Thank you.

Dr. Brennan.

DR. BRENNAN: Thank you, Senator. In my earlier comments I forgot to thank Charlie Molé, a faculty member here who teaches stagecraft and literally spends hours on a scaffold aiming these lights. Thank you, Charlie. And thank you members of the Committee for this opportunity to speak with you on this important issue.

My name is Tim Brennan, and I am the Superintendent of the Parsippany-Troy Hills Schools. I also Chair the Education Committees of the Morris County Human Relations Commission and the Committee to Honor Raoul Wallenberg.

You'll hear today many restatements about four major points which need to be addressed as we move toward compliance with the Supreme Court's mandate. First, the vote overage design -- as currently stated, the bill under consideration would leave many elements of a thorough and efficient education without constitutional protection, not because of necessity, but because of variations in the cost of living and seniority of staff in school districts throughout our State. Second, placing a cap on special education does not remove the need for us to educate these youngsters using tried techniques such as smaller class size and intensive remediation, nor is the age of the student the determinant of the cost of the needed treatment. Third, changing the school board election dates would bring politics to New Jersey education as never before. And fourth, funding for at-risk students should accommodate their right to be dealt with as individuals, rather than on the basis of their community's poverty level. The Parsippany Board of Education shares these concerns. We promise to do whatever is necessary to help you address them.

In addition to what you will hear today, we've all read in the papers the comments of some who have said that we cannot make progress, that our issues have become too political, our discussion too partisan, and our interest groups too narrowly focused. I do not believe this to be the case. On the contrary, I am heartened by the fact that so many groups of such diverse membership from the Education Law Center to the Garden State Coalition of Schools have eschewed what might have been easier paths and instead have stood fast in calling for the best education of all students in New Jersey.

We are at a crossroads of opportunity right now, one which calls for trust and cooperation between the education and the legislative

communities. The legislators must move this bill into a form which makes it feasible for educators to fund our programs, shoot for excellence, and guarantee equity. The educational community and, most especially, the professional educators must provide concrete and positive ideas that can help move us forward. Never again can we allow such a vacuum of substance to exist in the definition of thorough and efficient education that we need substitute dollars for a sense of what makes up the dimensions of quality in schools and schooling.

In the spirit of specific suggestions, I would propose that we would have an opportunity to juxtapose this legislation with the School Construction bill currently under discussion. That opportunity is to build, for the people in the special needs district schools of genuine choice, schools in which the parental and community infrastructure takes shape even as the external framework of the building is constructed.

There is no amount of money that can match the energy which is released and transferred in a parent's hope for the future achievement of their child. Those of us fortunate enough to work in school districts where the overall environment serves as a springboard for achievement have seen that over and over again. This year Parsippany piloted a new program option called the Academy in which we hoped to offer the honors curriculum to the so-called average students. One of the requirements was that a parent or adult sign a contract promising that they would help the student meet the additional requirements. One year later, the major complaint of the parents who signed that contract was that we did not call on them enough.

From urban and distressed areas all over our country come stories of parents and grandparents who make tremendous sacrifices to educate children, to pay tuition, sometimes to a religious school, sometimes in cash on a monthly basis, so important it is for them to see that their children get a chance to attend school with kids whose parents share their values in an atmosphere where the critical mass of such values is enough to propel the students upward. Less publicized in this day of talking about vouchers are similar examples of high energy in public schools in such distressed areas. We can make that energy systemic rather than unique -- offer those parents the opportunity for such a learning environment within the existing public school system of our State.

Building communities of shared values has worked well within urban areas where admittance to some condominium or apartment houses is not a matter of wealth, but of commitment on the basis of fellow citizens to join the community and work toward its goals. With resources to build new schools, we can tap that parental energy to rebuild special needs school districts from the inside out.

As a Superintendent of a quality school district which strives to improve constantly, I am sensitive to the needed modifications to this bill. As a New Jersey citizen with a 30-year perspective on the power of education and in its absence the persuasiveness of ignorance, I feel a real sense of urgency not only in getting adequate resources to the 40 percent of our school children who reside in special needs *Abbott* districts, but in making sure that we do the job necessary to develop them as effective first-class citizens.

Marilyn Morheuser, a good friend, once told me late in her too-short life not to be discouraged about the delays and challenges in bringing equality of opportunity to all children. "I know I'll be gone before it gets here," she said, "For this is the work of many lifetimes." It is in that spirit that I am glad to be part of the continuing efforts here today.

Thank you.

SENATOR EWING: Thank you, Dr. Brennan.

Brenda Considine, The Coalition for Special Education Funding Reform.

BRENDA G. CONSIDINE: Good afternoon and thank you for the opportunity. My name is Brenda Considine. Recently I had the privilege of serving as Cochairperson of the New Jersey Legislative Task Force on Special Education which delivered its final report last December after eight months of intensive research and discussion. Many of the principles for funding reform recommended by this bill are contained in the Task Force report and include efforts to ensure that more children with disabilities are educated in regular classrooms along with their peers.

I speak before you today on behalf of a Coalition of statewide agencies and organizations which together represent tens of thousands of children with disabilities and their families. The Coalition quite simply urges a more simple, equitable, and placement-neutral system of funding for special education. Let me begin by thanking and commending Senators Ewing and Martin for the many positive changes that this bill would make to our State's special education funding system.

There are a number of problems inherent in our system. The first problem is the fact that State aid is currently linked to placement in one of sixteen special education classrooms. Therefore, students with disabilities who receive special education services and support in regular education classrooms -- mainstreaming or inclusive education -- do not generate State categorical aid. The entire excess cost of educating that child then rests on the local district. This flaw in our system has been cited as a major barrier to districts who wish to provide special education services and supports to classified pupil, like Donald, in regular classes.

Second problem: In most cases State aid, including special education aid, flows directly from Trenton to each local school district. This makes sense because the local school district has the legal responsibility of educating children with disabilities and is the responsible party should a dispute arise concerning services. There's one exception to this rule however. County-based special services school districts receive all State aid -- that is transition aid, foundation aid, and categorical aid -- directly from Trenton, bypassing the child's district of residence. In addition, these programs receive nearly \$10,000 in categorical aid which, in most cases, is more than the local school district would receive for these same children. The statewide average cost of serving students in special services programs, as reported in the final report of the Legislative Task Force on Special Education, is around \$22,000 a year. Yet the average tuition that they charge local school districts is less than \$5000 a year. Because they receive all aid directly and are supported heavily by county taxes, they can set a very low tuition rate which does not reflect their actual costs. Other out-of-district programs such as those operated

by jointure commissions, regional day school, and private schools, which have similar costs to special services programs, must charge tuition rates to local school districts which approximate their actual costs. This funding imbalance in State aid creates a fiscal incentive for local districts to send pupils with disabilities to certain placements over others.

In some instances, it may be less costly for a district to send a child with a disability to a special services program than it would be to educate that pupil at home because of the funding imbalance. While it may appear less costly to the district, it is actually more costly to taxpayers everywhere because State aid and county aid are making up the difference.

The third problem in our current system is the issue of fiscal accountability. Although State special education aid is generated based on a precise count of pupils, the State aid, once it has been received by local school districts, is not dedicated. This means that districts are free to use this aid as they see fit and do not need to return unexpended State special education funds. The end result is that State government knows how much is distributed every year but knows very little about how much is actually spent on special education.

The Coalition I represent today supports several elements of S-40 which address problems that I have described. Specifically, we support the fact that special education aid would no longer be linked to a pupil's placement and, therefore, represents a placement-neutral system of State aid. Under this bill the same amount of State aid would be available to a school district for all placement options. No one placement option would generate more aid than any other. The Coalition fully agrees that State aid for special education

cannot be linked to placement. The State funding system must allow a student's local district of residence to provide special education in all federally mandated environments, including the regular classroom, without fiscal incentives or disincentives.

Further, S-40 directs all aid for special education services to home districts whether programs are provided in the district of residence or through tuition arrangements such as those in private schools, special services programs, or other out-of-district programs. The Coalition fully supports this provision. We agree that State aid should be provided to the district of residence so as to allow the responsible parties to have all the fiscal resources they need to make decisions about appropriate placement without fiscal or administrative incentives and disincentives.

I've attached a fact sheet on this issue which addresses some of the arguments that may be heard on this particular issue. This key element of special education funding -- placement neutrality -- will likely become a Federal requirement when the Individuals with Disabilities Education Act, or IDEA, is reauthorized this fall.

There is one area in the bill, however, where we would recommend a change. The bill proposes a single, flat-grant dollar amount for all classified pupils regardless of the nature or severity of their disability. For example, under this bill a child who needs only special help for reading would generate the same amount of State aid, roughly \$4800, as a child who needs full-time specialized support and a full array of related services like speech therapy and physical therapy. Such a system assumes that all of New Jersey's 611 districts have an equal mix of students with the expectation that those with needs which

cost more than the flat-grant amount will be balanced out by those with needs that cost less than the flat-grant amount. We know that this isn't the case. All districts are not equal.

On the issue of multiple cost factors, Donald and his mom talked about the need for variability here. We believe the bill can be improved by replacing the single, flat-grant amount with three levels of grants each based on the duration and intensity of services required by a particular child. Special education categorical aid could then be provided as follows:

The category Support Services Only would be used to provide a level of State aid appropriate to meet the needs of pupils who only needed related or support services such as special transportation, speech therapy, occupational therapy, or counseling.

The category Part-time Special Education would provide a level of State aid appropriate to meet the needs of those students who only need a half day of special education instruction or support.

And finally the category Full-time Special Education would provide a level of State aid appropriate to meet the needs of pupils who need a full day of special education and related services.

The Coalition believes that such a system would allow for better State monitoring of services and programs and would insure that districts receive levels of State special education aid appropriate to the particular composition of pupils with disabilities in that district.

The Coalition believes there is great promise in this bill, and we thank the sponsors and the Whitman administration for their efforts to reform special education funding. Thank you.

SENATOR EWING: Thank you very much, Brenda.

Pablo Clausell, Superintendent of West New York.

PABLO CLAUSELL, Ed.D.: Good afternoon, my name is Pablo Clausell. I am the Superintendent of Schools in West New York, New Jersey.

Honorable Senators, Committee members, New Jersey State Department of Education officials, and guests: I come before you to state my support for the NJDOE school funding Plan. Back in 1970, I was a student teacher and later taught at P.S. 22, an elementary school in Jersey City, attended by the plaintiff in the *Robinson v. Cahill* case. *Robinson v. Cahill* led to the Court decision ascertaining the State's responsibility to provide a thorough and efficient education to all of the State's students. The Legislature acted, and a possible solution to address the conditions evolved until disparities again were highlighted in the *Abbott v. Burke* decision. We thought the Quality Education Act would provide relief to existing conditions, but as we know, it was never fully funded.

Through those years, I held a number of positions within the Jersey City Public Schools District as a teacher, Title I coordinator, bilingual ESL supervisor, high school principal, assistant superintendent, and associate superintendent following the takeover. I believe through those experiences I have become painfully aware of conditions impacting school districts which appropriate funding could alleviate.

As of last February, I became Superintendent of Schools in West New York, one of Hudson County's 13 municipalities -- a special needs district. Previous monitoring in West New York demonstrates high attendance by faculty and students, and although test scores need improvement, we hold

our own with some of the better special needs districts. The curriculums are updated, school planning teams are active, there is a staff-development program in place, and staff has high expectations for students. But I have found that reforms, which become standard and flourish in districts with the means, take a different shape in special needs districts as their degree of implementation is affected by conditions impacting schools.

Allow me to provide you a simple example: In reviewing the September 1996 schools organizations this coming September, I met with each school principal. I asked, for example, Mario Capozzi, P.S. 2's elementary school Principal, a simple question. I said to him, "I reviewed your school's organization, Mario, and noticed some kindergarteners are projected for a full-day program while others will be in a half day." And I asked, "Why and how do you select who goes to which?" His response was simple and logical based on the conditions impacting his school. He proceeded to explain that if there are more non-English speaking kindergartners registered, the English-speaking students get the full day due to the lack of space for the others. The others must be assigned to a half-day session in order to accommodate the numbers in the a.m. and p.m. session.

This means that little children entering our school's doors, who are not English speakers and are the predominant number, are automatically locked out of approximately 90 days of instruction in an academic year. These are children who need every possible assistance and sustained effort to gain the English proficiency and cognitive skills that will assist them with the rigorous demands that we wish to implement in the coming years.

The Department's Plan will help West New York by assisting to bring about equity in the availability of needed programs to all students. Are we providing every child in West New York with the opportunity to be exposed to computers and use them daily? I earlier heard that there is computer-to-student ratio in one school district as one to three. We have grades across the district that are not served at all through a computer teacher or have access to them. The answer, of course, is knowing West New York.

I wish to remind you that according to 1990 census data from New Jersey, 60.4 percent of West New York's population consisting of 38,125 residents are foreign born. In the range of persons within the ages of five and seventeen years, 38 percent speak a language other than English at home. The economic situation of West New York's adults is very grim. The State's average per capita income in 1990 was reported as \$18,714. West New York's average per capita income was \$12,047. Within this population are the vast majority of parents who send children to our schools. Our students predominantly come from homes without the equipment to enjoy and learn the use of a computer as part of their daily lives.

Our schools provide the disadvantaged population with the only opportunity to be exposed to, learn, and use a skill that has rapidly become a way of life in the rest of our society. The Department's Plan will help West New York by assisting our district to implement the core curriculum standards and prepare our children for the 21st century. The disparities are many, and we can go on and on, but I am excited about the possibilities knowing there is a commitment in Trenton to create and support programs for disadvantaged children that may survive the test of time.

I am excited about the possibility of developing programs that work without fear of losing them due to continuous conditions impacting our district. Committee members, I urge you to come to West New York and visit our schools to ascertain how much we do with what we have and to judge the enthusiasm and tenacity of our staff. We can do a lot more to prepare our students, but we need your support of the Department's funding Plan. Our future is in your hands.

Thank you.

SENATOR EWING: Thank you very much.

David Sciarra, Executive Director, Education Law Center.

DAVID G. SCIARRA: Thank you, Senator Ewing and members of the Committee, for the opportunity to testify on Senate Bill 40. This bill encompasses Governor Whitman's Plan for school financing.

The Education Law Center serves as counsel to the 285,000 children attending public schools in our State's urban communities, the plaintiffs in *Abbott v. Burke*. I appear before you today on behalf of each and every one of those children. It has taken time to grasp the full impact of this bill. The Department of Education initially touted \$8225 per pupil and implied that this was the amount necessary for a thorough and efficient education in all school districts. Many were misled. We now know that the actual T&E amount proposed by this bill -- when categorical aid is appropriately removed -- is much lower and varies district to district.

Incredibly, the Department still refuses to release complete data for each district, nor will it release the research base that it claims supports this bill. We have, however, made preliminary estimates and the nonpartisan

Office of Legislative Services just released an analysis of the T&E amount for each district. These calculations clearly show that the high-performing lighthouse districts face losing essential programs as large amounts of current spending are declared not constitutionally required. Even the urban districts lose programs and funding. Newark's loss is astounding, over \$64 million from a budget that is already inadequate, dashing any hope for the improvements under *Abbott*.

The problems with this bill are wide and deep, touching on every fundamental issue related to school funding:

- 1) There is an incomplete definition of T&E. Section 4.a of the bill defines T&E, thorough and efficient, by using language from *Robinson* instead of the more fully developed and constitutionally correct definition in *Abbott*. Under *Abbott*, T&E is not just an education that equips children for their roles as citizen and competitor in the labor market, it also means an education that is the substantial equivalent of that afforded in the richer school districts.

- 2) There is no link between standards and funding. Section 4 of the bill adopts the core curriculum content standards to define a thorough education. There is no link however between the standards and the funding offered by this bill. The core curriculum standards are neither standards nor curriculum. They are broad, largely vague statements of what students are expected to learn at various points in their schooling. Standing alone, these standards provide no basis for determining needed programs or for calculating required spending. Indeed, even assuming these standards are adequate, no

standards-based funding formula has been adopted anywhere in this country, and there is no research to suggest that this approach is even plausible.

3) There is an arbitrary, politically contrived dollar amount. Lacking any link to real educational programs and their costs, the per-pupil T&E amount in this bill is nothing more than the level of State funding the Whitman administration is prepared to make available to local school districts. This is plainly evident on the face of the bill. Section 11 declares that \$2.6 billion is the fixed amount of State aid for regular education. By backing into this amount, this bill is no different than Chapter 212 and the Quality of Education Act, both of which were driven by the level of funding State officials were willing to provide and both of which were declared unconstitutional.

The 30 percent cut in the income tax, the main source of State revenue for public education, has dramatically reduced the funds State officials are now willing to provide. It is not surprising that the T&E amount in the bill -- \$7194, on average, per pupil -- just happens to be one that doesn't require any additional funding for regular education for urban schools. It is also well below, as you've heard before, what is now spent in many other districts including most high achieving schools.

4) Leveling down high performance. *Abbott* requires programs and spending comparability between urban schools and high-performing schools. Comparability can be reached either by raising urban schools up or bringing high-quality schools down. This bill levels down.

ELC estimates over \$200 million in current spending in the lighthouse districts will be declared unnecessary. OLS calculates unnecessary spending of more than \$669 million statewide and estimates that even Newark

spends \$64 million too much. What's all the more shocking about this is the Department's complete failure to demonstrate, district by district, what specific programs are not required or unnecessary or excessive or wasteful or optional or whatever new adjective is currently in vogue.

Obviously no one asked the educators and school board members, because if they did, as we've just heard, they would quickly learn that these unnecessary funds support language, music, advanced science, advanced placement programs, and other core subjects, programs required for T&E.

5) There is no parity assured for urban districts. *Abbott* requires this bill to assure parity of regular education expenditures between the special needs districts and the more affluent districts by 1997 and thereafter. This bill doesn't even try to meet this constitutional mandate. The results are devastating to urban schools, an estimated \$340 million loss in State aid entitlement from the failure to assure parity. Even worse, urban districts fall below current spending levels -- 16 districts lose \$75 million in regular education funding.

This bill also allows districts to spend without limit above the T&E amount if local voters or officials approve. Affluent communities are more likely to maintain and grow beyond current levels, although this is by no means guaranteed. What is clear is that urban districts will not be able to raise local funds sufficient to reach substantial equivalence with high-performing schools.

Further, under *Abbott*, the State cannot require or even permit urban districts to resort to property taxes to achieve parity. Indeed, in subsequent years under this bill disparities will once again grow. If history and *Abbott* teach anything, it is that once locked into a fixed, reduced amount of

State aid, urban districts fall further behind given entrenched patterns of municipal overburden and the resulting incapacity to raise property taxes.

6) So-called optional spending is unconstitutional. Sections 4 and 5 of this bill establish a two-tiered system of public education, State and local. The Commissioner describes the local portion which has no limits as “not part of the State-mandated system.” Without question, this scheme violates the constitutional principle that all of the money that supports public education, whether it’s raised by the State or locally, is authorized and controlled in terms of its source, amount, distribution, and use by the State.

7) Continued overreliance on property taxes. The recent income, sales, and business tax cuts have continued New Jersey’s overreliance on the property tax to fund public education. State aid for education has hovered around 40 percent for the better part of two decades, well below the national average of 50 percent. In creating optional spending, the bill leaves school districts with no place to turn but property taxes to maintain programs and spending, meet inflation and enrollment growth, or make needed improvements. We estimate that Newark would have to raise local property taxes by 54 percent just to maintain current levels of program and staffing.

8) Insufficient aid for students with special needs. *Abbott* makes clear that the educational success cannot be expected unless the Department implements a significant intervention or a package of programs that respond to the additional needs of disadvantaged children -- the needs that disadvantaged children bring with them to school. Section 18 demonstrably effective aid in this bill falls far short of this mandate. The bill fails to identify,

adequately fund, and implement supplemental programs for disadvantaged students in grades 1 through 12.

An illegal cap on special education: Section 19 places an arbitrary cap on programs for children with disabilities. Districts with classified students above the cap receive reduced or no State support at all. Such caps clearly violate the Federal Individuals with Disabilities Education Act, which requires the State to assure appropriate programs are available for each child without regard to local fiscal capacity. Additionally, the bill reduces overall funding for special education by \$75 million, and when compared with '92-'93 spending for special education held constant for inflation and enrollment, the loss is over \$200 million.

9) No accountability or school reform. This is perhaps the most important point. *Abbott* recognizes that money does not result in educational success. *Abbott* recognizes that. In 1994, the Court challenged this Legislature to undertake far-reaching educational reform in low-performing schools. Sadly, despite all the rhetoric of putting programs before dollars, this bill contains neither the mandate nor the resources to stimulate innovation and improve performance. Section 6 offers only more meaningless desk audits and paper monitoring, a system that has done nothing to significantly enhance the quality of education in urban school districts.

Let me conclude by saying that this bill is deeply flawed in every basic respect. It ignores the Supreme Court order in *Abbott*. It ignores the Supreme Court order in *Abbott*. It runs afoul of the State Constitution. It tramples on Federal law that protects children with disabilities, and it violates the rights of school children not just in urban schools, but in almost every

school district in this State. There is simply no way to amend this bill to meet these grave educational, legal, and constitutional defects.

It is a sad day when so many public officials appear ready to violate their solemn oath to uphold the Constitution of our State. Consider the lesson to our school children when these officials so readily ignore the law. Even more distressing is that this action is contemplated under the misconception that *Abbott* mandates a complete overhaul of school funding for all school districts by September. As I have repeatedly stated, *Abbott* requires only that a bill be enacted that assures parity between the special needs and lighthouse districts in regular education expenditures and identifies, adequately funds, and implements a package of programs and services for disadvantaged students in those districts by September of '97.

I urge you to abandon this bill. It makes no sense to attack quality education as this bill does. It makes no sense to reduce resources to urban schools as this bill does. It makes no sense to legislate disparity as this bill does. It makes no sense to place even more burden on the property tax as this bill does. And this bill doesn't just embody wrong educational policies, it is the constitutional equivalent of the *Titanic* -- it's destined to sink.

Instead of dividing parents and school districts against each other, let's devote the next two months to satisfying the *Abbott* requirements for the special needs districts. We can then turn our attention to the remaining significant issues affecting public education in our State: property tax relief, State aid to non-*Abbott* disadvantaged districts, realizing cost efficiencies without damaging programs, restructuring special education, and overhauling

the function and capacity of the Department to stimulate and support statewide reform and improvement.

Thank you very much.

SENATOR MacINNES: Mr. Chairman. I just want to ask him one question about his understanding of the bill. He is the attorney representing the plaintiffs in this case.

SENATOR EWING: That's right. He's been in court on this thing. He'll be in court again.

SENATOR MacINNES: But I would like to ask him one question on the -- in terms of the meaning of the bill as he understands it, if I could? Why else do we have these microphones.?

SENATOR EWING: So you can't talk.

SENATOR MacINNES: If I could, Mr. Chairman--

SENATOR EWING: Go ahead.

SENATOR MacINNES: Mr. Sciarra.

MR. SCIARRA: Yes.

SENATOR MacINNES: You mention on Page 4 that the Department has not specified, district by district, those programs which would be considered to be above the so-called T&E budget. Is it your understanding that the bill gives the Department that responsibility? I mean, is this something that is included in S-40, where there is a determination at some point what educational expenditures meet the definitions that are contained in this legislation on the core curriculum?

MR. SCIARRA: No, S-40, S-40 takes the-- As Assistant Commissioner DiPatri talked earlier, S-40 takes the core curriculum standards

and the hypothetical model district, which has been discussed earlier, and comes up with the dollar amount and, basically, through rhetoric only, assumes that's necessary for a thorough and efficient education. My point here is that the Department has -- there's so much money over the T&E amount--

SENATOR MacINNES: Right.

MR. SCIARRA: --that's being labeled under this bill. We've had a million labels. You know, Senator, those labels. We've gone from excessive to wasteful -- you name it, put whatever label you want on it -- not constitutionally required. There's so much spending going that's above the T&E amount. And the Commissioner hasn't done anything to demonstrate, what is it about that spending that's not necessary for a thorough and efficient education? Some of it, as you point out, has to do with cost differentials around the State. Some of it has to do with the fact that we're talking about high-quality programming of the type adopted by the Court as the benchmark for a thorough and efficient education.

My only point is that the Commissioner's failure to even demonstrate district by district or cross districts or patterns among districts the kinds of spending that's going on above this -- I would have to say phoney T&E amount -- underscores the fact that it's phoney. It has no connection to reality. It's unrelated to real costs, educational programs, and costs in New Jersey. The Department, frankly, isn't going to do that because it's going to make us live under this predetermined and, I would submit, phoney T&E amount and fund public education based on it.

SENATOR MacINNES: Could somebody, under the bill, bring to the Commissioner's attention spending in a local district that that person

believes to be above the line, but which the district has not included above the line and have the Commissioner be the arbiter of what's involved?

MR. SCIARRA: No, because there's no appeal to the Commissioner. In fact, under this bill you have -- the districts that are above the T&E amount are going to have to put the matter to the voters and tell the voters-- I mean, I don't know how they are going to do this. They are going to have to, somehow, lie to the voters, because they're going to have to say that the money that they're asking them to approve is not necessary for a thorough and efficient education, when you just heard the teacher here talk about the advanced placement programs, the science programs, the extra and cocurricular activities, and on and on and on.

SENATOR EWING: Thank you, David.

SENATOR MacINNES: Thank you, Mr. Chairman.

SENATOR EWING: Daniel J. Moroney, State Board member, speaking for himself.

DANIEL J. MORONEY: Dan Moroney, Cedar Grove, New Jersey.

I thank the panel, and I greatly appreciate the opportunity to contribute to the subject of the funding of what I believe is the most valuable legacy that we can deliver to the children of New Jersey now and in the future.

In the education industry, there abounds ubiquitous self-interest in criticizing Governor Whitman's education funding proposal. That criticism is a vivid example of hyperbole and perhaps worse. A recent example in a daily newspaper report on the Garden State Coalition of Schools was the appalling comment that the Plan would devastate education and might destroy the Township of Verona, so stated a member of the Coalition.

The people of Verona are also being told that they will lose between \$1 million and \$2 million. You just heard the word lie from Mr. Sciarra, and I'm sure that that applies in that case, too.

Those comments are the hallmarks of demagogic scare tactics by Coalition members focused not on dialogue and search for the truth, but on generating fear. What is being devastated and destroyed is the credibility of those members of the Garden State Coalition who indulge in such deliberate exaggeration.

As an example, the Verona School District has received a number of accolades in the past year -- deservedly so. If, with that educational record, the board and its administrators cannot engender budgetary support, it means they are not doing their job of communicating with the community or the budget is not reasonable.

The people of Verona have an excellent record of support for their schools. To suggest otherwise by the use of such ludicrous, unsupportable comments would be insulting and denigrative to the taxpayers of any town across the State of the caliber of Verona.

The Garden State meeting also, according to the news story, belatedly recognized the economic climate when a member of that Coalition stated, "People are now feeling the crunch." A lot of them have been laid off. Where have they been for the past five years? Now, shows a great insensitivity to what has been happening in the real world for years. The Coalition must be made up of slow learners.

The people of New Jersey are entitled to the truth, not self-serving propaganda. Their school budgets will not change any more than they have in

the past. The difference will be that they will not vote on the part of the budget identified as constitutionally required. They will vote on the difference between that and the total budget. To use the example in this district we were just talking about, it's \$1.6 million. If the people in that district would vote for a \$15 million budget, why would anybody believe that they won't vote for \$1.6 million? After all, it's their children, and it's their town.

Could it be a part of the hidden Coalition agenda to eliminate the people's right to vote on any part of the budgets? Many of their members have advocated that for years. Here's the rub. The Coalition members have had their way for years with budgets. In the past, when budgets were defeated and the councils would recommend the reduction, the districts would appeal to Trenton, and the reduction would be forthwith restored.

Since then, a more rigorous process was initiated in Trenton requiring budget appeals to be scrupulously justified before restoration. Under the new Plan, using Verona's figures of a \$15 million budget, \$13.4 million would be considered constitutionally required and not subjected to a vote. If the remaining \$1.6 million, which is subject to a vote, is defeated, there is no appeal to Trenton. But -- and this is a big but -- the superintendents and the Coalition revealingly left out that the defeated part of the budget, \$1.6 million, can be negotiated with the local council.

The council certainly would not devastate education or destroy its own town. They're not suicidal, particularly none of the caliber -- and there are plenty of them across this State -- of Verona.

Bottom line, it means that the boards and administrators across the State must do better jobs of budgeting, be more accurate in preparing, and

more effective in explaining it to their citizens. And isn't that what democracy is all about?

SENATOR EWING: Thank you very much.

Actually, Verona will receive \$45,000 less in State aid this year.

Bonnie Hollis, Livingston Board of Ed.

Could you sit in the middle seat, please?

BONNIE HOLLIS: Middle seat.

SENATOR EWING: Yes, that small mike there. Bring it close to your face, please. Speak right into it, please.

MS. HOLLIS: Good afternoon, Senator Ewing and members of the Senate Education Committee.

My name is Bonnie Hollis. I'm a Livingston home owner, taxpayer, and have lived in Livingston for 11 years. I have two children, ages nine and almost fourteen, who attend the Livingston school system. I am also a member of the Garden State Parent Network. Although I am only one voice speaking to you today, rest assured I represent thousands of parents in Livingston who share my concerns.

I'd like to thank you for this opportunity to come before you today and share my thoughts about Governor Whitman's thorough and efficient spending Plan. I'm not a salesperson, but today I wish I were the best one I could possibly be, because I'd surely like to sell you on the importance of a good education. If we could all put aside Republican and Democratic hats for just a moment and simply think of the children, our greatest resource, they are tomorrow's future. When all of our debating becomes tomorrow's past, it will be our children who will be the future leaders.

What you decide today could well be the legacy you leave to all the children in New Jersey public schools. I implore you not to allow this political football to continue, but to ask your conscience, "Am I doing the right thing to ensure that the top schools in New Jersey continue to be the best that they can possibly be? Am I working towards pulling up the lower districts to be successful, or will my decision for the T&E Plan adversely affect top school districts? Am I leveling down top schools so that the Supreme Court can be satisfied that everyone is equal, but no longer on the level of excellence that exists presently?"

Please take a moment to consider these points: How was the per-pupil cost limit arrived at? Does it truly reflect the fair cost of education in each district of the State? Does this formula recognize that there are different costs of living in different parts of the State?

For example, on Page One of *The Star-Ledger*, on July 9, it stated, "A private analysis completed for the Legislature last week by the nonpartisan OLS revealed that 52 percent of the State's districts would exceed the Governor's cutoff and have to go to the voters. The five hardest hit counties, Morris, Bergen, Somerset, Essex, and Mercer, would all have more than 70 percent of their districts needing approval from the voters just to keep spending at current levels." It also stated that "Livingston would need approval for \$12 million of a \$45 million budget."

The July 4 issue of *The Bergen Record* stated that in Bergen County, out of 75 districts, 62 are over the limit. The percent over was 82.7 percent. In Essex County, Governor Whitman's Plan puts 15 out of 21 districts over

the spending limit, at 71.4 percent. How can you systematically crush counties?

On July 2, 1996, there was a handout prepared by the Education Section of the Office of Legislative Services from data provided by the Department of Education. And just for your reference, it's on -- all the information on that is on the next to last page. Included in this handout is the following listing. A portion of it is for Livingston Township. The amount subject to voter approval, as percent of total spending, 27.5 percent.

All of these numbers above suggested dismantling of top schools, including Livingston. Additional considerations: What course of studies does the per-pupil cost limit cover? What extracurricular activities would be allowed under this figure, such as bands, sports, clubs, extra academic studies, etc.? How are accelerated, advance placement, special education, and special needs courses to be funded?

Livingston, as you well know, is a top school system with many top students. For example:

- * On AP exams for 1995-'96, 169 students took 299 exams, with 88 percent scoring level III or higher.

- * Every year there are National Merit Scholars. The class of 1996 had 9 semifinalists.

- * There are numerous awards won. For example, New Jersey Science Day/Biology: second in New Jersey; first in the county; top New Jersey teams in first/second-year competitions in chemistry, physics, and biology: 11 gold medals and 1 silver.

- * Essex County Math League: first place overall.

* National Spanish Exam: first-, second-, and third-place winners.

The list goes on and on. And a more complete list is on the next-to-last page.

Conversely, if you have top programs offered in so many areas and not the proper funds, what are you supposed to eliminate? You'll always have top performers, but will they go the furthest they are capable of? Will the programs stay at this high level of excellence?

Allow me to provide another example. Livingston offers an alternative school in addition to our high school. This program was established in 1989. The alternative school has students working at their own pace and has had over 200 students in this school. It has even had students who drop out of high school, in past years, return and complete their education. In the past three years alone -- the figure could actually be longer, this is as far back as I went -- all of the students have graduated. Just a few each year may have required longer than four years. This year all graduated but two, but those two are continuing next year.

Consequently, a traditional high school setting is not for the students at the alternative school, but here they are meeting with success and graduating from high school, instead of some potentially becoming high school dropouts and additional burdens on an already overtaxed society. Where is the remuneration for this fine program?

Other school districts continue to look to Livingston as a proven leader with exceptional programs. Chester and Scotch Plains both visited the alternative school this year and are considering starting their own.

Further considerations: How will the State administer this per-pupil cost limit? What agency will be responsible for this? How will the State collect and distribute these funds? What checks and balances will there be that this funding is being efficiently used? How will the State assure that the current top-performing districts are not penalized or leveled down while the poorer districts are assisted up? How can you approve the CCS without approving the funding amount?

Another major area of concern is the actual vote on a school budget. As you well know, when people go to the polls to vote, they do not have the opportunity to vote on a county budget or on a municipal budget. These budgets are out of their control. In increasingly tight financial times with counties' budgets and other budgets ever climbing, often a school budget can reflect frustrations that cannot be vented elsewhere. Consequently, it may be easier for a school budget to be defeated than passed.

The Governor's Plan would have people vote on the overage, which would also be labeled not constitutionally required. To have Livingston voters vote on a 27.5 percent overage, instead of voting on the whole budget, is setting up the budget to fail. Allow the people of Livingston to view the budget as a whole and accept it or reject it. The voting process will still be taking place, but it will be a far fairer process.

Finally, we need an alternative to Governor Whitman's thorough and efficient spending Plan. Kindly remember those schools of excellence, as well as the cost-of-living disparities in different parts of the State, which was clearly reflected by 15 out of 21 districts in Essex County not having the proper funding under the Governor's Plan. Consider Assemblyman Bagger's

proposed modification to the Plan. Grandfather those districts whose budgets are above the Plan's T&E foundation level. Include a cap based on a combination of consumer price index and adjustments for enrollment differences. If a district needed to exceed that spending level cap, then that would go to the voters to decide.

Help to pull the lower districts up. Don't make everyone equal by pulling the top schools down. We need to compete not only with ourselves, but other nations in the world today. We need to be technologically advanced and competitive in many fields. How will New Jersey students fare when all is said and done?

Any school can provide a mediocre education. Livingston strives to be one of the best. This is what I wish for my children and all the others of New Jersey. Let us go forward, not backward. My children and yours deserve no less.

SENATOR EWING: Thank you, Ms. Hollis.

Livingston is actually getting about a half a million dollars more in State aid this year. It's an interesting thing. Also, in the bill itself, you would not be voting on budgets -- I mean if the bill passes and that stays in -- we will not be voting on budgets at a cap or below.

MS. HOLLIS: I wonder what will happen though, Senator, with that extra \$12 million, how that will impact on the fine programs that we have.

SENATOR EWING: Well, this is one of the areas that Senator Martin, the sponsor of the bill, had pointed out. This is one of the areas we definitely have to be looking at. We've had a lot of complaints from individuals, from districts, and also on the special education section. That's

the reason we're reworking the whole thing. We have to look at it very carefully.

MS. HOLLIS: I hope, Senator, also, that when they rework this, they look at not only the dollar amount, but some of the fine programs that may not be in your core curriculum standards such as the alternative school and other programs that we offer that help children who might potentially not even be in school.

SENATOR EWING: Very, very true, but we have very strong home rule in New Jersey. So the people want it, they'll get it.

MS. HOLLIS: Thank you.

SENATOR MacINNES: Mr. Chairman?

SENATOR EWING: I just made a statement about what money they were getting. That was all. We're not going to be asking questions.

SENATOR MacINNES: You left the impression that the cap -- that if anyone is below the cap, they don't have to go to the voters.

SENATOR EWING: That's right.

SENATOR MacINNES: But, if they're above the T&E budget as defined, they do.

SENATOR EWING: For that amount over the T&E.

SENATOR MacINNES: Right.

It's very confusing. I'm stupid. I wanted to get it clarified. That's all.

SENATOR EWING: Charles Reilly, Florence Hauer, Tony DelTufo, School Boards Association.

CHARLES V. REILLY: Good afternoon, Senator Ewing and other distinguished members of the Senate and Assembly.

I'm Charles Reilly, the New Jersey School Boards Association's Vice President for Finance and ex officio member of the New Jersey School Boards School Finance Committee. I am also a member of the Ridgewood School Board.

To my right is Dr. Anthony DelTufo, a member of the Livingston School Board, and he will make some comments about the special education aspects of the bill. And to my left, Executive Director Robert Boose, of the New Jersey School Boards Association.

The New Jersey Legislature faces an enormous challenge. It must develop a school finance system that will attain the funding equity, provide necessary programming in disadvantaged communities, maintain programming excellence in our finest school districts, and exert a reasonable degree of control over growth in educational spending.

The New Jersey School Boards Association believes that the Legislature can meet this challenge, but to do so, it will have to make significant changes to S-40.

Our Association is a federation of every local board of education in our State. We represent suburban, rural, and urban districts; wealthy, middle-income, and poor communities; and school districts in Northern, Southern, and Central New Jersey. This afternoon we will address changes to the funding Plan that are in the best interests of all students and all communities in New Jersey.

First, S-40 must set a high foundation level of spending. The amount of money that the Plan deems as necessary for a thorough and efficient education is too low. It may result in program reductions in many school districts that now meet or exceed most of the State's curriculum standards. These are districts of excellence that should serve as models for the State.

But a recent report of the Office of Legislative Services gives the grim reality of the Governor's proposal. Because of the low foundation amount, the majority of New Jersey school districts will have to ask voters to approve spending that the State deems "unnecessary" for a thorough and efficient education.

Go back to your districts. Ask the parents and students you represent if they think the programming represented by those expenditures is an unnecessary frill. New Jersey School Boards Association believes that equity attained by eliminating quality educational programming is, in fact, no equity at all.

The driving force behind the school finance debate is disparity in spending and educational opportunity. For many of our poorer school districts, the proposed level of spending will be inadequate. It will not enable their students to meet the new curriculum standards. Mr. Sciarra, of the Education Law Center, has just forcefully and, I think, clearly made that point to this Committee.

Senate Bill No. 40 would set the foundation expenditure for regular education at \$6700 per pupil in 1996-'97. Three years ago, a New Jersey School Boards Association study placed that figure at \$8000. Today the amount of money needed to build and maintain a thorough and efficient

system of educational programming, particularly with the new statewide standards, must exceed that per-pupil amount.

Secondly, the Plan should phase in the high foundation amount. Maintaining a high foundation of educational spending should be a long-term goal of our State. Just as the curriculum standards will be implemented over a period of time, the spending levels to attain those standards should also be phased in.

Third, the Legislature should reduce reliance on property taxes. The Plan talks about expenditures, but it is silent on revenues, nor does it attack a problem at the root of the school-funding issue and the quality of life in our State, high property taxes. Until we look seriously at the issue of State versus local support for public education, many of our communities will be punished with rising property taxes when State aid is diminished.

The administration has told New Jerseyans that property tax rates are not the State's responsibility. They are the result of local decisions. We disagree. In fact, State revenue policy has a very real and very direct impact on how communities must tax themselves for schools and other services.

This afternoon, more than 20 years after the Supreme Court first addressed school finance inequity, we would not be talking about equitable school finance if not for the State's continued overreliance on property taxes to support education. It is a point on which New Jersey is clearly out of step with the rest of the nation. Historically, New Jersey had one of the highest per capita property taxes in the United States. The major cause is the fact that the State pays 38.5 percent of the total cost of education. On the average, other states pay close to 55 percent. Clearly, the problems before us will not be

solved until the State becomes an equal partner with the residents and local districts in funding education.

Our State's overreliance on local property taxes results in wide disparity in the ability of local school districts to raise funds for education. It overburdens citizens who are on a limited and fixed incomes. It cuts severely into the finances of middle-income families.

We support efforts such as the reinstatement of the property tax deduction that helped ease this burden. However, the property tax issue must be addressed in a comprehensive fashion as an integral part of school finance reform.

New Jersey School Boards Association believes that the State should develop a revenue system that would reduce the proportion of revenue raised through the local property tax and result in State payment of at least 50 percent of the cost of public education.

Mr. Chairman and members of the Committee, we have two additional specific areas of concern, facilities and special education. The Plan must address facility needs and school construction. An increased emphasis on technology is a major part of the State's new curriculum standards, but this increased emphasis on technology will require an upgrading of many school facilities. At a minimum, computers require additional telephone lines for modems and adequate electrical wiring, all of which come with a price tag. Recent studies have shown that retrofitting older buildings to accommodate changing technology may cost millions of dollars. New construction can be equally costly.

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 but believe that a comprehensive plan to address school funding and improvement must also address the issue of facilities.

The architects of New Jersey's new school funding Plan should consider initiatives such as: Aid on an equalized basis for capital expenditures, with special aid for low-wealth districts that have severe facility needs; a revolving loan fund in the Department of Education as envisioned by Senator Ewing's S-1063 for the construction and repair of school facilities. The fund would also be supported by uncommitted reserves from the Fund for the Support of Free Public Schools, appropriations of the Legislature, investment income, and repayment of loans.

Mr. Chairman, before I conclude my remarks, I would like to introduce Dr. Anthony DeLufo--

SENATOR EWING: Excuse me just a minute for interrupting. The individuals have been asked to speak for only five minutes, and you have been on, I guess, eight now. So the other two gentlemen are going to have to wait until we have some other testimony coming. Because it's no sense having these people wait any longer than they already have. We've got a lot more to hear. This was explained to your Association very definitely. Because when I said the three of you could come up, it was a question that you were all going to do within about five minutes, so--

SENATOR MacINNES: Could I ask a question of fact, before Mr. Reilly departs?

SENATOR EWING: One question.

SENATOR MacINNES: One question, Mr. Reilly, if I could. It might lead to a follow-up.

SENATOR EWING: Oh, no. (laughter)

SENATOR MacINNES: On Page 4 of your testimony, you talk about the difficulties you see with the T&E amount established under the bill and indicate that your Association did a study three years ago which placed the amount at a higher level. Then you say that given the new statewide standards that this won't do it -- the \$6700 of the element. Has the Association done an analysis which matches up the core curriculum requirements, to the extent that those can be determined, with the probable costs of implementing those core curriculum standards in a typical school? Do you have something like that that leads to this statement?

MR. REILLY: I'll ask Dr. Boose to address that.

ROBERT E. BOOSE, Ed.D.: Senator MacInnes, that's one of the major problems. Until we know specifically how the State has arrived at its own thinking, it's very difficult. The districts have just gotten, a little over four weeks ago, the standards. That's why we're asking for a phase-in period so we can see whether or not the districts, in fact, can match up, and where they don't match up that will be where we need additional funding. It's very difficult to make an assessment that way.

This part of the \$8000 and the \$6700 was part of our work with the Educational Funding Commission of two years ago.

SENATOR MacINNES: Right. I will tell you that, based on my 45-minute conversation with Dr. DiPatri, all the information, I'm told, that

you are going to get on this connection between the core curriculum standards and the financial model you've gotten. It's in the May Comprehensive Plan, he says. I specifically asked, after coming back and looking at my copy of it, if the spreadsheets that they offer in an appendix in the back constituted the connection between the core curriculum standards and this number -- these numbers, the T&E budget they're dealing with. He confirmed that that's all there is. So I thought that was kind of interesting.

SENATOR EWING: The next--

ANTHONY DeITUFO, Ed.D.: Senator Ewing--

SENATOR EWING: No, I'm sorry. I told John Henderson and Judy -- they were told what the parameters were.

Lou Ripatrzone--

DR. DeITUFO: Would you give me one minute, Senator?

SENATOR EWING: No. I'm sorry. I said you can come back. Wait a few minutes and we'll get some other people up. This gentlemen has to go to New York and take an exam. He's next on the list anyway.

MR. REILLY: Thank you, Senator.

DR. BOOSE: Thank you, Senator.

SENATOR EWING: He's also the Superintendent of the Stanhope Public Schools.

LOUIS M. RIPATRAZONE: Thank you, Senator. Committee members, good afternoon. I'm Lou Ripatrzone, Superintendent of Schools in Stanhope. I am here on behalf of the students of Stanhope. We're a district that is very seriously concerned that the new funding law proposal needs to correct the many flaws of the QEA to bring about a greater degree of equity in

school funding. Our district has been and continues to be negatively impacted by the QEA. Our estimates, conservative at best, reflect over a million dollars worth of loss in aid for a district that has a community with one square mile and a \$3 million budget. To lose \$1 million is a significant amount of money.

We have not remained silent. Our efforts have resulted in three State aid adjustments unheard of during this era. Clearly you, our elected officials, heard our voice. In 1994, Stanhope received in June a \$100,000-aid adjustment. In 1995, we received \$150,000-aid adjustment in June. I understand we were the only district in the State of New Jersey. This year we received \$180,000-aid adjustment. These adjustments do not replace the significant loss of dollars, but they were a response from you, our legislators, indicating, "Yes, Stanhope, you were not being treated fairly by the QEA."

We believe the inequities in the QEA partly stem from the use of Federal census data for per capita income to determine the income wealth for a given New Jersey community. The census people themselves admit that these PCI statistics are highly variable and should not be used in the estimation process which is exactly what this bill is proposing to do and the QEA has done for the last six years.

In reviewing the bill for educational improvement and financing on Page 16, they clearly indicate that they will continue to use wealth as an indicator for State aid. We are not opposed to this concept. However, on the same page they indicate, "Consistent with the school funding practice of 1989, the Federal census data aggregate personal income was used to determine income wealth."

We vehemently oppose using Federal census data for aggregate personal income to determine community wealth. Consider this information: When our district was incorrectly identified as affluent in 1990, we contacted the Census Bureau people. We got the following information. Amazingly, these data are predicated on two questions from the long-form census document. These two questions had the highest rate of nonresponse of any question on the entire questionnaire.

The statistics were generated from a very small sampling. The Census Bureau themselves indicate that the data are only estimates. They should not be used in the estimation process. The Census Bureau was not able to verify that residents in other communities who use the same post office as Stanhope were excluded from the Stanhope PCI amount.

The absolute, most incredible fact is these statistics are self-reported. There is simply no way to validate their correctness. Clearly, the accuracy of the income data, since it cannot be verified, does not give us any indication that it will help or harm a given community.

I want the panel to know that at the Commissioner's review of the Comprehensive Plan on December 13, 1995, at Middlesex Vo-Tech High School, Commissioner Klagholz and Assistant Commissioner Contini both admitted that any new funding law must have more accurate income wealth data. When I put the question to both of them, they told me that in no uncertain terms they would correct this and find a better source. However, here we are holding public hearings on a new funding law that will include nonverifiable income data.

Ladies and gentlemen, this is unconscionable. How can you possibly consider a funding law proposal that states, "The Department of Education is working with the Department of Treasury to pursue utilizing New Jersey State income tax return information in the future to more accurately determine relative income of a community"?

Ladies and gentlemen, on behalf of the New Jersey taxpayers, you must demand community wealth data that is accurate. The future is now. This is not a new problem. The Department of Education has known about this for six years. Personally, I have voiced this position over the past five years. The fact that Stanhope received these three State-aid adjustments is a clear acknowledgment of the mistakes in the QEA.

This incorrect designation and loss of aid has translated into significant cuts in programs in our small school district. Please don't make the same mistake in our new funding law when you attempt to devise a method to determine communities income circumstance. Since 1990 we urged the legislators to look at the State income tax.

This is an awesome task that faces you. Based on the research that we've completed, for some, adequacy is a problem. That's not the problem in New Jersey. Horizontal equity is the problem here in New Jersey. I urge you to learn from the mistakes of the QEA. Demand accurate income or communities like Stanhope will continue to be harmed, and I'm certain there are people in this audience that aren't even aware of the fact that their per capita income is inaccurate, either high or low, for their particular community.

Technologically, there have been advancements since 1989 that have been phenomenal. It is hard to believe that our great State doesn't have

the knowledge and/or talent available to us to solve this problem. Please accept no-flawed replacement for the QEA. Demand better. The students in our State absolutely deserve it.

Thank you.

SENATOR EWING: Thank you.

I believe, it's expected about two years from now we will have more accurate income data, because to take it off the State tax returns on people's zip codes, which is what they do-- I live in Bedminster. There are six different zip codes, and they are not in Bedminster.

MR. RIPATRAZONE: Frankly, Senator, the problem with that statement is that this has been presented to the Legislature through the Governor's office for the past five years.

SENATOR EWING: Right, as I say, it's getting corrected, and we feel, I think, in the second year from now there will be much more accurate data available.

MR. RIPATRAZONE: Thank you for the opportunity.

SENATOR EWING: Good luck on your exam.

MR. RIPATRAZONE: Thanks.

SENATOR MARTIN: If you talk to my Superintendent, who is here from Morris Plains, the exact same problem.

SENATOR EWING: Is Matt Ward here now from Clifton Taxpayers Association?

Susan Meehan, Parsippany Adult High School. She here?

S U S A N M E E H A N: Good afternoon.

My name is Susan Meehan. I am a teacher in the Parsippany Adult High School. The Parsippany Adult High School began almost 20 years ago in this high school building. The students and the staff of the adult high school were happy to learn of the inclusion of the adult high in this bill as proposed by Senator Martin.

We are concerned though that the funding be sufficient to allow the Adult High School to continue to provide adults with a second chance to earn a regular high school diploma, a second chance which, in over 20 years, has enabled 2000 adults to graduate from the Parsippany Adult High School, these adults who are employed now in business, education, medicine, industry, government, and the military in hundreds of professions and occupations which require a high school diploma or the higher education which requires the academic skills of a high school graduate.

Senator Martin met with some of us from the Parsippany Adult High School several months ago, and we discussed the outlook for the future of adult high schools. Senator Martin asked about the typical adult high school student. While there is no typical student, I would like to tell you a brief history of one of our students to illustrate why secondary adult education is needed in any State educational plan.

I will talk of Ellen, and her records are included with your packet. Ellen is a person now in her early 40s who has had some good and bad luck in her life. It appeared to be good luck to be a young person living in a community in Northern New Jersey which regularly appears on the short list of top high schools in the State. But Ellen did not have the personal family advantages that most of the other students had. She has told me that she did

not fit in and that she could not keep up with the other students. So she lost interest at 16, fell through the cracks, and dropped out of that very fine high school. She went to work, eventually married, and started a family. But things did all not work out for Ellen.

After working for years as a waitress, she found herself separated from her husband after many personal problems and, due to physical problems, unable to continue in her waitressing job. She had no high school diploma and no marketable skills. In order to keep her family together and get the medical care they needed, she began to receive public assistance.

By this time she was living in Parsippany and that proved very good luck, because when her health improved in 1994, she was enrolled in the REACH education program in the Parsippany Adult School. Here Ellen did fit in and began in earnest to learn her basic language, math, and writing skills.

As people who are given a second chance so often do, Ellen progressed rapidly and soon enrolled in the Adult High School. Since she had finished so few subjects as a teen, she had to take more than a dozen courses and, of course, pass the high school proficiency examination in reading, math, and writing. Ellen worked hard, asked for and got extra tutoring to pass that difficult math test, but finally in the fall of '95 she finished her last class, passed all of the HSPT testing.

Ellen began a business course this spring at County College of Morris and is working this summer. This June she graduated and invited her family and friends to share in her joy. She told me that she made sure her young daughter, she's five, was there and understood how important it is to study, to learn a job skill, and to earn a high school diploma.

No matter how excellent the Plan for education is, it should include a second chance for adults wherever they happen to live so that they, their children, and their communities can benefit from their increased ability to provide for themselves and their families.

Thank you.

SENATOR EWING: Thank you very much.

Joseph Del Grosso. Mr. Del Grosso here?

J O S E P H D e l G R O S S O: Yes, I'm here.

SENATOR EWING: There you are.

MR. Del GROSSO: Good evening, Senator Ewing, members of the Committee.

SENATOR EWING: Good Evening.

MR. Del GROSSO: Governor Whitman's formula should be called the prospector's formula, because some people in it get a gold mine and other people get the shaft. In Newark, once again, we are being shafted. A loss of \$31 million would be a severe and devastating loss. However, according to the Educational Law Center, Newark may lose as much as \$64 million.

In an article in the *New Jersey Reporter*, Colleen O'Dea writes, "Nothing in politics is certain, but the Whitman administration's Comprehensive Plan for Education Improvement and Financing offers just about the closest thing to a sure bet. Lawmakers hate it. School boards hate it. School administrators and teachers hate it." I'm here to testify today that the Newark Teachers Union also hates it.

In June 1990, New Jersey's State Supreme Court ruled in *Abbott v. Burke* lawsuit that the system of educational funding in the State of New

Jersey was unconstitutional because poorer urban districts are not provided with adequate funding to deliver a thorough and efficient education. The spending gap between New Jersey's wealthy districts and the 30 special needs districts is supposed to be closed by 1998, with incremental progress towards that goal each year.

Instead of focusing on this spending gap, Commissioner Klagholz seems to attempt to establish a minimum standard of financial support for each district in order to provide for a thorough and efficient education. He seems to want to shift the debate from how much the wealthiest districts spend to how little can be spent and still meet the constitutional mandate. Klagholz wants to focus on things like class size, number of teachers, and curriculum standards, with an arbitrary dollar amount assigned.

The school funding formula seems to be based on a hypothetical model that doesn't exist anywhere. It characterizes anything outside its parameters as unnecessary, wasteful, or excessive. The characterization will spell disaster for New Jersey's public schools. Districts that want to spend more than the benchmarks established by the State would have to ask the voters to increase spending. When thinking about asking voters to approve increased spending, it's significant to note that last year 51 percent of New Jersey's school districts rejected their proposed budgets.

Caps proposed on teachers salaries, pensions, and Social Security funding would interfere with schools and districts ability to attract the best teachers we can to classrooms. Classroom size would be significantly increased if the formula is approved. In urban districts, choices would have to be made between security guards and teachers, between school lunches and teachers,

between books and teachers. Sixty-four million dollars represents about a 10 to 15 percent of the operating budget. Imagine a 10 to 15 percent cut in a district already lacking amenities that suburban districts take for granted, such as computers and access to other advanced technology. If the formula is enacted as proposed, Newark stands to lose hundreds of classroom teachers. The premature application of this formula in Newark has already resulted in the loss of numerous positions and in any catastrophe that's occurring now as we speak.

I knew you would be inundated with a lot of technical stuff, so I thought you might enjoy this analogy: The Commissioner of Education also served on the board of his community's symphony orchestra. Finding that he could not go to the concert, he gave the tickets to the superintendent of his largest school district. The next morning he asked the superintendent how she enjoyed the performance. Instead of the usual polite remarks, the superintendent handed him a memo which read as follows.

"The undersigned submits the following comments and recommendations relative to the performance of Schubert's *Unfinished Symphony* by this city's symphony orchestra as observed under actual working conditions:

"A) The attendance of the conductor is unnecessary for public performances. The orchestra has obviously practiced and has the prior authorization from the conductor to play the symphony at a predetermined level of quality. Considerable money could be saved merely by having the conductor critique the orchestra's performance during a retrospective peer review meeting.

“B) For considerable periods the four oboe players had nothing to do. Their numbers should be reduced, and their work spread over the whole orchestra, thus eliminating peaks and valleys of activities.

“C) All violins were playing identical notes with identical motions. This is unnecessary duplication. The staff of this section should be cut drastically with consequent savings. If a large volume of sound is required, this could be obtained through electronic amplification which has reached very high levels of proficiency.

“D) Much effort was expended by playing sixteenth notes. This seems an excessive refinement, as most listeners are unable to distinguish such rapid playing. It is recommended that all notes be rounded out to the nearest eighth. If this is done, it would be possible to use trainees and lower-grade musicians with no loss of quality.

“E) No useful purpose would appear to be served by repeating with horns the same passage that has already been handled by the strings. If all such redundant passages were eliminated, as determined by a utilization review committee, the concert could have been reduced from 2 hours to about 20 minutes, resulting in substantial savings in salaries and overhead. In fact, if Schubert had addressed these concerns on a cost containment basis, he probably would have been able to finish the symphony.” (laughter)

It is this kind of attitude that is exemplified by this that keeps New Jersey from enacting a formula based on what is best for children, instead of a political solution. Let's fund education instead of funding a tunnel project for Steve Wynn and Donald Trump. Education's a better gamble.

In my package, I gave an analysis of the core curriculum that was done by the AFT, American Federation of Teachers in Washington, by a group of eminent educators throughout the country. It concurs with Mr. MacInnes' conclusion that the core curriculum is a poor attempt at standards.

I thank you for this time.

SENATOR EWING: Are you available to perform at dinners and things? (laughter)

MR. Del GROSSO: Thank you, Senator.

SENATOR EWING: Good to see you. Thank you.

Dr. DelTufo or Bob Boose. Do you want to see if you can keep it--

DR. BOOSE: We have an egg timer.

DR. DelTUFO: Mr. Chairman and members of the Committee: Tony DelTufo, Vice Chairman of the Special Education Committee for New Jersey School Boards. I'm a member of the Board of Directors. I also serve on the Livingston Board. And incidentally, I think you know, Senator Ewing, that I've just completed over 42 years in the field of special education.

For almost a year, our New Jersey School Boards Association Special Education Committee studied the Commissioner's proposal for special education funding and worked with your input and that of almost every other public education interest group to hammer out a thoughtful response to that Plan. Each year New Jersey spends over \$1.3 billion in State, local, and Federal funds for programming and services for the State's 195,000 special education students.

How school finance legislation addresses special ed will have an impact on each and every school district in New Jersey. Unfortunately, as it

now stands, S-40 would have a disastrous impact on the special education student.

The Plan sets an arbitrary limit on the number of special education pupils per district who would be eligible for full State funding. That limit is 10 percent of the total student population. This poses an impossible dilemma to districts whose special education populations are above 10 percent. Their choice would be to divert funds from regular education programs or not provide appropriate education for their special children.

The Plan also takes a block grant approach to funding. It would provide the same amount of aid per pupil regardless of the student's educational needs. The Plan's artificial 10 percent benchmark tied to a per-pupil grant from \$4221 to \$4779, depending on the grade level but regardless of the disability, may actually encourage the type of overclassification that it seeks to control. This would clearly be the case in my district, for example, which classifies students at the rate of 7.4 percent or Charles Reilly's district which only classified 6 percent of its students or the more than 50 other districts which now classify at less than 10 percent.

If properly monitored, a special education funding system, without arbitrary limits and based on the needs, can attain the cost efficiency that the Department of Education, the Legislature, the Governor, and we desire.

Mr. Chairman, according to the Center for Special Education Finance, a think tank arm of the American Institutes for Research, 32 states are now considering revamping their special education funding programs. But the Center calls the block grant method "extreme" and warns that it "may

cause the important guarantees that the individual categorical laws were designed to protect to disappear.”

In contrast, New Jersey School Boards Association has developed special education legislation amendments to S-40. Our plan:

- 1) would eliminate the State’s current system of classifying special education students among 21 categories based on the medical label disability;

- 2) would create only three levels of funding based on the level of program services needed by the students;

- 3) would also focus on early intervention and preventative services to help students before they need more costly special education services.

Under this plan, the Department of Education would achieve its goal of overall reduced classification levels by issuing guidelines for the classification of students in only 3 categories and then monitoring district placements the way they have never been able to monitor the 21 scattered categories before.

Mr. Chairman, clear guidelines for the 3 categories and monitoring compliance will reduce the classification rates and, ultimately, the costs of special education while not penalizing districts which have a defensible higher classification rate.

I might also add, Mr. Chairman, that our plan has received preliminary support from the New Jersey Association of School Administrators, the New Jersey Association of School Business Officials, the New Jersey Principals and Supervisors Association, United Cerebral Palsy of New Jersey, the Learning Disabilities Council, The ARC of New Jersey, as well as the Chairperson and Vice-Chairperson of your own Task Force on Special

Education. By the way, Mr. Chairman, I also had the honor of sitting on that panel.

New Jersey School Boards Association believes that a special education funding system should encourage school districts to place students in the least-restrictive environment. It should provide State funding for services that enable placement of special education students in the regular classroom when appropriate for their needs. At present, local school districts must assume the costs of all additional services required by a special education student placed in a regular classroom. And the funding system should allow State funds to follow the student.

NJSBA's proposal would make essential changes in special education programming to ensure accountability and cost efficiency while enabling local school districts to address the needs of every learning disabled child.

And I thank you very much for the opportunity.

SENATOR MARTIN: Thank you.

DR. DeTUFO: Thank you, Senator.

SENATOR MARTIN: Thank you.

Mary Vaughan.

MARY VAUGHAN: Thank you, Senator Martin.

My name is Mary Vaughan. I'm from Morris Plains, New Jersey.

On behalf of the Morris Plains Board of Education, I would like to thank you for giving us the opportunity to present our concerns about how the proposed State funding Plan may affect our district.

The Morris Plains School District is a high-performing, small K-8 district providing a preeminent education as reflected by our standard test results and by our Number 2 ranking among schools in Morris County for our students results on the 8th grade early warning test. We have one of the highest costs per pupil in the State which is a result of many factors including an enrollment that was in decline but has recently stabilized and has increased slightly, the high costs of maintaining aging facilities, the cost of supporting a mature teaching staff, and the costs associated with incorporating technology into our curriculum.

Despite these pressures, our Board is committed to lowering our budget 5 percent per year over the next three years in order to reach a cost per pupil of \$10,000. We appreciate the increase in State aid which we will receive under the new funding Plan. However, we would like you to reexamine the components of the proposed T&E spending threshold and the potential problems that may be associated with defining part of a school budget as not constitutionally required.

The T&E spending threshold proposed by the Department of Education does not approach our actual costs of providing a quality education to our students. We suggest that the final formula incorporate the following changes in order to make it more equitable.

Incorporate a cost differential on the area of the State that the district is located. In fairness to all districts, the threshold should start at a realistically attainable number. To be realistic it must take into account the increased costs in staff, tuition, and maintenance associated with the northern part of the State.

Incorporate the actual costs for tuition and transportation for those districts involved in sending-receiving relationships. At present, the formula will allow \$8467 per high school student. Morris Plains' actual cost for high school tuition and transportation is \$11,800, resulting in our being over \$533,280 on the threshold for our high school students. Our district is locked into our sending-receiving relationship by law, and we have no control over this line item in our budget.

Incorporate the actual costs of each district's teachers average salary into the threshold formula. Districts are legally bound by their negotiated agreements and should not be penalized because they have a more experienced or mature teaching staff. Our faculty's average years of experience is 20 years while the State average is 14 years. Fifty-six percent of our teachers have a BA plus 30 or a master's degree. Therefore, we have an average faculty salary \$10,000 over the State average when you take into account these two indicators. This will result in our being \$580,000 over the threshold. Our dilemma is if we decrease staff costs through layoffs, we will be cutting the teachers at the lower end of the pay scale. The only way we can decrease teaching salaries substantially would be to cut programs.

Incorporate the actual cost of special education into the T&E formula. Our district's special education costs, which include out-of-district placements and a part-time child study team, are \$675,400. This formula is allowing us \$254,000 in special education aid in addition to our per-pupil spending allowance for a total of \$324,000. The result of this is our being over the threshold in this area by \$351,400. These are expenses mandated by the State and should be considered constitutionally required in total.

Incorporate a cost factor to compensate districts for expenditures they will have to make in order to comply with the new core curriculum. Over the last three years, our district has spent \$1 million in building improvements including a new science lab, a new updated science lab, a new computer center, as well as ADA-mandated renovations, plus \$250,000 in technology to ensure compliance with the new curriculum standards. These funds were part of our operating budget because the Board viewed these upgrades as vital to the delivery of the curriculum. We anticipate a need for more staff to deliver foreign language, a need to purchase more technology so all students will have equal access, and a need to make additional building renovations to comply with these standards.

In summary, it will be very difficult if not impossible to continue to meet the needs of our children under the current T&E formula with funds expended above that amount labeled not constitutionally required. Even if the changes we recommend are made to the formula, we would be \$1 million over in current expenses. We feel only about \$221,000 of our current expenses should be considered not required. That amount includes expenditures for intramural sports, clubs, and athletics, items our town feel are as important to students education as classroom instruction.

If we were required by budget defeat to eliminate \$1 million from our budget, we would be forced to cut in areas that are not mandated by eliminating programs such as vocal and instrumental music, art, life skills, cutting teachers, and increasing class size. With no appeal to an educator, our budget could be subject to drastic program fluctuations from year to year depending on the political climate.

We suggest that our voters and the students would be better served if the Department of Education would clearly define those terms in the budget that are not constitutionally required so we may put them up for a vote along with capital improvements, rather than using a formula to determine a lump sum of money. The voters would be better informed regarding the discretionary items in the budget, and the education of our students would be protected.

Thank you for the opportunity to address you this evening.

SENATOR EWING: Thank you, Ms. Vaughan.

Mitchel Gerry. Mitchel Gerry here? (no response)

Sue Goldman. She's here. Okay.

SUE GOLDMAN: Good afternoon.

I am Sue Goldman from the New Jersey Speech-Language-Hearing Association, known as NJSHA. NJSHA members are speech-language pathologists, specialists, correctionists, and audiologists. As it relates to special education, NJSHA members address the needs of New Jersey children who receive speech-language-hearing therapy, remediation, and augmentative services through special education and regular education curriculum.

After reviewing Senate Bill No. 40 and the Commissioner's recommendations for funding for special education services, it is apparent that fiscal concerns are driving the mission of this document. In order to accomplish this mission, the New Jersey Department of Education has recommended to the Legislature drastic and inappropriate changes to special education classification and funding. These changes undermine the mission of the Individuals with Disabilities Education Act, known as IDEA, to provide

“free and appropriate public education to students with disabilities in the least-restrictive environment.”

After reviewing the Comprehensive Educational Improvement and Financing Act of 1996, we are extremely concerned that there is no mention of speech-language services in the bill with the exception of Page 57, Section 67, where services were mentioned relative to funding for nonpublic schools. Further, the bill uses the outdated term of “speech correction services” on that page. The correct terminology “is eligible for speech-language services.” I refer you to New Jersey Education Code 6:28.

The term language is of great importance because it directly impacts academics. If adequate funding ceases to exist for speech-language services, students in need of these services will be denied necessary supports which help them remain in regular education. Often speech-language services are the most critical support a student has to enable him or her to achieve the academic skills necessary to move on to the next grade level.

In fact, the recently adopted core curriculum standards demand a proficiency in speech and language skills. For example, the Language Arts Literacy Standards require students to “speak of a variety of purposes in a variety of contexts.”

I ask you, how can a student do this in reading and writing when he or she cannot grasp basic skills like listening and oral speech? Speech is a child’s first basic skill language, the precursor to both reading and writing abilities. I am sure you agree that questions must be answered, and it is for this reason that NJSHA requests clarification of how speech-language services are funded within this Act.

Specifically, NJSHA needs to know exactly what portion of funding is to be allotted for speech-language services? How will the amount be tracked to ensure that it is used for speech-language services? How will a district be held accountable to adhere to IDEA's mandate for the provision of speech-language services when prescribed?

You have the remaining three pages of my testimony in front of you. It would take longer than my remaining time to read them all. So I just want to summarize the issues because they are all very important.

The issue of classification, we would also like to know if the eligible for speech-language services classification will remain. Speech and language specialists have been accused by the New Jersey Department of Education of inappropriate classification. There is an MGT report which was commissioned by the New Jersey Department of Education that asserts the numbers of students classified in 1976 were lower because it was around that time that the old ESCS classification came into existence. Therefore, lower numbers in 1976 were due to the fact that not all school districts had fully implemented the classification and not all pupils that could be classified had been counted.

MGT also criticized New Jersey for not monitoring how its special education moneys are being used by districts. Since no mention is made of which moneys in this Plan are to be set aside for speech-language services, how can this State or individual districts monitor where these moneys are going? I would also like to ask what happens when there is not enough funding to implement a pupil's individual education program, known as an IEP, adequately and properly.

New Jersey has been cited in a Federal monitoring report on IDEA from the Office of Special Ed Programs in Washington for not providing services according to individual needs, but instead providing them based on district needs and unwillingness to hire adequate personnel.

If the classification ESLS is dropped, what will ensure that children will receive the services they need and are guaranteed under IDEA? If the classification remains but receives inadequate State funding, how will the State guarantee that fair and appropriate services are provided?

Speech-language disorders impact on the development of effective communication skills, inhibit active participation in classroom activities, and destroy a student's self-esteem. For these reasons, NJSHA urges you to reexamine the proposed funding mechanism outlined in the Comprehensive Plan so that it more adequately addresses the needs of children with communication disorders.

On behalf of NJSHA and of the thousands of students in New Jersey we serve, who at this point are unable to speak for themselves, I thank you for the opportunity to comment on this very important policy.

SENATOR EWING: Thank you very much.

Ed Szabo.

E D S Z A B O: Good evening.

I'm here to congratulate Commissioner Klagholz and his staff on facing up to educational funding in the State of New Jersey. He has more guts than the rest of us have hair on our heads.

We're here to comment on his funding Plan. It's all about money. Our money and how it's spent. Well, my support goes to the concept of

establishing excellent minimum standards while at the same time allowing local school boards to spend up to whatever level they want to pay for and to let the voters decide.

The Plan takes on the serious issues government has ducked for years like money going to the classrooms, smart planning, mandates, voting in November, rewarding achievement, the special ed fiasco, transportation, bilingual, the ridiculous handling of voted-down school budgets, and many others.

But it's all about money, money the people who can't be here today, because they're out earning it-- This cozy 2:00 p.m. to 5:00 p.m. or 6:00 p.m. little meeting does not allow those folks access, and I think that's wrong.

I fear the special interests will make this public process a sham. I'm talking about educators, a group that can never agree on anything except that more money will fix everything. Pick any two, and you will not agree. They will not agree on the time of day, the temperature, or whether the sun's out, yet we're in this mess because of them.

And it's all about money. The report says if all the extras were removed in every school district in the State, our per-pupil expenditures would still be significantly higher than regional or national costs.

Five minutes does not allow anyone to dig in to all the details, and I wouldn't pretend I could do it. But it allows us to express ourselves.

I'm sympathetic to the wealthy communities and their concerns on dumbing down. I've paid taxes in South Orange, Westfield, and Mendham. I live in a little country town now, but 60 percent of my local taxes go to

education, over 15 percent go to the county education, and 40 percent goes to State education. I don't feel like I'm getting my moneys worth, especially when you look at results.

I say give this Plan a chance. My opinion is that the Plan disappoints educators, administrators, teachers, and the various special interest groups. It most certainly benefits children, their parents, and the taxpayer.

I thank you very much.

SENATOR EWING: Mr. Szabo, we're going to be here as long as the people who are on our list have to testify. So it's not necessary at 5:00 or 6:00 that we're going to close. If you got misinformation, it's unfortunate.

MR. SZABO: Thank you.

I would hope in the future and the other two hearings that you hold that you might consider having them so that folks can sign up for a later time. And they are the folks that are paying for it.

SENATOR EWING: We let them sign up. I think we have 50 people today. Now maybe we should have started at 1:00, and that would have made you even more annoyed, but we're going to stay till they come.

MR. SZABO: And I, too, stay and I thank you so much for allowing that.

SENATOR EWING: James Pace.

JAMES PACE: My name is James Pace--

SENATOR EWING: Talk right into the microphone, bring it closer to you, move it closer to you.

MR. PACE: Can you hear me now?

SENATOR EWING: Yes.

MR. PACE: My name is James Pace. I would like to thank you for the opportunity to speak today not only as a new Board member of Hanover Township, but as a father of two young girls. Our Board of Education is a member of the Garden State Coalition of Schools, and as such, we are keenly aware of the difficulties inherent in developing a funding formula. I am here today to comment on the difficulties in the current funding formula that would impose on our district and offer suggestions.

In anticipation of the decrease of funding, we have already done a number of things. We have cut an administrative position, tightened our teaching staff, changed our health plan to save money, and are actively looking into reconfiguring our school to make them more efficient.

Unfortunately, there are things that our township forefathers put into place that we cannot change. We have three elementary and one middle school in the township and, due to the change in makeup of our community, are not strategically located. There are certain fixed costs that are attached to operating these buildings which cannot change. If we are forced to reduce our budget to meet the proposed guidelines, we will have no choice except to substantially reduce our teaching staff. It took many years for our salary guides to be where they are today, and due to tenure laws, we do not have any flexibility on which teachers we can cut. The reduction would have to be at the bottom of the pay scale and would force us to reduce a larger number of staff. The effect of this in Hanover Township would be a tremendous increase in class size which our buildings would not be able to support and would probably mean a reduction in programs currently offered.

Hanover Township prides itself on a wonderful special education program available to students with special needs. Under the new funding formula, several things would happen.

1) With regular class sizes becoming larger, there would be less opportunity to mainstream special education children in the regular classes.

2) Due to lack of funding, elective classes would be the first to be cut. Since these are the classes where the mainstreaming is most likely to occur, there would be less opportunity for mainstreaming.

3) Related services not mandated by the State for individual students, such as occupational, physical, and speech therapy, but yet offered by the district would be reduced.

4) Self-contained classes would continue rather than efforts for inclusion.

5) Out-of-district placements may not be possible because of high tuition and transportation costs even though those programs may be the best for the child. In the end, those who need the special services would lose out the most.

Under the proposed Plan, voter approval would be necessary to vote on any amount that the State now considers excessive and unnecessary. Due to strong support in our community in the last school budget election, we may be able to pass this overage amount but not without the possibility for potential disaster. We foresee the following will happen.

1) Our once harmonious community would now be divided between those who have children in the system and those who don't.

2) Our Board and our PTA would have to devote an inordinate amount of time on election strategies.

3) The makeup of our community would be changed. A passing budget would certainly increase property values which would then increase school populations. It would also force those who do not have anyone in the school system to move out due to increases in property taxes.

4) A failing budget would then decrease property values and make those who voted against the budget to save themselves extra tax dollars losers in the end.

As a district, we have been brainstorming to come up with a new approach for school funding. Our main thoughts go into the costs of running our school district. Seventy-five to eighty percent of our budget is personnel salaries. We are locked into tenure and salary guides which have been developed by the Legislature and protected by the courts. As an alternative, the Plan could suggest a model classroom size that divides the current contracted costs by the number of students in the district. While the costs per pupil to teach core curriculum would be different throughout the State, each student in the State would then receive a thorough and efficient education based on the core curriculum standards. If you feel you must come up with a single per-pupil spending in the State, you must rewrite current tenure laws and come up with a State salary guide.

In closing, I would like to say that people pay more for housing in Hanover Township because of the strong sense of community and the quality school system. This gap in spending took decades to occur and cannot be fixed overnight without disastrous effects.

In the world of downsizing and corporate relocation where our children will need the highest academic and technological skills, it seems absurd to level down the highest achieving districts as opposed to using these school districts as the model for those that are not succeeding.

Thank you.

SENATOR EWING: Sam Perelli.

If everybody's here, we got 30 more people. So at 5 minutes, that's another two and a half hours at least.

And on deck would be Judy Ferguson, so she can get ready and be prepared.

SAM PERELLI: Does my five minutes start by the running time down here?

Senator, my name is Sam Perelli. I'm the State Chairman of the United Taxpayers of New Jersey. I thank you for the opportunity to come here today and comment on this very bold Plan.

Just a couple of matters for housekeeping here if I may. I just want to remind you, if years ago you would have passed the initiative referendum legislation that's been proposed for over 20 years in this State, I think this argument would have been moot right now. We would have been out in the streets and our homes and workplaces arguing the point instead of coming here to this room and have a taxpayers versus the school systems. It would have been out there in the streets.

And to the gentleman, Mr. Sciarra, from the education law foundation (*sic*), who came here as an expert on the Constitution being an attorney, he, in my opinion, reminded me of the lawyer who moved into this

very small town. He was the only lawyer in town, and he made \$25,000 one year. And the next year another lawyer moved into town, and the following year he made \$200,000. It just shows you everybody can come here as an expert and quote the Constitution on what they think the Constitution is all about.

Mr. Del Grosso, the head of the Newark Teachers Union, comes here before you and spouts a lot of rhetoric. Where was Mr. Del Grosso at the head of the Newark Teachers Union when they were being ripped off by teachers who were actually stealing money -- and I believe are still working in that system -- from the children's -- I believe it was their graduation fund? And I believe they are still working in that system. Where was Mr. Del Grosso when Mr. Parlevocchio, who is the head of the Essex County Freeholder Board, who would sign in, in the morning at the Dayton Street School and then go up to the county headquarters all day at ninety-some-odd thousand dollars a day? Where was Mr. Sciarra? Where was Mr. Del Grosso? They wouldn't dare open their mouth because they'd probably get them shut very quickly.

Insiders -- letting insiders get away with stealing our children's money, that's what going on. The day that any teachers union goes and starts picketing for the children of this State, I'll be there, our organization will be there with the picket signs. I want to be right in front of that line.

We talk about Newark with the \$352 million budget, more than all the other 20 towns in that county put together. It's not enough money they say.

And we thank the administrators of Parsippany for letting us use the building. I thank the hardworking taxpayers of Parsippany who paid you

blood, sweat, and tears taxes to put this beautiful structure up. That's who I thank. And thank them for allowing us to use this building.

Our organization represents over 200 taxpayer and civic groups throughout the State. We network together. I don't come here as a neophyte in this argument in this debate. I come here from the battle of the income tax, an income tax that most of you were involved in, an income tax that was sold to the people of this State as the end all of taxation. As the tax debt would stabilize, our property taxes-- Do you remember that? Do I have to show you the headlines? You all know that's what it was sold as.

Where were all the teachers unions then? Where were they? Thorough and efficient, today it's no good. It's not thorough. It's not efficient. Where were the teachers unions? And then we have the education law foundation come here and criticize this bold Plan. And the big question is, where do they get their funding?

SENATOR EWING: Sam, you're using up a lot of your time.

MR. PERELLI: I'm just trying to make some points, Senator, that this argument here--

SENATOR EWING: I realize that, but we would like to hear from you your suggestions of where the bill should be changed or corrected.

MR. PERELLI: I'm saying to you that nobody in this room that has a scintilla of intelligence can come here and in five minutes discuss \$13 billion worth of spending, 80 percent of it in salaries and benefits, and yet there isn't enough money to fix the roofs. Whose fault is that? Do I blame the teachers union? Absolutely not. The teachers union is doing what it's doing best -- what a union does -- more money, more benefits, and less work. And

anyone in this room that believes that's not the job of the union-- So I applaud the teachers union for what they're doing. Who's to blame them? Do you want to put some blame? The blame is with the taxpayers in this State. The blame is with the taxpayers of the State that have let this system get totally out of control.

If I might, I just want to quote from *Julius Caesar*, Shakespeare, spoken by Cassius, Act I, Scene II, Line 148:

"Now in the names of all the gods at once upon what meat doeth this our Ceasar feed that he has grown so great."

Nothing more appropriately describes the \$13 billion a year education industry. We have a Plan, ladies and gentlemen, dear Senators, and Assemblyman. We have a Plan here that is bold, that is innovative. It might be the last opportunity we have for change unless we decide that the wisdom of the voters of the State of New Jersey no longer exist. Anyone who says that moving voting to November is going to create politics-- My God, anybody who says you don't have politics in the spring in that election just look at how many schools were used to get out the vote.

SENATOR EWING: Sam, I'm going to have to cut you off in about another minute.

MR. PERELLI: I'm finished.

SENATOR EWING: There's nothing about the November election in this bill, that's a separate item.

MR. PERELLI: It's all part of this reform, Senator. You know it, also. It's all part of this reform.

SENATOR EWING: We're here to discuss this bill, Senator Martin's and my bill.

MR. PERELLI: I support your bill. The taxpayers of this State support your bill. The Education Department supports your bill. Look at the opponents, what are they looking for? Not the children of New Jersey, they are looking for the same thing that they've had -- this largesse, spend more, spend more, spend more.

Thank you.

SENATOR EWING: Thank you, Sam, very much.

Judy Ferguson. Next is John Foulks on deck.

J U D I T H A. F E R G U S O N, Ed.D.: Chairman Ewing and members of the Senate Education Committee, I am here today as Superintendent of the West Morris Regional High School District to present evidence that the Comprehensive Plan for Educational Improvement and Financing Act of 1996, recently introduced by Senator Martin, fails terribly in its announced intention to provide an "equitable funding system to enable every district to offer a high-quality education to every student."

Efforts to create a model that prescribes staffing ratios is laudable and, with some adjustments, could be useful in defining T&E. However, when tied to average salaries, an automatic inequity is immediately established. Those who are spending less per person can have more staff than the model prescribes. Those who are spending more must do with less.

Why do some districts have higher teachers salaries? Regional costs and longevity are the main reasons. Are students in Morris County to be

shortchanged because they have teachers with more years of experience and higher salaries than those who live in other parts of this State?

When I compare the number of positions that our district employs to that of the model, the greatest discrepancy is in the number of teachers we provide. Yes, we have many regular academic classes of 24; in fact, many of our classes are at our maximum of 28. But we also have classes under 15. And there are sound educational reasons for us to do so, reasons such as safety in technology classes, limits in classroom size for photo labs, limits of the number of teaching stations in computer, science, and other lab classes.

In addition, our efforts to include many special education students in our high school rather than send them out to district placements has substantially decreased our overall student-teacher ratio. The reality is, in order to meet the recommended staffing ratios in the model, we would be required to lay off 50 classroom teachers. This is one-third of our teaching staff.

What would be the impact of that layoff? Loss of most elective programs, certainly the arts and technology classes, reduced numbers of advanced placement programs, reduced options in foreign languages, elimination of many remedial classes, and the list goes on.

What remains? Our school would become a factory where students are packaged in lecture-driven courses in oversized classes. Many would fall through the cracks. Yes, and those parents who can afford it will go off to private schools where they can still get a good education.

The model also dramatically underestimates the cost for maintaining clean and well-maintained facilities. Buildings and grounds in

Morris County will soon fall into disrepair like those of our sister schools in the cities. Is that what we want?

While sports may not be high on everyone's agenda, believe me, they are very high on the agenda of the students and parents who live in Morris County. This model would reduce our programs by half. Which sports shall we eliminate? Football? Soccer? Who decides what clubs are essential? Half of them or more will disappear.

Now I know what some of our legislators may be thinking. She's just crying wolf. The voters will approve these expenditures, you say. Are we to-- You just heard one of them. Are we to rely upon the majority of voters who do not have children in the public schools to annually vote to raise their own taxes in these fiscally uncertain times? I don't think so. They will most certainly vote no when they see a ballot question that asks for \$4.6 million dollars more than the Commissioner of Education and the Legislature say are constitutionally required.

Education in New Jersey remains a State responsibility. Under our current system of local schools, this responsibility cannot be packaged into a one-size-fits-all model. This proposed financing Plan would provide no recourse to a board of education whose budget is defeated by the voters and not reinstated by town officials. The success of many local districts which has been built over many years could be destroyed overnight.

You may be also thinking, what about all that administrative fat? Like many districts, the West Morris Regional High School District has taken steps during the last several years to eliminate all but the essential administrative costs. This fact is borne out when we compare both our

administrative positions and the budget allotments in the proposed Plan to our actual costs. Three years ago we downsized our administrators by one-third at an annual savings of over \$350,000.

Last year we had an audit of our administrative functions completed by Towers Perrin which validated our belief that we had eliminated any unnecessary or excess costs. We share transportation with our elementary districts which maintains reasonable costs for all. We also have initiated serious talks with these districts to regionalize. We have started an educational foundation to support our schools with nontax revenues. Our parents raise substantial funds to support our sports and arts programs. We have done all that is possible to maintain quality programs at reasonable costs.

So, too, are our salaries in line with those around us. No, they are not the same as those salaries paid to teachers and administrators in South Jersey. Nor should they be with the higher cost of living in this region.

In September, when our students and parents return to school, you will hear from many more people. The timing of the release of the information required to compute the impact on this formula was unfortunate. The timing of this hearing is unfortunate. If the Legislature really wants to know what people think about this Plan, you will wait for the school year to begin. I urge you not to form fast opinion based on the quiet of the summer. Parents of school children who live in the Mendhams, the Chesters, and Washington Township are very concerned about the quality of their schools. They will not sit idly by and see their schools dismantled by a funding formula that is based on faulty cost assumptions and insufficient teaching staff. This is not California where 40 and 50 students are crowded into classrooms. Nor

do we want it to be. Until recent years, New Jersey was a national leader in education. We are falling fast behind.

Do I believe it is impossible to lower the costs of public education in New Jersey without sacrificing the quality of our schools? No, but to do so will require legislative solutions to factors which drive up the cost of education. These solutions will require thoughtful, bold, and creative actions, unlike the simplistic and ill-advised model before you.

Examples of these solutions are:

- 1) amendments to the tenure laws for teachers and support staff;
- 2) statewide or regional bargaining;
- 3) incentives for earlier retirements;
- 4) incentives for regionalization.

For too long, local boards of education have been left alone to decide costs. We cannot turn around the results of these local decisions overnight without hurting children. Reducing teaching staff is not the solution. I trust you will not be fooled by a formula that is for many schools educationally inadequate and impossible to apply.

Action is necessary and may be long overdue. But this action must take place at a level much higher than the classroom, and this proposed funding Plan leaves us no other choice than to cut programs and services to students.

This formula, if approved as is, will truly level down many good schools like West Morris Regional. I ask, is this the legacy that this Legislature wishes to leave to New Jersey's schoolchildren?

Thank you.

SENATOR EWING: Thank you very much, Dr. Ferguson.

It would be interesting to note, though, you've got some very good suggestions. What about putting another one in there that teachers do not accumulate sick leave and then get paid for it when they get out of the system?

DR. FERGUSON: That's a pittance compared to the shortfall we're looking at. I'm not opposed to that.

SENATOR EWING: We're going to save some money.

DR. FERGUSON: That's not the only solution we need though, Senator.

SENATOR EWING: No, but you had some good suggestions in here.

John Foulks. Then Terry Luxenberg on deck.

Yes, go ahead please.

J O H N F O U L K S: Mr. Chairman, members of the Senate Education Committee, my name is John Foulks.

SENATOR EWING: Could you talk right into the microphone, please.

MR. FOULKS: My name is John Foulks. I am Principal of Terrill Middle School in the Scotch Plains-Fanwood School District.

Thank you for the opportunity to testify before you today regarding the development of a new school funding formula. I am currently Principal of Terrill Middle School in the Scotch Plains-Fanwood School District. I am also Vice President of the New Jersey Principals and Supervisors Association, which represents over 5000 school leaders throughout the State of New Jersey. As an educator, I understand the tremendous challenge the

Legislature faces in trying to craft a funding plan that meets the needs of all students.

Our district has analyzed the impact of bringing Scotch Plains-Fanwood's spending in line with the funding level in the Comprehensive Plan. This Plan is based on a so-called model school district and is supposed to ensure that all districts have the resources to provide a thorough and efficient system of education. My comments today will focus on the disastrous real world results that will occur if the Legislature allows this imaginary model district to become the basis for school funding.

In our district, we would have to slash our budget by at least \$6.5 million to come in line with the maximum allowable spending for regular education as defined in the Comprehensive Plan.

Here are just some examples of cuts our district would have to make to comply with the Comprehensive Plan model: Eliminate 12 teachers in my school, Terrill Middle School; eliminate 17 high school teachers; eliminate at least 3 child study team members; reduce extracurricular activities by almost 20 percent; reduce or eliminate programs in business education, industrial arts, information technologies, and foreign languages; eliminate some advanced placement and gifted and talented programs; and reduce our award-winning instrumental music program.

What rationale is there for labeling our current spending as wasteful or unnecessary and forcing these drastic cuts? Did the State of New Jersey carefully research the highest achieving districts in New Jersey and use these districts as a model for determining optimal spending levels? The answer, of course, is no. Our district is one of those high-achieving districts

that was praised in the past by the State for our exemplary programs. Now it seems we have gone from the lighthouse to the outhouse in the State's eyes. Instead of looking to districts like ours, the Department has developed a model school district that exists nowhere in New Jersey.

Without significant changes, the proposed school funding formula will lead to severe instability in our district and in other high-performing districts throughout New Jersey.

I would urge changes to the formula in the following areas:

Greater flexibility in the budget vote: The proposed budget vote mechanism will make it impossible for many districts to engage in long-range planning. This should be changed so that existing spending is grandfathered and voters only consider additional spending. District spending should also be allowed 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.

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.

The proposed Plan fails to provide enough spending flexibility to meet the needs of school districts in northern New Jersey. The cost of living

is significantly higher in northern New Jersey. There is something wrong with a formula that labels more than 70 percent of all school districts in northern New Jersey as having excessive spending.

Fully fund special education: Our district's moral and legal obligation to meet the educational needs of all students does not stop once we meet some artificial quota or cap. Likewise, the State's duty to fully fund all special education students should not stop once a district identifies more than 10 percent of its students as needing special education. There is simply no rational basis to argue that every district should have the same percentage of special education students. In many cases, a district will have a high percentage of special education students because that district is known to have a high-quality program and parents choose to move to that community. Should we now start penalizing districts for having such excellent programs? If, in fact, the Department of Education has evidence that some districts are inappropriately identifying students, it should address those districts on a case-by-case basis instead of jeopardizing critically needed programs for thousands of students throughout the State of New Jersey.

Fully fund pensions: The Department of Education has indicated that they are still considering a plan to shift the responsibility for funding pension costs to local school districts. I urge the Legislature not to allow the State to surrender its responsibility in this critical area. School employees who have devoted most of their lives to public education deserve to know that their pensions are financially sound. In addition, local property taxpayers should not have yet another cost pushed off to local communities.

Include prekindergarten in model school district: Finally, I would like to challenge the Comprehensive Plan's assumption that prekindergarten programs are only necessary in the State's poorest school districts. Our school district serves a diverse student population that includes a large number of at-risk students. Parents at our community rely on our prekindergarten program to give their children the educational foundation they need. With academic expectations rising for all students, prekindergarten programs should no longer be considered a luxury but instead a vital part of a thorough and efficient education for all students.

Once again, I would like to thank you for the opportunity to share my views on this complex and far-reaching issue. I believe it is possible to develop a school funding formula that does not level down the quality of education in our district and in other high-achieving districts. Working together, I am confident we can develop a funding formula that supports a world-class education for all students. I look forward to working with you to achieve this critical goal.

Thank you.

SENATOR EWING: Thank you.

Mr. Margolis. Are you going to bring up--

LEONARD MARGOLIS: They'll follow right behind.

SENATOR EWING: What?

MR. MARGOLIS: The other two you want to follow right behind?

SENATOR EWING: Not for five minutes a piece. No.

MR. MARGOLIS: I don't think my presentation will take more than five minutes. Theirs are much shorter.

SENATOR EWING: Well, yours is not going to take more than five.

MR. MARGOLIS: No.

I want to apologize to you first for having laryngitis, and I'll try to speak as loudly as possible.

I am Leonard Margolis, Assistant Superintendent, representing the Bergen County Special Services School District and the Bergen County Board of Vocational Education, two regional school districts which seven months ago entered into a formal partnership in an effort to consolidate administrative and educational services in our county. During my professional career, I have served as an administrator for more than 20 years in Bergen County, most of my experience being associated with children with disabilities. I have served local districts, an informal regional consortium of nine school districts, and two county regional school districts. Over these years I have been asked to serve on numerous New Jersey Department of Education committees and task forces and was one of the Special Education Directors associated with piloting the plan to revise special education in New Jersey.

I have carefully followed the steps leading to the introduction of S-40, the Comprehensive Educational Improvement and Financing Act of 1996. Although I have many concerns about the proposed legislation in general, I will limit my comments to those aspects which affect persons with disabilities. I am concerned about changes which would cause a single special education cost factor for all pupils with disabilities, irrespective of the severity of their disability and without a provision that the aid will be directly linked to the special education program attended by the student. I am concerned

about the elimination of all State funding for the eight county special services school districts, the only school districts in the State to receive zero State aid. I am concerned about a 10 percent cap on the number of classified students who would receive State aid in county vocational-technical school districts.

County vocational school districts, have by their own nature, attracted a high percentage of students with disabilities. Today more than 35 percent of all students in county vocational school districts statewide are classified as handicapped. Many of these high school students have already experienced academic failure for many years. Recognizing that their future success in life may not be realized through a college education, these young men and women turn to our county vocational school districts to pursue career in automotive services, integrated office occupations, retailing, food services, horticulture, and others. To now limit State aid to a 10 percent cap for students in these placements seems arbitrary and capricious and represents a total lack of understanding on the part of the Commissioner and the Department of Education with regard to the benefits of these programs for students with disabilities.

At a time when the more than 600 school districts in New Jersey are being encouraged to consolidate, regionalize, and form into larger, more efficient educational units, the Commissioner has recommended changes which would certainly destroy the eight county special services school districts. These units which represent a partnership among State, county, and local school districts have been providing appropriate education services to almost 5000 of New Jersey's most severely disabled students, in some cases, for over 20 years. The Plan before you has the potential to threaten the level of county support,

to force a significant increase in local school taxes, and worst of all, to diminish services to students with severe disabilities who need them most.

The Commissioner has stated that many of the children now being educated in county special services school districts should be educated back in their local school districts in regular classes alongside of nonhandicapped students. This is a very admirable goal for the Commissioner and his Department of Education. By the creation of new legislation and the stroke of the Governor's pen, do you really think that the third-grade class located in the neighborhood school down the block from where you live is ready to provide an appropriate education for a child with cerebral palsy who neither speaks or walks, an autistic child who screams, flails his arms, and strikes out at his teachers in attempt to communicate with his world, or a deaf student with receptive and expressive language skills that are at a three-year-old level? Do you think that your town's high school has suddenly become ready to serve the emotionally disturbed students who refused to attend school, were seriously self-destructive, and were so disruptive to the operation of a regular school program?

After spending my entire professional career of more than 30 years in special education, I am here to tell you that the solution to the inclusion issue is not as simple as the Commissioner would lead you to believe. Regular education with teacher aides and specialized devices is not all that is needed to service the students now attending county special services school districts. If these students are some day able to receive a meaningful educational experience in their home district or within a regular education class, the Commissioner and the Department of Education need to provide a great deal

of leadership and direction, not just a meaningless mandate to achieve Federal compliance. The Commissioner now has it within his power to approve every placement into a county special services school district. He should exercise that authority if he feels students are being placed who could be more appropriately educated elsewhere. He should direct his central staff to work with the county special services school districts in developing programs within local school district buildings.

You should provide financial incentives which would allow county special service school districts to build facilities adjacent to local schools. In doing so, the expertise, specialized equipment, and highly trained staff now assembled and functioning within county special services school districts could become an integral part of a local school district. Currently, the Bergen County Special Services School District and the Midland Park Board of Education are working together on developing such a plan for hard-of-hearing and deaf students, preschool through high school, in Midland Park. This northern New Jersey regional center will provide an appropriate educational experience for students from five or six counties. Recently the Department of Education awarded the two districts a \$100,000 grant to help establish the program. This is the route to successful inclusion in New Jersey, not an arbitrary act that would force county special services school districts out of existence and force students with the most severe disabilities back into local district placements which are neither ready nor willing to accept them.

In summary, please consider the following:

- 1) Do not create a system with one cost factor for all of the variables associated with educating students with disabilities. Create a system

of providing State aid consistent with the degree of the disability and link the aid directly to the child who will receive it. Do not decrease the level of State aid for children with moderate to severe disabilities. Currently the State provides approximately \$10,000 in State aid for each child who attends a special services school district. The proposed legislation reduces the State's contribution on average to \$4600, leaving the remaining \$5400 to be made up through the local property taxes. The legislation before you is an attempt to take money away from children with disabilities in order to solve other educational issues of concern to the Governor. As so well stated on bumper stickers by parents of special education students across New Jersey, "Governor Whitman, don't balance your State budget on the backs of handicapped kids."

2) Do not handicap the county special services school districts by cutting off their State aid. Can you imagine a school district with more than a 1000 children with severe disabilities trying to survive with zero dollars to begin the school year? Can you imagine the uncertainty for staff who will have to be notified every spring according to law that our staffing needs are uncertain? Would you want to work or attend schools in such a climate? It has taken 24 years for New Jersey to develop the expertise of providing meaningful education to students with moderate to severe disabilities. It was only a few short years ago that the entire country looked to New Jersey as a model. If inclusion education has become the new buzz word, don't throw out the baby with the bathwater. Use what we have that is so highly developed and reshape it in a better conformity with today's thinking. Encourage the Governor to direct the Commissioner to provide leadership and direction, not arbitrary mandates.

3) Do not apply a capricious cap of 10 percent on the number of students with disabilities who will receive State aid in county vocational school districts. Students in these placements are benefiting from instruction which allows them to function within the community by holding jobs, paying taxes, living independently, and contributing to society.

Thank you very much for all your efforts in serving as our representatives and for taking the time to hear our concerns about your proposed action on this faulty legislation.

SENATOR EWING: Thank you very much.

William Burkett.

MR. MARGOLIS: I'm going to share with you two other peoples--

SENATOR EWING: No, you took over ten minutes. I'm, sorry. You can hand them in.

Mr. Burkett.

WILLIAM E. BURKETT: Good afternoon, my name is Bill Burkett. I am a past president and a current member of the Mountain Lakes Board of Education here in Morris County. I am the Board representative to the Garden State Coalition of Schools, serving this year as Vice President of the Coalition.

My testimony today reflects the views and thoughts of the Mountain Lakes Board of Education which has followed the evolution of the Comprehensive Plan with very great interest.

Mountain Lakes prides itself on its ability to consistently provide an excellent education for our students at a cost the community finds acceptable. A decade or so ago our district faced the dual problems of

declining enrollment and vacant facilities. By marshaling the considerable talents of our citizenry, a practical set of solutions was developed.

First, we expanded our Hearing Impaired Program to fully utilize a building which would otherwise have been closed. Today, the Lake Drive School serves almost 200 hearing impaired children from more than 85 sending districts around the State of New Jersey.

Second, we initiated a nonresident tuition program to fill empty seats in classrooms without incurring additional staffing costs. Third, we successfully negotiated a sending-receiving relationship with Boonton Township to educate their high school population. These actions collectively allowed Mountain Lakes to initially maintain and eventually expand our program offerings and, most importantly, to run the district efficiently. Community effort solved the problems, not State government.

We recognize the importance of equitably funding education for all children in the State of New Jersey and understand the reality of the process of allocating the resources available. However, equity in funding should not be the cause of any district having to reduce the quality or the breadth of its program offerings. We really need a more creative approach than the Comprehensive Plan if we are to preserve and enhance one of New Jersey's most valuable assets, its system of public schools.

In reviewing the Comprehensive Plan presently before the Legislature, Mountain Lakes has several concerns:

- 1) The T&E foundation target is too low and there is no demonstrated link to the new core curriculum standards. It is poor form for the State Department of Education to deem any portion of a high-performing

district's spending level as excessive and/or unnecessary. The voters have already deemed the spending level as necessary to properly educate their children.

2) The foundation level for a T&E education should account for regional cost differences and be adjusted annually for changes in the cost of living and in current student enrollment.

3) The Plan should emphasize the high academic standards demanded in the State's many high-performing districts. Minimum academic standards breed minimum academic achievement which should be unacceptable in any district, urban, suburban, or rural.

4) Special education should be fully funded by the State. The number of out-of-district residential placements is increasing and placing ever greater strains on district resources. In an atmosphere of inclusion, the notion floating around that children are being classified simply to obtain additional aid is ludicrous.

5) The Plan does not address how to undo three decades of laws, administrative codes, judicial findings that initiated and still propels the upward spiral of the costs of collective bargaining agreements in the areas of salaries and benefits.

6) The Legislature needs to be cognizant of sending-receiving relationships when considering the rules governing the vote on the budget. Sending district tuition should be exempted from the vote on the budget in order to avoid creating complicated contractual issues between the sending and receiving districts involved.

7) School board elections should not be moved to November. The danger of politicizing school elections is too great. Besides, children's education should never be subjected to the whims of the political process.

We in Mountain Lakes appreciate the daunting task you face and applaud all of the efforts to solve a very complex problem. Mountain Lakes stands ready to assist in whatever way it can from the sharing of information on how we solved problems to developing programs like the Paterson Connection which brings together high school students from Paterson and Mountain Lakes for an ongoing series of academic, social, and community service activities. Mountain Lakes supports and wants to be an active participant in the effort to ensure that every child in New Jersey receives a solid education in preparation for assuming a productive role in society.

Thank you for your time and consideration.

SENATOR EWING: Thank you very much, Mr. Burkett.

MR. BURKETT: You're welcome.

SENATOR EWING: Terry Luxenberg. Is she here? Terry Luxenberg. Terry Luxenberg. She left.

Dr. Carol Conger, Superintendent, Chatham School District.

CAROL R. CONGER, Ed.D.: Good evening. I'm Carol Conger, Superintendent of the school districts of the Chathams. I appreciate the opportunity to speak before you.

I believe that Chatham is the only K through 12 school district in the State that voluntarily regionalized. We did so nine years ago. Since that time, we have engaged in cost containment measures and, for the last two years, received an administrative award for being efficient. We also, I believe,

present to our students a world-class education. Under the proposed Plan, if we adhere to the model in the Plan, we would no longer be able to do so.

We all know that the intent of the *Abbott v. Burke* case was to raise the quality of education in all districts to that level of the best districts. The current Plan simply does not do that. I agree with Senator MacInnes that the core curriculum standards upon which this Plan is built are broad and general. As they are currently written, every school district in this State would be able to say that they can achieve those standards with a very weak curriculum. They are really no reach for good school districts or poor school districts.

We also talked a lot today about the level of spending that's called for in the Plan and that many districts in the State currently exceed that level of spending. Chatham also exceeds that level by \$4.9 million. What the Plan really says is that 20 percent of our budget is unnecessary or not mandated by the Constitution. But what the State is really asking us to say to our taxpayers is that 20 percent of our budget is extra or fluff.

We have been fortunate in Chatham in that our community has traditionally supported our budgets. They've supported quality education and probably would support the extra \$4.9 million, but that is not the point. The point is that the current Plan, as it stands, is really leveling down the standards of education in the State.

Assemblyman Bagger, who represents Chatham Township, has suggested a revision to the Plan which calls for grandfathering all districts in the State at their current spending level. That would allow districts, all districts, to engage in cost-saving measures gradually over time and not force anybody to engage in massive cuts in any one single year.

Along with many other parents and concerned members of the public, we are willing to shoulder our share of the financial burden for creating and maintaining a quality, integrated, inclusive and equitable public school system for New Jersey. How can legislators publicly trumpet the value of "choice," integration," and "inclusion" at the same time that they eliminate the funds that are so essential for high-quality, integrated, inclusionary choice programs?

These efforts cost money, money that should be provided at least in part by a state government that claims to support these principles. It is fundamentally unfair to continue to have to raise property taxes because essential state aid for education is being reduced to finance income tax cuts. And it is even more unfair to penalize students in urban districts by continuing to allow "richer" districts to increase funding and provide a wider array of course offerings, smaller classes, and other benefits if they are able to convince the electorate to raise funds above the "thorough and efficient" level.

Equity in educational funding is a crucial, reachable goal. But as the New Jersey Supreme Court wisely recognized, it must not come at the expense of massive cuts in state aid to middle and moderate status districts. If that happens, many more families that can afford private school will abandon public schools throughout the state.

Equitable special education funding is also essential. SPAN congratulates the Governor, Commissioner of Education, and legislature, for proposing to eliminate the current disability and placement-based special education funding formula. Too many New Jersey students languish in separate and unequal segregated settings in part because of the significant fiscal incentives for such placements. The proposed legislation's placement-neutral approach eliminates any incentive - or disincentive - to remove children with disabilities from regular classes and schools, allowing the focus to be on each child's individual needs, as the federal law requires. SPAN is especially

appreciative of the proposal to provide special education funding for special education students educated full-time in regular classes.

(It's important to note that the funding formula is not the only reason for the oversegregation of students with disabilities in New Jersey. A lack of leadership, appropriate pre-service and in-service professional development, and enforcement, are also significant contributing factors. The most recent monitoring report by the U.S. Department of Education Office of Special Education Programs references continuing serious violations).

Like other categorical funding, all special education funding should go the district of residence, rather than to Special Services School Districts. The current system of providing funding directly to these districts masks the actual cost of their services and encourages districts of residence to send children to these segregated settings even if they are not the least restrictive appropriate setting. SPAN endorses this aspect of the funding plan.

But these positive changes are undermined by other aspects of the comprehensive funding proposal. When 16% of New Jersey's students are currently classified, how can an artificial 10% cap on special education reimbursement be justified? If too many New Jersey students are being classified, monitoring, analysis and corrective actions are the appropriate means to address such a problem. "Folding" 6% of New Jersey's special education students into a cheaper general education reimbursement rate will not encourage districts to provide those students with a "thorough" education. And when the type, intensity and cost of the services that students may need vary so greatly, how can a single reimbursement rate regardless of intensity of need suffice? At a minimum, there should be three levels of reimbursement, if not reimbursement based on actual costs.

Conclusion

This proposal is constitutionally and educationally flawed:

- *It is not linked to the core curriculum standards.
- *It reflects an arbitrary, politically contrived dollar amount.
- *It violates the New Jersey Supreme Court's mandate to level **up**.
- *It does not provide parity for urban districts.
- *It provides insufficient aid for students with special needs.
- *It reduces aid for children with disabilities.
- *It places continued over-reliance on property taxes.
- *It provides no real accountability or meaningful school reform.

Ensuring a "thorough and efficient" education for all children will require a significant increase in state aid for education - state aid based on a progressive income and increased corporate taxes, not a regressive property tax. It is true that merely throwing money at a problem without a carefully developed plan and justification is not the answer. But we cannot continue to pretend that an equitable, excellent education can be achieved with insufficient funds. Quality costs. We must be willing to pay that cost now; otherwise, we will surely pay it later in the form of jail cells, crime, dependency, and thousands of lives whose promise will never be realized.

IMPACT OF COMPREHENSIVE PLAN ON MORRIS HILLS DISTRICT

- Increase in class size by 25 % (19 to 24)
- Increase in P.E. class size by 50 % (32 to 48)
- Loss of 50 Teachers and 2 Counselors
- Loss of Advanced Academic Programs and occupational/technical programs
 - Advanced Placement Programs - Average 16.5
 - Occupational/Technical - Average 14.8
 - Computer - Average 15.5
 - World Language 4th/5th levels - Average 11.8
- Loss of 250 computers
 - Reduction from 1 for every 3 students to
 - 1 for every 5 students
- Permits the hiring of 4 school administrators and 3 district administrators - Total = 7
- Special Education Funding inadequate - only pays for 25 % of the present costs

Recommendations

- Use 1996-97 budget as a baseline for "no vote" option adjusted yearly by the C.P.I.
- or
- Develop a per pupil spending formula which reflects the cost difference between north and south regions of the state
 - Develop a realistic proposal for special education using existing costs per district
 - Drop the word "excess" from the second question. Let the question speak for itself

Impact of Comprehensive Plan for Educational Improvement

Cost Factors	Comprehensive Plan N.J. D.O.E.	Morris Hills High School	Impact on Morris Hills	Impact on District	Remarks
High School Enrollment	900	840	+60	-	-
Average Class Size	24 - Class 48 - PE Gym	19 - Class 32 - PE Gym	+5 - Class +16 - PE Gym	Increase class size by 25% and Gym by 50%	Many classes cannot have 24 students because of state law or other regulations
Classroom Teachers	51	71 1/2 (\$1220)	Loss of 20 1/2 Teachers	Reduce Teaching Staff by approx. 50	Increases Average Class Size to 24
Guidance Counselors	4	5	Reduce 1 Counselor	Reduce 2 Counselors	Loss of drug counselors MH & MK
Nurses/Trainer	2	2.6	- .4	- 1.4	Loss of both Trainers
Media	2	2	-		
Student Aides	8	4	+4		
High School Administration	7	5 1/2	Add 1 1/2 Administrators	Add 3 to 4 Administrators	Demonstrates efficiency of the Administrative structure
Secretaries	9+1 Aide = 10	12	Cut 2 Secretaries	Cut 4 to 5 Secretaries	Loss of service to parents, students and educators
Extra/Co-Curricular Activities	\$434 p.p.	\$875 p.p. (\$441)	Lose 50% of Sports/Activities	Lose 50% of Sports/Activities	Loss of opportunities for students
Technology	1 computer for every 5 students	1 computer for every 3 students (\$250)	Loss of approx. 100 computers	Loss of 250 computers	Goals 2000 would be cancelled
DISTRICT					
Staff Development 2% of Salaries	2% of Salaries	2% of certified staff \$251,000	96-97 \$170,600 Budgeted	Increase Budget by \$80,400	
Central Office Administrators (2075)	8	5		Add 3 Admin.	Demonstrates efficiency of Administrative structure
Central Office Staff	18	15		Add 3 Staff	Demonstrates efficiency of Central Office staff
Special Education Funding	\$4,221	Matheny School - \$56,770 Morris County Reg. Day - \$40,095	Benedictine School - \$39,300 Childrens Institute - \$30,510		Unrealistic

Testimony Presented to the
Senate Education Committee on S-40

July 17, 1996

On behalf of
The Coalition for Special Education Funding Reform

ACNJ, *The Association for Children of New Jersey*
ASAH, *The Association of Schools and Agencies for the Handicapped*
SPAN, *The Statewide Parent Advocacy Network*
The Alliance for the Betterment of Citizens with Disabilities
The Arc of New Jersey
The New Jersey Developmental Disabilities Council, and
United Cerebral Palsy Association of New Jersey

Good afternoon. My name is Brenda Considine. I recently had the privilege of serving as co-chairperson of the New Jersey Legislative Task Force on Special Education which delivered its final report last December after 8 months of intensive research and discussion.

I speak before you today on behalf of a coalition of statewide agencies and organizations which together, represent tens of thousands of children with disabilities and their families. The coalition, comprised of ACNJ (The Association for Children of New Jersey); ASAH, (The Association of Schools and Agencies for the Handicapped); SPAN, (The Statewide Parent Advocacy Network); The Alliance for the Betterment of Citizens with Disabilities; The Arc of New Jersey; The New Jersey Developmental Disabilities Council; and, United Cerebral Palsy Association of New Jersey, urges a more simple, equitable and "placement-neutral" system of state funding for special education.

We thank and commend Senators Ewing and Martin for the many positive changes this bill would make to our state's special education funding system.

New Jersey's current system of distributing state aid for special education is a *program-weighted* model. The amount of state aid a district receives for a particular pupil depends on the *classroom* into which the pupil is placed. Each classroom has a weighted "factor" assigned to it. This factor is multiplied by a constant, currently around \$7,000, to generate a per-pupil dollar amount. For example, the amount of categorical state aid a district receives for each pupil placed in a classroom which meets state requirements for "multiply handicapped" is around \$ 7,560. (1.08, the "factor", times \$7,000) This amount is intended to reflect the statewide average excess cost to educate pupils in that particular type of special education *classroom*.

Categorical aid is provided *in addition* to state foundation aid or transition aid.

School districts are also expected to pay a local "fair share", (the amount of money which the district would have spent educating that child if the he/she did *not* have a disability). Categorical aid is NOT intended to reflect the FULL cost of educating a classified pupil, only the statewide average excess cost for a particular class type.

There are a number of problems inherent in our system:

1. Because state aid is linked to *placement* in one of 16 special education classrooms, students with disabilities who receive special education services and supports in regular education classrooms - *inclusive education* - do not generate any state categorical aid. Therefore, the entire excess cost of educating that child rests on the local district. This flaw in our current system has been cited as a major barrier to districts who wish to provide special education services and supports to classified pupils in regular classes.
2. In most cases, all aid, including special education aid, flows directly from Trenton to each local school district. This is because the local school district has the legal responsibility of educating each child with a disability, and is the responsible party should a dispute around services arise. There is one exception to this rule, however. County-based receiving schools called Special Services School Districts (SSSD) receive all state aid *directly* from Trenton, bypassing the pupil's district of residence. In addition, SSSDs have a weighted categorical factor of 1.38 for all pupils they serve, regardless of the classroom into which the pupils are actually placed. This means that SSSD receive more state aid for most classified pupils than local school districts do. The statewide average cost of serving students in SSSD, as reported in the Final Report of the Legislative Task Force on Special Education, is around \$22,000 per year per student. Yet their average tuition is less than \$5,000 per pupil. But because they receive all aid directly (transition aid, foundation aid and categorical aid), and they are supported by county taxes, they can set a very low tuition rate which does not reflect their actual costs. Other out-of-district programs, such as those operated by Jointure Commissions, Regional Day School and private schools, which have costs similar to SSSD, must set tuition rates to local school districts which approximate *actual* costs. This funding imbalance creates a fiscal incentive for local school districts to send pupils with disabilities to certain placements over others.

In some instances, it may be less costly for the district to send the child to a SSSD than to educate that pupil in the local school district because of this imbalance. But while is less costly to the district, it is more costly to taxpayers everywhere because state aid and county taxes are making up the difference.

3. Although state special education aid is generated based on a precise count of pupils, the state aid, once received by local districts, is not *dedicated*. This means that districts are free to use the aid as they see fit, and do not need to return unexpended state special education funds. The result is that state

page 3 of 4

government knows how much is distributed each year, but knows very little about how much is actually spent.

The Coalition supports several elements of S-40 which address the problems in our current system.

Specifically, we support the fact that special education aid would no longer be linked to a pupil's placement and, therefore reflects a *placement neutral* system of state aid. The same amount of state aid would be available to a school district for all placement options. No one placement option would generate more state aid than any other. The coalition fully agrees that state aid for special education should not be linked to placement. The state funding system must allow a student's local district of residence to provide special education in all federally mandated environments, including the regular classroom without fiscal incentives or disincentives.

S-40 specifies that the funding provisions apply to special education pupils in their home districts, whether programs are provided in the district or through tuition arrangements." (i.e. private schools, special services school districts and other out-of-district placements.) The coalition fully supports this provision. All state aid should be provided to the district of residence so that the responsible parties have the fiscal resources to make decisions about appropriate placement without fiscal or administrative incentives and disincentives for specific placements.

This key element of a state special education funding system - *placement neutral funding* - will likely become a federal requirement when the Individuals with Disabilities Education Act is re authorized.

There is one area in which we would recommend a change, however.

The bill proposes a single "flat grant" dollar amount for all classified pupils, regardless of the nature or severity of their disability. For example, under the bill, a child who needs only special help for reading would generate the same amount of state aid, roughly \$4,800, as a child who needed full time specialized services and a full array of related services, such as speech therapy and physical therapy. Such a system assumes that all of New Jersey's 611 districts will have an equal "mix" of students, with the expectation that those with needs which cost more than the flat grant will be balanced by those pupils with needs which costs less than the flat grant. But this is not the case.

We believe this bill can be improved by replacing the single three "flat grant" with three levels of grants, each based in the duration and intensity of services required by the child. Special education aid categorical aid could be provided as follows:

page 4 of 4

1. *Support services only*. This category would provide a level of aid appropriate to meet the needs of those pupils whose IEPs provide only support or related services such a transportation, physical therapy, o/t, aides, nursing services, counseling, and remediation in speech or language.

2. *"Part time special education"*. This category would provide a level of aid appropriate to meet the needs of those pupils whose IEPs provide special education instruction and/or related services for up to half the school day.

3. *"Full time special education"*. This category would provide a level of state aide appropriate to meet the needs of pupils whose IEPs provide special education instruction and/or related services for the entire school day.

The coalition believes that such a system would allow for better state monitoring of services and programs and would insure that districts receive levels of state special education aid appropriate to the particular composition of pupils with disabilities in that district.

As these hearings progress, you will certainly hear from those who will urge you to maintain the direct flow of state aid to Special Services Programs. I have attached a fact sheet to help address some of the claims you may hear.

The coalition believes there is great promise in this bill and we thank the sponsors and the Whitman administration for their efforts to reform special education funding.

Respectfully,

Brenda G. Considine

25x

PRESENTATION TO
SENATE EDUCATION COMMITTEE
ON THE
COMPREHENSIVE PLAN
FOR
EDUCATIONAL IMPROVEMENT
AND FINANCING

Presented by:

Dr. Pablo Clausell

Superintendent
West New York Public Schools
July 17, 1996

26x

My name is Pablo Clausell. I am Superintendent of Schools in West New York, N.J.

Honorable Senators, Committee Members, New Jersey Department of Education (NJDOE) officials, and guests. I come before you to state my support for the N.J.D.O.E. School Funding Plan.

Back in 1970 I was a student-teacher and later taught at P.S. 22, an elementary school in Jersey City attended by the plaintiff in the Robinson vs. Cahill case.

Robinson vs. Cahill led to the court decision ascertaining the state's responsibility to provide a "thorough and efficient" education to all of the state's students.

The legislature acted, and a possible solution to address the conditions evolved until disparities again were highlighted in Abbot vs. Burke.

Some of us, thought the Quality Education Act would provide relief to existing conditions, but as we know it was never fully funded.

Through those years I held a number of positions within the Jersey City Public Schools as: Teacher, Title I Coordinator, Bilingual/ESL Supervisor, High School Principal, Assistant Superintendent, and Associate Superintendent following the Take-Over. I believe through those experiences I have become painfully aware of conditions impacting school districts which appropriate funding could alleviate.

As of last February I became Superintendent of Schools in West New York, one of Hudson County's thirteen municipalities. A special needs district.

Previous monitoring in West New York demonstrates high attendance by faculty and students, and although test scores need improvement we hold our own with some of the better special needs districts.

The Curriculums are up-dated, school planning teams are active, there is a staff-development program in place, and staff has high expectations for students. But, I have found that reforms, which become standard and flourish in

districts with the means, take a different shape in special needs districts as their degree of implementation is affected by conditions impacting schools.

Allow me to provide you a simple example:

In reviewing the September, 1996, schools' organizations with each principal, I asked Mario Cappozi, P.S. 2's Elementary School Principal, a simple question:

Question: I reviewed your school's organization and noticed some Kindergartners are projected for a full day program while others will be in a half-day. Why, and how do you select who goes to which?

His response was simple, and logical based on the conditions impacting his school. He proceeded to explain that if there are more non-English speaking Kindergartners registered, the English speakers get the full day due to the lack of space for the others.

This means that little children entering our schools' doors who are not English speakers and are the predominant number, are automatically locked-out of approximately 90 days of instruction in an academic year. These are children who need every possible assistance, and sustained effort, to gain the English proficiency and cognitive skills that will assist them with the rigorous demands we wish to implement in the coming years.

THE DEPARTMENT'S PLAN WILL HELP WEST NEW YORK BY ASSISTING TO BRING ABOUT EQUITY IN THE AVAILABILITY OF NEEDED PROGRAMS TO ALL STUDENTS.

Are we providing every child in West New York with the opportunity to be exposed to computers, and use them daily?

The answer is NO.

I wish to remind you that according to 1990 census data from New Jersey, 60.4% of West New York's population consisting of 38,125 residents are foreign born. In the range of persons within the ages of 5 and 17 years, 38% speak a language other than English at home. The economic situation of West New York's adults is very grim. The state's average per-capita income in 1990

was reported as \$18,714 . West New York's average per-capita income was \$12,047.

Within this population are the vast majority of parents who send children to our schools.

Our students predominantly come from homes without the equipment to enjoy and learn the use of a computer as part of their daily lives.

Our schools provide this disadvantaged population with the only opportunity to be exposed to, learn, and use a skill that has rapidly become a way of life in the rest of our society.

THE DEPARTMENT'S PLAN WILL HELP WEST NEW YORK BY ASSISTING OUR DISTRICT TO IMPLEMENT THE CORE CURRICULUM STANDARDS AND PREPARE OUR CHILDREN FOR THE 21ST CENTURY.

The disparities are many and we can go on and on, but I am exited about the possibilities knowing there is a commitment in Trenton to create and support programs for disadvantaged children that may survive the test of time.

I am exited about the possibility of developing programs that work, without fear of losing them due to continuous conditions impacting our district.

Committee members, I urge you to come to West New York and visit our schools. To ascertain how much we do with what we have, and to judge the enthusiasm and tenacity of our staff. We can do a lot more to prepare our students, but we need your support of the Department's Funding Plan.

OUR FUTURE IS IN YOUR HANDS.

TESTIMONY
OF
EDUCATION LAW CENTER
ON
SENATE BILL 40
BEFORE THE
SENATE EDUCATION COMMITTEE

JULY 17, 1996

DAVID G. SCIARRA
EXECUTIVE DIRECTOR

THANK YOU FOR THE OPPORTUNITY TO TESTIFY ON SENATE BILL 40. THIS BILL ENCOMPASSES GOVERNOR WHITMAN'S PLAN FOR SCHOOL FINANCING.

EDUCATION LAW CENTER ("ELC") SERVES AS COUNSEL TO THE 285,000 CHILDREN ATTENDING PUBLIC SCHOOLS IN OUR STATE'S URBAN COMMUNITIES, THE PLAINTIFFS IN ABBOTT V. BURKE. I APPEAR BEFORE YOU TODAY ON BEHALF OF EACH AND EVERY ONE OF THOSE CHILDREN.

IT HAS TAKEN TIME TO GRASP THE FULL IMPACT OF THIS BILL. THE DEPARTMENT OF EDUCATION ("DOE") INITIALLY TOUTED \$8225 PER PUPIL AND IMPLIED THAT THIS WAS THE AMOUNT NECESSARY FOR A THOROUGH AND EFFICIENT EDUCATION ("T&E") IN ALL SCHOOL DISTRICTS. MANY WERE MISLED. WE NOW KNOW THAT THE ACTUAL T&E AMOUNT PROPOSED BY THE BILL — WHEN CATEGORICAL AID IS APPROPRIATELY REMOVED — IS MUCH LOWER AND VARIES DISTRICT TO DISTRICT.

INCREDIBLY, DOE STILL REFUSES TO RELEASE COMPLETE DATA FOR EACH DISTRICT, NOR WILL IT RELEASE THE RESEARCH BASE THAT IT CLAIMS SUPPORTS THIS BILL.

ELC HAS, HOWEVER, MADE PRELIMINARY ESTIMATES AND THE NON-PARTISAN OFFICE OF LEGISLATIVE SERVICES ("OLS") JUST RELEASED AN ANALYSIS OF THE T & E AMOUNT FOR EACH DISTRICT. THESE CALCULATIONS CLEARLY SHOW THAT THE HIGH PERFORMING, "LIGHTHOUSE" DISTRICTS FACE LOSING ESSENTIAL PROGRAMS, AS LARGE AMOUNTS OF CURRENT SPENDING ARE DECLARED "NOT CONSTITUTIONALLY REQUIRED." EVEN THE URBAN DISTRICTS LOSE PROGRAMS AND FUNDING. NEWARK'S LOSS IS ASTOUNDING:

OVER \$64 MILLION FROM A BUDGET THAT IS ALREADY INADEQUATE, DASHING ANY HOPE FOR THE IMPROVEMENTS ORDERED BY ABBOTT.

THE PROBLEMS WITH THIS BILL ARE WIDE AND DEEP, TOUCHING ON EVERY FUNDAMENTAL ISSUE RELATED TO SCHOOL FUNDING:

1. **AN INCOMPLETE DEFINITION OF T&E.** SECTION 4A OF THE BILL DEFINES T&E BY USING LANGUAGE FROM ROBINSON V. CAHILL, INSTEAD OF THE MORE FULLY DEVELOPED, AND CONSTITUTIONALLY CORRECT, DEFINITION IN ABBOTT. UNDER ABBOTT, T&E IS NOT JUST AN EDUCATION THAT EQUIPS CHILDREN FOR THEIR ROLES AS CITIZEN AND LABOR MARKET COMPETITOR. IT ALSO MEANS "AN EDUCATION THAT IS THE SUBSTANTIAL EQUIVALENT OF THAT AFFORDED IN THE RICHER [SCHOOL] DISTRICTS."

2. **NO LINK BETWEEN STANDARDS AND FUNDING.** SECTION 4 OF THE BILL ADOPTS THE CORE CURRICULUM CONTENT STANDARDS ("CCCS") TO DEFINE A THOROUGH EDUCATION. THERE IS NO LINK, HOWEVER, BETWEEN THESE STANDARDS AND THE FUNDING OFFERED BY THIS BILL. THE CCCS ARE NEITHER STANDARDS NOR CURRICULUM. THEY ARE BROAD, LARGELY VAGUE, STATEMENTS OF WHAT STUDENTS ARE EXPECTED TO LEARN AT VARIOUS POINTS IN THEIR SCHOOLING. STANDING ALONE, THE CCCS PROVIDE NO BASIS FOR DETERMINING NEEDED PROGRAMS OR FOR CALCULATING REQUIRED SPENDING. INDEED, EVEN ASSUMING THE CCCS ARE ADEQUATE, NO STANDARDS-BASED FUNDING FORMULA HAS BEEN ADOPTED ANYWHERE AND THERE IS NO RESEARCH TO SUGGEST THAT THIS APPROACH IS EVEN PLAUSIBLE.

3. **AN ARBITRARY, POLITICALLY CONTRIVED DOLLAR AMOUNT.** LACKING

ANY LINK TO REAL EDUCATIONAL PROGRAMS AND THEIR COST, THE PER-PUPIL T&E AMOUNT IN THE BILL IS NOTHING MORE THAN THE LEVEL OF STATE FUNDING THE WHITMAN ADMINISTRATION IS PREPARED TO MAKE AVAILABLE TO LOCAL SCHOOL DISTRICTS. THIS IS PLAINLY EVIDENT ON THE FACE OF THE BILL. SECTION 11 DECLARES THAT \$2.6 BILLION IS THE FIXED AMOUNT OF STATE AID FOR REGULAR EDUCATION. BY BACKING INTO THIS AMOUNT, THIS BILL IS NO DIFFERENT THAN CHAPTER 212 AND THE QUALITY EDUCATION ACT, BOTH OF WHICH WERE DRIVEN BY THE FUNDING STATE OFFICIALS WERE WILLING TO PROVIDE AND BOTH OF WHICH WERE DECLARED UNCONSTITUTIONAL.

THE 30% CUT IN THE INCOME TAX — THE MAIN SOURCE OF STATE REVENUE FOR PUBLIC EDUCATION — HAS DRAMATICALLY REDUCED THE FUNDS STATE OFFICIALS ARE NOW WILLING TO PROVIDE. IT IS NOT SURPRISING THEN THAT THE T&E AMOUNT IN THE BILL — \$7194 PER PUPIL ON AVERAGE — JUST HAPPENS TO BE ONE THAT DOESN'T REQUIRE ADDITIONAL REGULAR EDUCATION FUNDING FOR URBAN SCHOOLS. IT IS ALSO WELL BELOW WHAT IS NOW SPENT IN MANY OTHER DISTRICTS, INCLUDING MOST HIGH-ACHIEVING SCHOOLS.

4. **LEVELING DOWN HIGH PERFORMANCE.** ABBOTT REQUIRES PROGRAM AND SPENDING COMPARABILITY BETWEEN URBAN SCHOOLS AND HIGH PERFORMING SCHOOLS. COMPARABILITY CAN BE REACHED EITHER BY RAISING URBAN SCHOOLS UP OR BY BRINGING HIGH QUALITY SCHOOLS DOWN. THIS BILL LEVELS DOWN. ELC ESTIMATES OVER \$200 MILLION IN THE CURRENT BUDGETS OF THE LIGHTHOUSE DISTRICTS WILL BE DECLARED UNNECESSARY. OLS CALCULATES UNNECESSARY SPENDING OF MORE THAN \$669 MILLION

STATEWIDE AND ESTIMATES THAT EVEN NEWARK SPENDS \$64 MILLION TOO MUCH. WHAT'S ALL THE MORE SHOCKING IS DOE'S COMPLETE FAILURE TO DEMONSTRATE, DISTRICT BY DISTRICT, WHAT SPECIFIC PROGRAMS ARE NOT REQUIRED, OR UNNECESSARY, OR EXCESSIVE, OR WASTEFUL, OR OPTIONAL, OR WHATEVER NEW ADJECTIVE IS NOW IN VOGUE. OBVIOUSLY NO ONE ASKED EDUCATORS AND SCHOOL BOARD MEMBERS. IF THEY DID, THEY WOULD QUICKLY LEARN THAT THESE "UNNECESSARY" FUNDS SUPPORT LANGUAGE, MUSIC, SCIENCE AND OTHER CORE SUBJECTS, PROGRAMS REQUIRED FOR T&E.

5. NO PARITY ASSURED FOR URBAN DISTRICTS. ABBOTT REQUIRES THIS BILL TO "ASSURE PARITY OF REGULAR EDUCATION EXPENDITURES BETWEEN THE SPECIAL NEEDS DISTRICTS AND THE MORE AFFLUENT DISTRICTS" BY SEPTEMBER 1997 AND THEREAFTER. SENATE BILL 40 DOESN'T EVEN TRY TO MEET THIS CONSTITUTIONAL MANDATE. THE RESULTS ARE DEVASTATING TO URBAN SCHOOLS: AN ESTIMATED \$340 MILLION LOSS IN STATE AID ENTITLEMENT FROM THE FAILURE TO ASSURE PARITY. EVEN WORSE, URBAN DISTRICTS FALL BELOW CURRENT SPENDING LEVELS: 16 DISTRICTS LOSE \$75 MILLION IN REGULAR EDUCATION SPENDING.

THE BILL ALSO ALLOWS SCHOOL DISTRICTS TO SPEND WITHOUT LIMIT ABOVE THE T&E AMOUNT, IF LOCAL VOTERS OR OFFICIALS APPROVE. AFFLUENT COMMUNITIES ARE MORE LIKELY TO MAINTAIN -- AND GROW BEYOND -- CURRENT LEVELS, ALTHOUGH THIS IS BY NO MEANS GUARANTEED. WHAT IS CLEAR IS THAT URBAN DISTRICTS WILL NOT BE ABLE TO RAISE LOCAL FUNDS SUFFICIENT TO REACH SUBSTANTIAL EQUIVALENCE WITH HIGH PERFORMING

SCHOOLS. FURTHER, UNDER ABBOTT, THE STATE CANNOT REQUIRE, OR EVEN PERMIT, URBAN DISTRICTS TO RESORT TO PROPERTY TAXES TO ACHIEVE PARITY. INDEED, IN SUBSEQUENT YEARS, DISPARITIES WILL ONCE AGAIN GROW UNDER THIS BILL. IF HISTORY AND ABBOTT TEACH ANYTHING, IT IS THAT, ONCE LOCKED-IN TO A FIXED, REDUCED AMOUNT OF STATE AID, URBAN DISTRICTS FALL FURTHER BEHIND, GIVEN ENTRENCHED PATTERNS OF MUNICIPAL OVERBURDEN AND THE RESULTING INCAPACITY TO RAISE ADDITIONAL PROPERTY TAXES.

6. SO-CALLED OPTIONAL SPENDING IS UNCONSTITUTIONAL. SECTIONS 4 AND 5 OF THE BILL ESTABLISH A TWO TIER SYSTEM OF FUNDING PUBLIC EDUCATION, STATE AND LOCAL. THE COMMISSIONER DESCRIBES THE LOCAL PORTION, WHICH HAS NO LIMITS, AS "NOT PART OF THE STATE-MANDATED SYSTEM." WITHOUT QUESTION, THIS SCHEME VIOLATES THE CONSTITUTIONAL PRINCIPLE THAT "ALL OF THE MONEY THAT SUPPORTS PUBLIC EDUCATION — ALL OF IT PUBLIC MONEY WHETHER THE TAXES ARE LOCAL OR STATE — IS AUTHORIZED AND CONTROLLED IN TERMS OF ITS SOURCE, AMOUNT DISTRIBUTION AND USE BY THE STATE."

7. CONTINUED OVER-RELIANCE ON PROPERTY TAXES. THE RECENT INCOME, SALES AND BUSINESS TAX CUTS HAVE CONTINUED NEW JERSEY'S OVER RELIANCE ON THE PROPERTY TAX TO FUND PUBLIC EDUCATION. STATE AID FOR EDUCATION HAS HOVERED AROUND 40% FOR THE BETTER PART OF TWO DECADES, WELL BELOW THE NATIONAL AVERAGE OF 50%. IN CREATING OPTIONAL SPENDING, THE BILL LEAVES SCHOOL DISTRICTS WITH NO PLACE TO

TURN BUT PROPERTY TAXES TO MAINTAIN PROGRAMS AND SPENDING, MEET INFLATION AND ENROLLMENT GROWTH, OR MAKE NEEDED IMPROVEMENTS. NEWARK WOULD HAVE TO INCREASE LOCAL PROPERTY TAXES BY 54% JUST TO MAINTAIN CURRENT LEVELS OF PROGRAMS AND STAFFING.

7. **INSUFFICIENT AID FOR STUDENTS WITH SPECIAL NEEDS.** ABBOTT MAKES CLEAR THAT EDUCATIONAL SUCCESS CANNOT BE EXPECTED UNLESS DOE IMPLEMENTS A "SIGNIFICANT INTERVENTION," OR A PACKAGE OF PROGRAMS THAT RESPOND TO THE ADDITIONAL NEEDS DISADVANTAGED CHILDREN BRING WITH THEM TO SCHOOL. SECTION 18 — "DEMONSTRABLY EFFECTIVE PROGRAM AID" — FALLS FAR SHORT OF THIS MANDATE. THE BILL FAILS TO IDENTIFY, ADEQUATELY FUND AND IMPLEMENT SUPPLEMENTAL PROGRAMS FOR DISADVANTAGED STUDENTS IN GRADES 1 THROUGH 12.

8. **AN ILLEGAL CAP ON SPECIAL EDUCATION.** SECTION 19 PLACES AN ARBITRARY CAP ON PROGRAMS FOR CHILDREN WITH DISABILITIES. DISTRICTS WITH CLASSIFIED STUDENTS ABOVE THE CAP RECEIVE REDUCED OR NO STATE SUPPORT AT ALL. SUCH CAPS CLEARLY VIOLATE THE FEDERAL INDIVIDUALS WITH DISABILITIES EDUCATION ACT WHICH REQUIRES THE STATE TO ASSURE APPROPRIATE PROGRAMS ARE AVAILABLE FOR EACH CHILD, WITHOUT REGARD TO LOCAL FISCAL CAPACITY. ADDITIONALLY, THE BILL REDUCES OVERALL FUNDING FOR SPECIAL EDUCATION BY \$75 MILLION AND WHEN COMPARED WITH 1992-93 SPENDING, HELD CONSTANT FOR ENROLLMENT AND INFLATION, THE LOSS IS OVER \$200 MILLION.

9. **NO ACCOUNTABILITY OR SCHOOL REFORM.** ABBOTT RECOGNIZES

THAT MONEY DOES NOT RESULT IN EDUCATIONAL SUCCESS. IN 1994, THE COURT CHALLENGED THIS LEGISLATURE TO UNDERTAKE FAR-REACHING EDUCATIONAL REFORM IN LOW-PERFORMING SCHOOLS. SADLY, DESPITE THE RHETORIC OF PUTTING PROGRAMS BEFORE DOLLARS, THIS BILL CONTAINS NEITHER THE MANDATE NOR THE RESOURCES TO STIMULATE INNOVATION AND IMPROVE PERFORMANCE. SECTION 6 OFFERS ONLY MORE MEANINGLESS DESK AUDITS AND PAPER MONITORING, A SYSTEM THAT HAS DONE NOTHING TO SIGNIFICANTLY ENHANCE THE QUALITY OF EDUCATION IN URBAN SCHOOL DISTRICTS.

THIS BILL IS DEEPLY FLAWED IN EVERY BASIC RESPECT. IT IGNORES THE SUPREME COURT ORDER IN ABBOTT. IT RUNS AFOUL OF THE STATE CONSTITUTION. IT TRAMPLES ON FEDERAL LAW THAT PROTECTS CHILDREN WITH DISABILITIES. AND IT VIOLATES THE RIGHTS OF SCHOOL CHILDREN, NOT JUST IN URBAN SCHOOLS, BUT IN ALMOST EVERY SCHOOL DISTRICT IN THE STATE. THERE IS SIMPLY NO WAY TO AMEND THIS BILL TO MEET THESE GRAVE EDUCATIONAL, LEGAL AND CONSTITUTIONAL DEFECTS.

IT IS A SAD DAY WHEN SO MANY PUBLIC OFFICIALS APPEAR READY TO VIOLATE THEIR SOLEMN OATH TO UPHOLD THE CONSTITUTION OF THE STATE. CONSIDER THE LESSON TO OUR SCHOOL CHILDREN WHEN THESE OFFICIALS SO READILY IGNORE THE LAW. EVEN MORE DISTRESSING IS THAT THIS ACTION IS CONTEMPLATED UNDER THE MISCONCEPTION THAT ABBOTT MANDATES A COMPLETE OVERHAUL OF SCHOOL FUNDING FOR ALL SCHOOL DISTRICTS BY SEPTEMBER. AS I HAVE REPEATEDLY STATED, ABBOTT REQUIRES ONLY THAT

A BILL BE ENACTED THAT ASSURES PARITY BETWEEN THE SPECIAL NEEDS AND LIGHTHOUSE DISTRICTS IN REGULAR EDUCATION EXPENDITURES AND IDENTIFIES, ADEQUATELY FUNDS AND IMPLEMENTS A PACKAGE OF PROGRAMS AND SERVICES FOR DISADVANTAGED STUDENTS IN THOSE DISTRICTS BY SEPTEMBER 1997.

I URGE YOU TO ABANDON THIS BILL. IT MAKES NO SENSE TO ATTACK QUALITY EDUCATION, AS THIS BILL DOES. IT MAKES NO SENSE TO REDUCE RESOURCES TO URBAN SCHOOLS, AS THIS BILL DOES. IT MAKES NO SENSE TO LEGISLATE DISPARITY, AS THIS BILL DOES. IT MAKES NO SENSE TO PLACE EVEN MORE BURDEN ON THE PROPERTY TAX, AS THIS BILL DOES. AND THIS BILL DOESN'T JUST EMBODY WRONG EDUCATIONAL POLICIES; IT IS THE CONSTITUTIONAL EQUIVALENT OF THE TITANIC — DESTINED TO SINK.

INSTEAD OF DIVIDING PARENTS, SCHOOLS AND DISTRICTS AGAINST EACH OTHER, LET'S DEVOTE THE NEXT TWO MONTHS TO SATISFYING THE ABBOTT REQUIREMENTS FOR SPECIAL NEEDS DISTRICTS. WE CAN THEN TURN OUR ATTENTION TO THE REMAINING SIGNIFICANT ISSUES AFFECTING PUBLIC EDUCATION IN OUR STATE: PROPERTY TAX RELIEF; STATE AID TO NON-ABBOTT DISADVANTAGED DISTRICTS; REALIZING COST EFFICIENCIES WITHOUT DAMAGING PROGRAMS; RESTRUCTURING SPECIAL EDUCATION; AND OVERHAULING THE FUNCTION AND CAPACITY OF THE DOE TO STIMULATE AND SUPPORT STATEWIDE REFORM AND IMPROVEMENT.



Education Law Center

155 Washington Street, Suite 205
Newark, NJ 07105

201-624-1815 201-624-7339 (fax)

David G. Sciarra, *Executive Director*

Board of Trustees

Helen Lindsay, Chair
James A. Louis, Esq.
Lawrence Lustberg, Esq.
Dr. Julia Miller
Mary Nash
Dr. Ana Maria Schuhmann
Annamay T. Sheppard, Esq.
Geraldine Sims
Paul Tractenberg, Esq.

Impact of the Governor's School Finance Plan on Special Needs Districts

1. Compliance with Abbott mandate for parity

\$405 million short, all 30 districts are negatively impacted

2. Provision of sufficient state aid for regular education to reach parity

\$341 million short, all 30 districts are negatively impacted

3. Change in state aid for regular education from 1996-97 to 1997-98

\$3.4 million less, 15 districts lose a total of \$60 million in regular ed aid

4. Change in local property tax revenues for regular education from 1995-96 to 1997-98

19 districts lose a total of \$74.9 million while 11 districts are expected to increase local tax revenue by \$16.5 million

5. Change in total dollars to support regular education

16 districts lose a total of \$75.4 million

6. Change in aid for special education from 1996-97 to 1997-98

18 districts lose a total of \$20.3 million in special ed aid

7. Loss in at-risk aid for students in grades 1-12 from 1996-97 to 1997-98

28 districts lose a total of \$71.5 million

39x

IMPACT OF GOVERNOR'S SCHOOL FUNDING PLAN FOR 1997-98

(note that numbers in parenthesis represent a decrease)

	1	2		3	4	5	6	7	8
	loss of funding	loss of state aid		change in state	change in local	change in total	additional spending	change in	loss of at risk aid
	required by Abbott	required by Abbott		aid for reg ed	property tax	dollars (local &	permitted if local	special ed	for students in
	for parity in	for parity in regular		96-97 to 97-98	dollars for	state) for	property tax	aid	grades 1-12
	regular education	education			regular ed	regular ed	increase is approved		
Asbury Park	\$ (6,795,589)	\$ (3,151,141)		\$ 1,280,621	\$ (2,252,117)	\$ (971,496)	\$ 724,618	\$ 44,860	\$ (1,176,807)
Bridgeton	\$ (6,099,777)	\$ (6,110,799)		\$ (944,306)	\$ 19,509	\$ (924,797)	\$ -	\$ (6,891)	\$ (1,205,901)
Burlington City	\$ (1,626,142)	\$ (858,305)		\$ (858,305)	\$ (727,606)	\$ (1,585,911)	\$ 1,908,686	\$ 257,489	\$ (52,173)
Camden City	\$ (34,973,535)	\$ (29,606,890)		\$ (946,768)	\$ (2,144,137)	\$ (3,090,905)	\$ 2,433,756	\$ 318,735	\$ (8,627,715)
East Orange	\$ (17,247,540)	\$ (18,909,515)		\$ (1,843,873)	\$ 1,670,508	\$ (173,365)	\$ -	\$ (1,386,808)	\$ (2,731,511)
Elizabeth	\$ (29,905,215)	\$ (25,879,249)		\$ 5,827,568	\$ (4,017,015)	\$ 1,810,553	\$ -	\$ (764,911)	\$ (4,130,673)
Garfield	\$ (3,879,347)	\$ (2,061,932)		\$ 1,956,168	\$ (941,946)	\$ 1,014,222	\$ -	\$ (216,172)	\$ 501,303
Gloucester City	\$ (6,603,420)	\$ (5,009,066)		\$ (877,808)	\$ (626,390)	\$ (1,504,198)	\$ 101,237	\$ (120,853)	\$ (126,257)
Harrison	\$ (2,471,774)	\$ (2,415,000)		\$ 720,085	\$ (47,912)	\$ 672,173	\$ -	\$ 124,942	\$ (63,879)
Hoboken	\$ (2,882,498)	\$ (770,653)		\$ (4,519,303)	\$ (2,111,845)	\$ (6,631,148)	\$ 3,931,187	\$ (734,730)	\$ (1,508,178)
Irvington	\$ (6,360,125)	\$ (7,614,607)		\$ (1,203,140)	\$ 1,262,274	\$ 59,134	\$ -	\$ (966,636)	\$ (963,809)
Jersey City	\$ (47,516,444)	\$ (29,684,423)		\$ 18,583,857	\$ (17,823,403)	\$ 760,454	\$ -	\$ (1,459,575)	\$ (6,541,173)
Keansburg	\$ (1,811,078)	\$ (358,936)		\$ 1,620,824	\$ (1,443,039)	\$ 177,785	\$ -	\$ (111,095)	\$ 134,347
Long Branch	\$ (7,854,403)	\$ (2,272,626)		\$ 3,977,362	\$ (5,572,199)	\$ (1,594,837)	\$ 637,761	\$ (731,685)	\$ (519,619)
Millville	\$ (4,292,868)	\$ (5,265,487)		\$ (454,787)	\$ 980,705	\$ 525,918	\$ -	\$ 293,468	\$ (95,743)
Neptune Twp	\$ (2,807,288)	\$ (5,381,315)		\$ (5,381,315)	\$ 954,219	\$ (4,427,096)	\$ 982,494	\$ (849,198)	\$ (13,467)
New Brunswick	\$ (10,029,782)	\$ (517,801)		\$ 6,031,721	\$ (9,503,282)	\$ (3,471,561)	\$ 2,241,297	\$ (822,044)	\$ (1,216,886)
Newark	\$ (44,042,185)	\$ (31,752,771)		\$ (30,237,378)	\$ (12,281,246)	\$ (42,518,624)	\$ 55,058,878	\$ (9,657,665)	\$ (21,691,529)
Orange	\$ (5,228,608)	\$ (5,241,737)		\$ 964,112	\$ 21,767	\$ 985,879	\$ -	\$ (579,389)	\$ (934,143)
Passaic City	\$ (16,429,217)	\$ (16,471,689)		\$ 738,322	\$ 51,280	\$ 789,602	\$ -	\$ 6,671	\$ (3,168,721)
Paterson	\$ (37,111,782)	\$ (35,177,259)		\$ 3,243,175	\$ (1,925,792)	\$ 1,317,383	\$ -	\$ (929,718)	\$ (6,418,691)
Pemberton Twp.	\$ (3,711,176)	\$ (4,266,332)		\$ (2,440,401)	\$ 563,027	\$ (1,877,374)	\$ 1,326,757	\$ (556,078)	\$ (451,500)
Perth Amboy	\$ (19,428,204)	\$ (17,215,990)		\$ 600,320	\$ (2,202,783)	\$ (1,602,463)	\$ -	\$ 20,315	\$ (1,947,583)
Phillipsburg	\$ (3,794,678)	\$ (4,265,287)		\$ (286,739)	\$ 479,205	\$ 192,466	\$ -	\$ (97,813)	\$ (117,212)
Plainfield	\$ (8,464,406)	\$ (16,786,722)		\$ (8,746,606)	\$ 8,330,546	\$ (416,060)	\$ -	\$ (360,245)	\$ (1,783,593)
Pleasantville	\$ (10,209,979)	\$ (5,005,085)		\$ 4,602,190	\$ (4,829,185)	\$ (226,995)	\$ -	\$ 292,657	\$ (392,288)
Trenton	\$ (29,321,080)	\$ (26,074,112)		\$ (1,139,731)	\$ (3,237,853)	\$ (4,377,584)	\$ 1,547,651	\$ 1,446,383	\$ (3,810,549)
Union City	\$ (16,821,947)	\$ (13,774,134)		\$ 4,835,190	\$ (3,038,654)	\$ 1,796,536	\$ -	\$ 687,569	\$ (1,596,476)
Vineland	\$ (9,740,215)	\$ (11,720,035)		\$ (500,154)	\$ 2,187,170	\$ 1,687,016	\$ -	\$ 522,294	\$ (599,848)
West New York	\$ (7,236,110)	\$ (7,096,375)		\$ 1,963,925	\$ (131,107)	\$ 1,832,818	\$ -	\$ 283,586	\$ (355,071)
TOTALS	\$ (404,696,412)	\$ (340,715,273)		\$ (3,435,174)	\$ (58,337,301)	\$ (61,772,475)	\$ 70,894,321	\$ (16,052,537)	\$ (71,605,345)

Good afternoon Senator Ewing and members of the Senate Education Committee. My name is Bonnie Hollis. I'm a Livingston homeowner, taxpayer and have lived in Livingston for eleven years. I have two children, ages 9 and almost 14 who attend the Livingston school system. I am also a member of the Garden State Parent Network. Although I am only one voice speaking to you today, rest assured, I represent thousands of parents in Livingston who share my concerns.

I'd like to thank you for this opportunity to come before you today and share my thoughts about Governor Whitman's Thorough and Efficient Spending Plan. I'm not a salesperson, but today I wish I were the best one I could possibly be, because I'd surely like to sell you on the importance of a good education. If we could all put aside Republican and Democratic hats for a moment and simply think of the children - our greatest resource - they are tomorrow's future. When all of our debating becomes tomorrow's past, it will be our children who will be the future leaders.

What you decide today could well be the legacy you leave to all the children in New Jersey public schools. I implore you not to allow this political football to continue, but to ask your conscience: "Am I doing the right thing to insure that the top schools in New Jersey continue to be the best they can possibly be? Am I working towards pulling up the lower districts to be successful?" or, "Will my decision for the T&E plan adversely effect top school districts? Am I leveling down top schools so that the Supreme Court can be satisfied that everyone is equal - but NO LONGER ON THE LEVEL OF EXCELLENCE THAT EXISTS PRESENTLY?"

Please take a moment to consider these points:

- * How was the per pupil cost limit arrived at? Does it truly reflect the fair cost of education in each district of the state?
- * Does this formula recognize that there are different ~~ways~~ costs of living in different parts of the state?
 - Page 1 of The Star-Ledger, July 9, 1996 stated: "A private analysis completed for the Legislature last week by the non-partisan Office of Legislative Services (OLS) revealed that 52% of the state's districts would exceed the Governor's cut off and have to go to the voters. The five hardest-hit counties - Morris, Bergen, Somerset, Essex and Mercer - would all have more than 70 percent of their districts needing approval from the voters just to keep spending at current levels." It also stated that "Livingston would need approval for \$12 million of a \$45 million budget."
 - The July 4 issue of The Bergen Record stated that in Bergen County out of 75 districts, 62 are over the limit. % over = 82.7 In Essex County Governor Whitman's plan puts 15 out of 21 districts over the spending limit = 71.4% HOW CAN YOU SYSTEMATICALLY CRUSH COUNTIES?

-On July 2, 1996 there was a handout prepared by the Education Section of the Office of Legislative Services from data provided by the Department of Education.

41x

Included in this handout is the following listing:

Total Current Spending Projected to 97-98	Proposed 97-98 Max. T&E Budget Under Governor's Comp. Plan	Amt. Subject to Voter Approval Under Governor's Comp. Plan	Amt. Subject to Voter Approval as Pct. of Total Spending
--	--	--	---

Livingston

Twp.:

45,146,831

32,737,252

12,409,579

27.5%

These numbers suggest a dismantling of top schools, including Livingston.
Additional considerations:

*What course of studies does the per pupil cost limit cover? What extracurricular activities will be allowed under this figure? (bands, sports, clubs, extra academic studies, etc.)

*How are accelerated, advance placement, special education, special needs courses to be funded?

-Livingston is a top school system with many top students. For example, on AP exams for 1995-1996: 169 students took 299 exams with 88% scoring 3 or higher. Every year there are National Merit Scholars - The Class of 1996 had 9 semi-finalists. There are numerous awards won, i.e., - NJ Science Day - Biology: 2nd in NJ, 1st in county; top NJ teams in first/second year competitions in chemistry, physics and biology - eleven gold medals and one silver. Essex County Math League -1st place overall, National Spanish Exam - 1st, 2nd, 3rd place winners. The list goes on and on.

Conversely, if you have top programs offered in so many areas and not the proper funds what are you supposed to eliminate? You'll always have top performers - but will they go the furthest they are capable of? Will the programs stay at this high level of excellence?

Allow me to provide another example. Livingston offers an Alternative School, in addition to our high school. This program was established in 1989. The Alternative School has students working at their own pace and has had over 200 pupils in this school. It has even had students who drop out of high school in past years return and complete their education. In the past 3 years alone (and possibly longer) all of the students have graduated - just a few each year may have required longer than four years. This year all graduated but two, and those two are continuing next year. Consequently, a traditional high school setting is not for the students at the Alternative School, but here they are meeting with success and graduating from high school, instead of some potentially becoming high school dropouts and additional burdens on an already overtaxed society. Where is the remuneration for this fine program? Other school districts continue to look to Livingston as a proven leader with exceptional programs. Chester and Scotch Plains both visited the Alternative School this year and are considering starting their own.

Further considerations:

*How will the state administer this per pupil cost limit? What agency will be responsible for this?

*How will the state collect and distribute these funds? What checks and balances will there be that this funding is being efficiently used?

*How will the state assure that the current top performing districts are not penalized (leveled down) while the poorer districts are assisted up?

*How can you approve the CCS without approving the funding amount?

Another major area of concern is the actual vote on a school budget. As you well know, when people go to the polls to vote, they do not have the opportunity to vote on a county budget or a municipal budget. These budgets are out of their control. In increasingly tight financial times with counties budgets and other budgets ever-climbing, often a school budget can reflect frustrations that cannot be vented elsewhere. Consequently, it may be easier for a school budget to be defeated than passed.

The Governor's plan would have people vote on the overage (this is whatever the \$ that are over the state-mandated threshold of spending). This would also be labeled not-constitutionally required. To have Livingston voters vote on a 27.5% overage instead of voting on the whole budget is setting up the budget to fail. Allow the people of Livingston (and all the other cities and towns) to view the budget as a whole and accept it or reject it. The voting process will still be taking place - but it will be a far fairer process.

Finally, we need an alternative to Governor Whitman's Thorough and Efficient Spending Plan. Kindly remember those schools of excellence as well as the cost of living disparities in different parts of the state (which was clearly reflected by 15 out of 21 districts in Essex County not having the proper funding under the Governor's plan). Consider Assemblyman Bagger's proposed modification to the plan: Grandfather those districts whose budgets are above the Plan's T&E foundation level. Include a cap based on a combination of Consumer Price Index and adjustments for enrollment differences. If a district needed to exceed that spending level cap then that would go to the voters to decide.

Help to pull the lower districts up. Don't make everyone equal by pulling the top schools down. We need to compete not only with ourselves but other nations in the world today. We need to be technologically advanced and competitive in many fields.

How will New Jersey students fare when all is said and done? Any school can provide a mediocre education. Livingston strives to be one of the best. This is what I wish for my children and all the others of New Jersey. Let us go forward, not backward. My children and yours deserve no less.

02-Jul-96

Local Leeway Amount Subject to Voter Approval Under the Governor's Comprehensive Plan

	(1)	(2)	(3)	(4)
	Total Current Spending Projected to 97-98	Proposed 97-98 Max. T&E Budget Under Governor's Comprehensive Plan	Amount Subject to Voter Approval Under Governor's Comprehensive Plan (1)-(2)	Amt Subject to Voter Approval as Pct. of Total Spending (3)/(1)
ESSEX				
BELLEVILLE TOWN	27,742,785	32,149,707	0	0.0%
BLOOMFIELD TWP	36,699,342	39,903,478	0	0.0%
CALDWELL-WEST CALDWELL	21,291,199	17,174,772	4,116,427	19.3%
CEDAR GROVE TWP	11,457,287	9,295,784	2,161,503	18.9%
EAST ORANGE	84,661,082	86,803,576	0	0.0%
ESSEX CO VOC-TECH	14,246,426	16,391,652	0	0.0%
FAIRFIELD TWP	5,940,853	4,055,717	1,885,136	31.7%
GLEN RIDGE BORO	11,535,015	8,958,281	2,576,734	22.3%
IRVINGTON TOWNSHIP	65,495,095	69,715,039	0	0.0%
LIVINGSTON TWP	45,146,831	32,737,252	12,409,579	27.5%
MILLBURN TWP	27,593,927	21,747,328	5,846,599	21.2%
MONTCLAIR TOWN	49,920,936	44,410,096	5,510,840	11.0%
NEWARK CITY	395,350,797	329,939,379	65,411,418	16.5%
NORTH CALDWELL BORO	4,577,120	3,455,504	1,121,616	24.5%
NUTLEY TOWN	30,376,440	29,318,331	1,058,109	3.5%
CITY OF ORANGE TWP	29,269,500	31,527,761	0	0.0%
ROSELAND BORO	2,726,685	2,176,549	550,136	20.2%
SOUTH ORANGE-MAPLEWOOD	45,645,077	44,797,425	847,652	1.9%
VERONA BORO	14,576,195	12,451,862	2,124,332	14.6%
WEST ESSEX REGIONAL	16,924,397	9,808,246	7,116,151	42.0%
WEST ORANGE TOWN	46,589,888	38,521,863	8,068,025	17.3%

Of the 21 districts in ESSEX COUNTY, 15 districts (71.4%) are estimated to be spending in 1997-98 at a level that exceeds the proposed maximum T&E budget and will be required to submit the excess amount to the voters in the annual school election. Statewide, of the 594 districts included in this analysis, 309 (52.0%) are estimated to be spending at a level that exceeds the maximum.

The estimate for Total Current Spending Projected to 1997-98, Column 1, is based on the sum of the total adjusted aid for 1996-97 increased by the annual percentage increase in the CPI less the categorical aid proposed for 97-98, and the local school tax levy from the following data sets: (1) the 96-97 advertised levies for 378 districts increased by the annual percentage rate increase in the CPI; and, (2) the 95-96 advertised levies increased by the two year percentage increase in the CPI for all other districts. The categorical aid deducted from the total current spending projected to 97-98 includes the following aid amounts proposed for 97-98: early childhood, demonstrably effective, academic achievement reward, distance learning, special education, extraordinary special education, transportation, bilingual, county vocational, and adult.

Maximum T&E Budget Under the Comprehensive Plan, Column 2, is estimated by multiplying: (1) the Department of Education weighted enrollment projections for kindergarten, elementary, middle, and high school, special education and county vocational schools by (2) the basic T&E amount (\$6,720). To determine the amount to be submitted to the voters, the product of (1) and (2) is increased by 5% (maximum T&E budget). Any spending that exceeds maximum T&E budget must be submitted to the voters in the annual school election.

Prepared by the Education Section of the Office of Legislative Services from data provided by the Department of Education.

44x



Livingston High School

Robert H. Harp Drive Livingston, NJ 07039 201-535-8100

SCHOOL AND COMMUNITY PROFILE 1995 - 1996



Community

Livingston Township is a residential suburban community located in Essex County. While some of the 26,711 residents are employed within the community in small business, light industry, and the professions, the majority of the working population commutes to employment outside the community, utilizing nearby rail facilities and the fine highways that intersect the town. A high percentage of parents are college graduates.

The High School

Livingston High School is a comprehensive, public high school accredited by the Middle States Association of Colleges and Secondary Schools and the New Jersey State Department of Education. There are 1310 students enrolled in grades 9-12. The school calendar incorporates four marking periods: 40 minute class periods, five days a week; and 40 to 80 minute lab periods, one to two days a week.

All students pursue an appropriate academic program which is augmented by many elective courses in the Business, Fine Arts, Music and Technology Departments. An alternative high school program is also available.

The Staff

Among the staff of 153 professionals, 7 hold Doctoral Degrees, 95 hold Masters' Degrees, and 51 hold Bachelors' Degrees.

Curriculum and Special Programs

In addition to a full academic program, Livingston High School offers programs in art, business, music, technology and practical arts. Honors courses are offered in Business, Foreign Language, Math, Science and Social Studies. AP programs are available in American History, Biology, Calculus, Chemistry, Computer Science, English, European History, French, Music, Physics, Spanish and Studio Art.

The high school offers four cooperative education programs: Cooperative Business Education, Cooperative Marketing, Cooperative Industrial Education, and a Career Internship Program for special needs students. In addition, a Career Appreciation Program offers credit for volunteer experiences.

The Board of Education requires 125 credits for graduation including 20 in English, 20 in Physical Education/Health, 15 in Social Studies, 15 in Math, 10 in Science, 5 in Fine or Performing Arts, and 5 in Practical Arts and Technology.

Grading and Ranking

Lowest Numerical Equivalent: A - 90, B - 80, C - 70, D - 60, E/F Failure

Rank is computed by multiplying the grade equivalent (A+=4.3, A=4.0, A-=3.7, B+=3.4, B=3.0, B-=2.7, C+=2.4, C=2.0, C-=1.7, D+=1.4, D=1.0, D-=0.7, E/F=0.0) times the following course-weighted quality point system:

AP=Advanced Placement (College Preparatory).....	8
H=Honors (College Preparatory).....	7
E=Enriched (College Preparatory).....	6
S=College Preparatory Level 1.....	6
F=College Preparatory Level 2.....	5
B=Basic.....	4

The product is then divided by six to produce a weighted grade equivalent (WGE). This WGE is multiplied by the course credits earned to obtain the calculated points for each course. The total calculated points are then divided by the total credits attempted to obtain the weighted GPA.

Only courses taken at LHS are included in the rank, and only academic courses are included in the rank calculation.

STATISTICAL INFORMATION-CLASS OF 1995

Graduates-313				
Post High School Plans				
Four-yearCollege			84%	
Two-yearCollege			11%	
Preparatory or Career School			1%	
Armed Forces, Employment, Other			4%	
Mean SAT Scores - All College Bound				
	Livingston	Livingston*	N.J.	U.S.
Verbal	467	544	420	428
Math	565	665	478	482
*with SAT I and SAT II				

Student Distinctions

National Merit Scholars:

- Class of 1996 - 9 Semi-Finalists; 1 Semi-Finalist, National Achievement Scholarship; 20 Letters of Commendation
- Class of 1995 - 4 Semi-Finalists; 28 Letters of Commendation

Other Distinctions/Programs:

- AP Exams: 169 students took 299 exams with 88% scoring 3 or higher
- Garden State Distinguished Scholars - 31
- Garden State Scholars - 24
- New Jersey Governor's Schools - 1 selected
- Westinghouse Science Talent Search - top ten in nation
- NJ Science Day - Biology: 2nd in NJ, 1st in county; top NJ teams in first/second year competitions in chemistry, physics, and biology - eleven gold medals and one silver
- NJ Science League - Bio I, Chem I/II and Physics I/II all top 10%; 8 awards for individual students
- Columbia University Science Honors Program-participation
- American High School Math Exam - 105 participants
- AIME - 21 participated by invitation
- Essex County Math League - 1st place overall; 4 1st place subject team awards
- William Paterson Univ. Math Competition - 2nd place
- Seton Hall Univ. Math Competition - 2nd place
- AMTNJ Competition - 5th in state
- Iron Hills Math Competition - one 1st and two 2nd places
- National Spanish Exam - 1st, 2nd, 3rd place winners
- FBLA - 1st place and 8 other places in NJ competition; 8th place nationally
- Eight published writers
- MENC Honors Groups - 26 selected
- Regional Challenge Team - participation
- Ford / AAA Troubleshooting Contest-participation
- NJ "King of the Hill" Competition - participation
- Conference Champions: boys/girls tennis, girls basketball, boys soccer
- Sectional Champions - Girls basketball, boys tennis
- State Champions Group III - boys tennis

Administrative Staff

Robert L. Grady.....	Principal
Thomas Kietrys.....	Vice-Principal
Gerald Walker.....	Vice-Principal
Warren J. Curd.....	Director of Guidance
Rudy Valentine.....	Director of Athletics

Guidance Counselors

Robert Batitto	Vincyne LaCapra
Patricia DeMaio	John McEnroe
George Firrincilli	Ann Rosenthal
Judith Krafchick	

Please consult the reverse side for a complete listing of courses.



New Jersey School Boards Association

Headquarters: 413 West State Street, P.O. Box 909, Trenton, New Jersey 08605-0909
Telephone (609) 695-7600 Fax 609-695-0413

**TESTIMONY BEFORE THE
SENATE EDUCATION COMMITTEE PUBLIC HEARING
Parsippany Hills High School - July 17, 1996
Charles Reilly, NJSBA Vice President for Finance**

Hello. I am Charles Reilly, the New Jersey School Boards Association's Vice President for Finance and Ex-Officio of the NJSBA School Finance Committee. I also am a member of the Ridgewood Board of Education.

The New Jersey Legislature faces an enormous challenge. I must develop a school finance system that will—

- Attain funding equity
- Provide necessary programming in disadvantaged communities
- Maintain programming excellence in our finest school districts, and

- Exert a reasonable degree of control over growth in educational spending.

The New Jersey School Boards Association believes that the Legislature can meet this challenge. But to do so, it will have to make significant changes to S-40.

Our Association is a federation of every local board of education in our state. We represent suburban, rural and urban districts...wealthy, middle-income and poor communities...school districts in northern, southern and central New Jersey. This afternoon, we will address changes to the funding plan that are in the best interests of all students and all communities in New Jersey.

First...**S-40 MUST SET A HIGH FOUNDATION LEVEL OF SPENDING.** The amount of money that the plan deems as necessary for a thorough and efficient education is too low. It may result in program reductions in many school districts that now meet or exceed most of the state's

curriculum standards. These are districts of excellence that should serve as models for the state.

But a recent report of the Office of Legislative Services gives the grim reality of the Governor's proposal. Because of the low foundation amount, the majority of New Jersey school districts will have to ask voters to approve spending that the state deems "unnecessary" for a thorough and efficient education.

Go back to your districts. Ask the parents and students you represent if they think the programming represented by those expenditures is an unneeded frill. NJSBA believes that equity attained by eliminating quality educational programming is, in fact, no equity at all.

The driving force behind the school finance debate is disparity in spending and educational opportunity. For many of our poorer school districts, the proposed level of spending may be inadequate. It will not enable their students to meet the new curriculum standards.

S-40 would set the foundation expenditure for regular education at \$6,700 per pupil in 1996-97. Three years ago, an NJSBA study placed that figure at \$8,000. Today, the amount of money needed to build and maintain a thorough and efficient system of educational programming, particularly with the new statewide standards, must exceed that per pupil amount.

Secondly, the plan should...**PHASE IN THE HIGH FOUNDATION AMOUNT.** Maintaining a high foundation of educational spending should be a long-term goal of our state. Just as the curriculum standards will be implemented over a period of time, the spending levels to attain those standards should also be phased in.

Third, the legislation should...**REDUCE RELIANCE ON PROPERTY TAXES.** The plan talks about expenditures. But it is silent on revenues. Nor does it attack a problem at the root of the school funding issue and the quality of life in our state: high property taxes.

Until we look seriously at the issue of state versus local support for public education, many of our communities will be punished with rising property taxes when state aid is diminished.

The administration has told New Jerseyans that property tax rates are not the state's responsibility; they are the result of local decisions. We disagree. In fact, state revenue policy has a very real and very direct impact on how communities must tax themselves for schools and other services.

This afternoon—more than 20 years after the Supreme Court first addressed school finance inequity—we would not be talking about equitable school finance if not for the state's continued overreliance on property taxes to support education.

It's a point on which New Jersey is clearly out of step with the rest of the nation.

Historically, New Jersey has had one of the highest per-capita property tax in the United States. The major cause is the fact that the state pays 38.5% of the total cost of education. On the average, other states pay close to 55%.

Our state's overreliance on local property taxes results in wide disparity in the ability of local school districts to raise funds for education. It overburdens citizens who are on limited and fixed incomes. It cuts severely into the finances of middle-income families.

We support efforts, such as the reinstatement of the property tax deduction, that help ease this burden. However, the property tax issue must be addressed in a comprehensive fashion as an integral part of school finance reform.

NJSBA believes that the state should develop a revenue system that would reduce the proportion of revenue raised through the local property tax and result in state payment of at least 50% of the cost of public education.

Mr. Chairman and members of the committee, we have two additional specific areas of concern, facilities and special education.

The plan must address...**FACILITY NEEDS AND SCHOOL CONSTRUCTION.** An increased emphasis on technology is a major part of the state's new curriculum standards. But this increased emphasis on technology will require an upgrading of many school facilities. At a minimum, computers require additional telephone lines for modems and adequate electrical wiring—all of which come with a price tag. Recent studies have shown that retrofitting older buildings to accommodate changing technology may cost millions of dollars. New construction can be equally costly.

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, but believe that a

comprehensive plan to address school funding and improvement must also address the issue of facilities.

The architects of New Jersey's new school funding plan should consider initiatives such as—

- Aid on an equalized basis for capital expenditures—with special aid for low-wealth districts that have severe facility needs.
- A revolving loan fund in the Department of Education as envisioned by Senator Ewing's S-1063 for the construction and repair of school facilities. The fund would also be supported by uncommitted reserves from the Fund for the Support of Free Public Schools, appropriations of the Legislature, investment income and repayment of loans.

Mr. Chairman, before I conclude my remarks, I would like to introduce Dr. Anthony DelTufo of the Livingston Board of Education to address special education. Tony...

(after Tony concludes)

Thank you Tony.

Mr Chairman and members of the committee, in conclusion, S-40 makes major advances toward school finance reform. It calls for current-year funding. It requires school districts to provide for annual building maintenance. Most significant, it bases school funding on the curriculum standards—what we expect our students to know and be able to do by the time they graduate.

However, without the significant changes mentioned above, S-40 will not only hamper many school districts from meeting New Jersey's goals for educational excellence, but will also prevent excellent schools from continuing to provide that level of education.



New Jersey School Boards Association

Headquarters: 413 West State Street, P.O. Box 909, Trenton, New Jersey 08605-0909
Telephone (609) 695-7600 Fax 609-695-0413

**TESTIMONY BEFORE THE
SENATE EDUCATION COMMITTEE PUBLIC HEARING
Parsippany Hills High School - July 17, 1996
Anthony DelTufo, Vice Chair, NJSBA Special Education Committee**

Thank you Charles. Mr. Chairman, and members of the committee. I am Anthony DelTufo, Vice Chairman of the NJSBA Special Education Committee and a member of the Board of Directors in addition to serving on the Livingston Board of Education. For almost a year, our New Jersey School Boards Association's Special Education Committee has studied the commissioner's proposal for special education funding and worked with your input and that of almost every other public education interest group to hammer out a thoughtful response to that plan.

Each year, New Jersey spends over \$1.3 billion in state, local and federal funds for programming and services for the state's 195,000 special education students. How school finance legislation addresses special education will have an impact on each and every school district in New Jersey. Unfortunately, as it stands now, S-40 would have a disastrous impact on special education students.

The plan sets an arbitrary limit on the number of special education pupils per district who would be eligible for full state funding. That limit is 10% of the total student population. This poses an impossible dilemma to districts whose special education populations are above 10%. Their choice would be to divert funds from the regular education program or not provide appropriate education for their special children.

The plan also takes a "block grant" approach to funding. It would provide the same amount of aid per pupil regardless of the student's educational needs. The plan's artificial 10% benchmark, tied to a per pupil grant from \$4,221 to \$4,779

depending on grade level but regardless of disability, may actually encourage the type of over-classification that it seeks to control. This would clearly be the case in my district, for example, which classifies students at a rate of 7.4%, or Charles' district which only classified 6% of its students, or the more than 50 other districts which now classify at less than 10%.

If properly monitored, a special education funding system without arbitrary limits and based on educational needs can attain the cost efficiency that the Department of Education, the Legislature, the Governor, and we desire.

Mr. Chairman, according to the Center for Special Education Finance, a think tank arm of the American Institutes for Research, 32 states are now considering revamping their special education funding programs, but the Center calls the block grant method "extreme" and warns that it "may cause the important guarantees that the individual categorical laws were designed to protect, to disappear."

In contrast, NJSBA has developed special education legislation amendments to S-40.

Our plan:

- Would eliminate the state's current system of classifying special education students among 21 categories based on medical label disability.
- Would create only three levels of funding based on the level of program services needed by the students.
- Would also focus on early intervention and preventive services to help students before they need more costly special education services.

Under this plan, the Department of Education would achieve its goal of overall reduced classification levels by issuing guidelines for classification of students in only 3 categories

and then monitoring district placements the way they have never been able to monitor the 21 scattered categories before.

Mr. Chairman, clear guidelines for the 3 categories and monitoring compliance will reduce the classification rates and ultimately the costs of special education while not penalizing districts which have a defensible higher classification rate.

I might also add Mr. Chairman, that our plan has received preliminary support from the New Jersey Association of School Administrators, the New Jersey Association of School Business Officials, the New Jersey Principals and Supervisors Association, United Cerebral Palsy of New Jersey, the Learning Disabilities Council, the ARC of New Jersey, as well as the Chairperson and Vice-Chairperson of your own Task Force on Special Education. By the way Mr. Chairman, I also had the honor of sitting on that panel.

NJSBA believes that a special education funding system should encourage school districts to place students in the least-restrictive environment. It should provide state funding for services that enable placement of special education students in the regular classroom when appropriate for their needs. At present, local school districts must assume the costs of all additional services required by a special education student placed in a regular classroom. And the funding system should allow state funds to follow the student.

NJSBA's proposal would make essential changes in special education programming to ensure accountability and cost-efficiency while enabling local school districts to address the needs of every learning disabled child. Thank you.

Charles. (Return to Charles for conclusion)

#####

TESTIMONY

**Senate Education Committee
Hearing
on the
*Comprehensive Plan for Educational
Improvement and Financing*
as Proposed By
The New Jersey Department of Education**

July 17, 1996

by

Louis M. Ripatrazzone, Superintendent
Stanhope Public Schools

Dear Senator Ewing and Committee Members:

Good afternoon! I'm Lou Ripatrazzone, Superintendent of the Stanhope School District. I am here on behalf of our Stanhope students, Board of Education, staff members and taxpayers.

We are a district that is very seriously concerned that the new funding law proposal needs to correct the many flaws of the Quality Education Act (QEA) to bring about a greater degree of equity in school funding. Our district has been and continues to be negatively impacted by the QEA. Our estimates, conservative at best, reflect a loss of over 1 million dollars in aid since 1990 as compared to similar districts in our county.

We have not remained silent. Our efforts resulted in three state aid adjustments, unheard of during this era. Clearly, our elected officials acknowledged the mistakes of the QEA. We received \$100,000 in June, '94, \$150,000 in June, '95, and then \$180,000 in June, '96. The adjustments do not replace the significant loss of dollars, but they were a response from our Legislature, a response that said, "Yes, Stanhope, you were not being dealt with fairly."

61x

We believe the inequities in the QEA partly stem from the use of federal census data for Per Capita Income (PCI) to determine the income wealth for each New Jersey community. The census people admit that PCI statistics are highly variable and should not be used in the estimation process, which is exactly what New Jersey has done for the past 6 years.

In reviewing *The Comprehensive Plan for Educational Improvement and Financing* on page 16, the report indicates the following regarding Local Share: Ability to Pay:

...it is common practice nationally to fund districts' budgets from a combination of state aid and required contributions from the local property tax base. The plan assumes that such a system will be enacted and that the required local share will be based on the community's ability to pay as measured by its property and income wealth.

We are not opposed to using community income wealth in a funding law. However, on this page *The Comprehensive Plan* states:

Consistent with school funding practice, 1989 federal census data for aggregate personal income was used to determine income wealth.

We vehemently oppose using federal census data for aggregate personal income to determine community wealth. Consider this information, when our district was incorrectly identified as affluent in 1990, the QEA utilized the same income wealth data source proposed for *The Comprehensive Plan*. Our investigation uncovered the following incredulous information regarding federal census income data:

1. The federal census data for aggregate personal income (PCI) were based on only 2 questions in the long form census questionnaire.
2. These questions had the highest rate of non-response.
3. The statistics were generated from a very small sampling.
4. The Census Bureau insists these data (PCI) are only estimates and are not sufficiently reliable for the estimation process.
5. The Census Bureau was not able to verify that residents in other towns using the Stanhope Post Office were excluded from the Stanhope PCI amount.

6. The most incredible fact concerning these statistics is that these income amounts are ***self reported***. According to the Census Bureau, there is no way to verify their accuracy!

Clearly, the accuracy of the income data is not verifiable either fiscally or geographically.

I want the panel to know that at the Commissioner's Review of *The Comprehensive Plan* on December 13, 1995 at Middlesex Vo-Tech High School for superintendents, Commissioner Klagholz and Assistant Commissioner Contini both admitted any new funding law must have a more accurate source for income wealth. When I questioned this response at the meeting I was told a new source would be found.

However, here we are holding public hearings on a new funding law that will include non-verifiable income wealth data. Ladies and Gentlemen, this is unconscionable! How can you possibly consider a funding proposal that states:

The Department of Education is working with the Department of Treasury to pursue utilizing New Jersey state income tax return information in the future to more accurately determine relative income of communities.

Ladies and Gentlemen, on behalf of New Jersey taxpayers, you must demand accurate community wealth data. The future is now! This problem is not new. The Department of Education has been aware of this since the onset of the QEA. Personally, I have voiced this position for over 5 years.

The fact that Stanhope has received three state aid adjustments is a clear acknowledgement of the mistakes in the QEA and ensuing interim funding laws.

This incorrect designation and loss of aid has translated into significant cuts in Stanhope programs, loss of personnel, increases in taxes, defeated budgets and the lowest amount of state aid per pupil in Sussex County the last four years.

Please don't make the same mistake in our new funding law when you attempt to devise a method to determine a "community's economic circumstance." Since 1990 we have urged our legislators to utilize the New Jersey State income tax returns to determine a more accurate source to secure this vitally important PCI data.

An awesome task faces each of you. Based on my research, nearly every other state is dealing with school funding problems. For some, adequacy of funding is the issue. For others, as in New Jersey, horizontal equity is the issue. If the solution were easy, it would have been found already. I urge you to learn from the mistakes of the QEA. Demand accurate income data, or communities like Stanhope will continue to be harmed, and I'm certain there are many more. Some, possibly don't realize how the income piece has harmed them.

Technological advancements since 1989, when the QEA was written, have been phenomenal. It's hard to believe our great state doesn't have the knowledge and/or talent available to us to solve this problem. Please don't accept an already flawed funding proposal, demand better. The students in our state deserve it!

Thank you!

Susan Meehan
Parsippany Adult High School

Good afternoon.

My name is Susan Meehan. I am a teacher in the Parsippany Adult High School. The Parsippany Adult High School began almost twenty years ago in this high school building. The students and the staff of the Adult High School were happy to learn of the inclusion of the Adult High School in this bill as proposed by Senator Martin. We are concerned though that the funding be sufficient to allow the Adult High School to continue to provide adults with a second chance to earn a regular high school diploma. A second chance which in over twenty years has enabled over two thousand adults to graduate from the Parsippany Adult High School. These are adults who are employed now in business, education, medicine, industry, government and the military in hundreds of professions and occupations which require a high school diploma or higher education which requires the academic skills of a high school graduate.

Senator Martin met with some of us from the Parsippany Adult High School several months ago and we discussed the outlook for the future of adult high schools. Senator Martin asked about the typical adult high school student. While there is no typical student, I would like to tell you a brief history of one of our students to illustrate why secondary adult education is need in any state educational plan.

Ellen is a person now in her early forties who has had some good and bad luck in her life. It appeared to be good luck to be a young person living in a community in Northern New Jersey which regularly appears on a the short list of top high schools in the state. Ellen did not have the

personal family advantages that most of the other students had, she has told me that she did not "fit in" and that she felt that she could not keep up with the other students. So she lost interest at sixteen, fell through the cracks and dropped out of that very fine high school. She went to work, eventually married and started a family. But things did not all work out. After working for years as a waitress, she found herself separated from her husband after many personal problems and due to physical problems unable to continue in her job. She had no high school diploma and no marketable job skills. In order to keep her family together and get the medical care they needed, she began to receive public assistance.

By this time she was living in Parsippany and that proved very good luck, because when her health improved in 1994, she was enrolled in the REACH education program at the Parsippany Adult School. Here Ellen did "fit in" and began in earnest to learn her basic language, math and writing skills. As people who are given a second chance so often do, Ellen progressed rapidly and soon enrolled in the Adult High School. Since she had finished so few subjects as a teen, she had to take a more than a dozen courses and, of course, pass the HSPT exam in reading, math and writing. Ellen worked hard, asked for and got extra tutoring to pass that difficult math test, but finally in the fall of '95, she finished her last class and passed all of the HSPT. Ellen began a Business course this spring at County College of Morris and is working this summer.

This June she graduated and invited her family and friends to share in her joy. She told me that she made sure that her young daughter was there and understood how important it is to study, learn a job skill and earn a high school diploma.

66 x

No matter how excellent the plan for education is, it should include a second chance for adults where ever they happen to live, so that they, their children and their communities can benefit from their increased ability to provide for themselves and their families.

Thank you.

Accredited by:

N.J. State Department of Education

OFFICIAL RECORD

Student's Name

Ellen

(Last) (First) (Middle) (Maiden)

Birthdate 6/24/52 Sex F Phone _____ Social Security Number _____

Street Address 3379 Rt. 46 Apt Secondary School Last Attended:

P.O. Parsippany, N.J. Zip 07054 Westfield Sr. High Sch

Date entered Parsippany Adult High School:

(9/8/94) (9/5/95)

This pupil has met this _____ minimum graduation
requirements in both Reading and Computation.

TABE: Reading 12.9+ Math 12.9 Language 12.9

Was or Will Be Graduated 6/19/96

Withdrew _____

Signature _____

Date _____

Key: I. High School
II. Other Schools
III. Parsippany Adult H.S.

Required for Graduation

I. Westfield Sr. High School

UNITS

III. Parsippany Adult H.S.

General Math	1.0
World History	1.0
Clothing	0.3
Arts and Crafts	0.3
Phys Ed. 9	0.3

English I, II, III	3
Business English	1
Applied Math I, II	2
U.S. History I, II	2
Earth Science	1
Environmental Science	1
Career Exp./Dev. 1,2	1
Health	1
PE/Sports	2
Constitutional Issues	1
Art Appreciation I, II	2
First Aid	1
Writing Workshop	0
Needlework	0
Foods I	1
Law & Society	0
Human Relations	0

HSPT 1995

R. 440 M. 321 L. 336

Communication _____
 Computation _____
 Phys. or Nat. Sci. _____
 Fine, Prac. Perf. Arts _____
 U.S. History _____
 Career Exp. or Dev. _____
 Electives _____
 TOTAL CREDITS EARNED 24.0

Director of Guidance

Date

CREDIT PROFILE

NAME: EileenID # 14,573PROGRAM # D.O.B. 6-24-52

Source Key: TC - Transferred Credit

PAHS - Parsippany Adult H.S. Credit

DATE SOURCE

COMMUNICATIONS Credit

1/31/95 PAHS English I 5

English II 5

6/11/95 PAHS English III 5

12/22/95 PAHS English IV 5

1/31/95 PAHS BUSINESS ENGLISH 5

Sub

COMPUTATION Credit

TC APPLIED MATH 5

4/25/95 PAHS APPLIED MATH 5

1/19/96 PAHS APPLIED MATH II 5

Sub

SOC ST/US HISTORY Credit

TC World History 5

4/8/95 PAHS U.S. History I 5

1/18/96 PAHS U.S. History II 5

Sub

NAT/PHYS SCIENCE Credit

1/26/95 PAHS EARTH SCIENCE 5

6/5/95 PAHS ENVIRONMENTAL SCI. 5

Sub

FINE/PRAC/PERF ARTS Credit

TC CLOTHING 1.5

TC ARTS/CRAFTS 1.5

6/19/95 PAHS ART APPRECIATION II 5

6/31/96 PAHS ART APPRECIATION I 5

Sub

CAREER EXP/DEV Credit

3/28/95 PAHS Career Exp/Dev 5

Sub

HEALTH/SAFETY/DR ED Credit

1/26/95 PAHS HEALTH 5

12/22/95 PAHS FIRST AID 5

Sub

PHYS ED Credit

TC PHYS ED 1.5

4/27/95 PAHS PE/SPORTS (BASKETBALL) 2.5

5/4/95 PAHS PE/SPORTS (VOLLEYBALL) 2.5

5/11/95 PAHS PE/SPORTS (FOOTBALL) 2.5

Sub

ELECTIVES Credit

5/15/95 PAHS CONSTITUTIONAL ISSUES 5

5/25/95 PAHS PE/SPORTS (SOCCER) 2.5

5/25/95 PAHS PE/SPORTS (SOFTBALL) 2.5

4/8/95 PAHS PE/SPORTS (AEROBICS) (2.5) 1.0

1/14/96 PAHS FOODS I 5

12/22/95 PAHS NEEDLEWORK 2.5

12/22/95 PAHS WRITING WORKSHOP 2.5

1/18/96 PAHS LAW & SOCIETY 2.5

1/18/96 PAHS HUMAN RELATIONS 2.5

Sub

TOTAL

Tab Scores: Read. 12.9⁺ Math 5.4 Lang. 12.9 ^{12.9}/_{12.9}

Retest: Read. Math 12.9 ^{12.9}/_{12.9}

NJMBS: YEAR Reading Math

HSPT: II YEAR 1995 S Reading 440^P Math 209 Writing 336^P

YEAR 1995 F Reading Math 321^P Writing

69x

NEW JERSEY GRADE 11 HSPT
FALL 1995

ELLEN

HSPT ID: 0000349780 GRADE: ADULT HIGH
DOB: 06/24/52 SEX: F DIST/SCHL STUDENT ID:
SE: IEP EXEMPT: LE: CH-1: RETEST: Y
COUNTY: 27 MORRIS
DISTRICT: 3950 PARSIPPANY-TROY HILLS TWP
SCHOOL: 010 PARSIPPANY ADULT HS

READING: NOT SCORED
MATHEMATICS 321 PASS
WRITING: NOT SCORED RE: TASK:



NEW JERSEY GRADE 11 HSPT
SPRING 1995

ELLEN

STUDENT ID: DOB: 06/24/52
SEX: F GRADE: ADULT HIGH
SE: IEP EXEMPT: LE: CH-1:
COUNTY: 27 MORRIS
DISTRICT: 3950 PARSIPPANY-TROY HILLS TWP
SCHOOL: 010 PARSIPPANY ADULT HS

READING: 440 PASS
MATHEMATICS: 209 NOT PASS
WRITING: 336 PASS RE: 26 TASK: 07



70x

STUDENT INFORMATION

SCHOOL INFORMATION

Last Name	First Name	Middle Name
	Ellen	
Home Address	City	State
752 E. Broad Str., Westfield,	NJ	07090
Parent or Guardian	John	
Previous Secondary School Attended (if any)	Date Left	
Roosevelt Jr. H. S., Westfield, NJ (9th gr)		
Date of Birth	Sex	<input checked="" type="checkbox"/> Withdrew 12/2/68 Month Year
June 24, 1952	F	<input type="checkbox"/> Was or Will Be Graduated

School Name	Westfield Sr. H.S.		
School Address	Westfield, NJ		
School Accredited By	<input checked="" type="checkbox"/> State System	School Phone Number	201 232-2020
<input checked="" type="checkbox"/> Public	<input checked="" type="checkbox"/> Reg. Accred. Assoc.		
Enrollment in Grades	2150	10 - 12	70
Percent Graduates Entering College	4 Yr. Col.	15	2 Yr. Co. and Other
Passing Mark	Honors Mark	LOWEST NUMERICAL EQUIVALENT	
70-D	93-A	93	85 77

CLASS RECORD Include Subjects Failed or Repeated		IDENTIFY LAB TV SEMINAR SUMMER	IDENTIFY HONORS ACCEL AD. PL. ETC	MARKS FINAL OR 2ND SEM	CRED OR UNIT	STATE EXAM SCORES
YEAR	SUBJECTS					
9	English I			*E	0	
	General Math			D	5	
	English 8			E	nc	
	Physical Science			E	0	
	World History			D	5	
9 67	Phys Ed			D	1 1/2	
9 68	Clothing			B	1 1/2	
	Arts & Crafts/Spelling			C/C	1 1/2/nc	
10	English II			Inc		
	General Math			E		
	Dramatics			Inc		
	Foods			E		
	Art I			Inc		
9 68	Clothing			F		
9 69	Phys Ed			Inc		
	(Grades Incomplete Due to Absenteeism)					
11						
12						

EXPLANATION OF HONORS COURSES

Honors 10%; grades 10-12; sel. by ability tests, performance & teacher recom.

GRADING SCALE

A - 90-100 Certificate grade
B - 80-89 College Recommending
C - 70-79 Passing
D - 60-69 Failing
E - Below 60
W - Withheld or Incomplete

RANK IN CLASS BASED ON _____ SEMESTERS

☒ EXACTLY ☐ APPROX. _____ IN CLASS OF _____

FINAL RANK _____

Check Appropriate Rank Information

☐ ALL SUBJECTS GIVEN CREDIT ☒ ALL STUDENTS
☒ MAJOR SUBJECTS ONLY ☐ COLL. PREP. STUDENTS ONLY

Explain Weighting of Marks in Determining Rank

*Assigned to 10th grade.

OUTSTANDING ACTIVITIES, HONORS, AWARDS

DATE	NAME OF TEST	RAW OR STD. SCORE	PERCENTILE SCORE	NORM GROUP	DATE	NAME OF TEST	RAW OR STD. SCORE	PERCENTILE SCORE	NORM GROUP

Date 6-29-88 Signature *[Signature]*

Title Guidance Counselor

TESTIMONY

DATE: July 17, 1996
TO: Senate Education Committee
FROM: Joseph Del Grosso, President
Newark Teachers Union
1019 Broad Street
Newark, N. J. 07102
RE: State School Funding Formula

Senator Ewing and Committeemen:

Governor Whitman's formula should be called the Prospector's formula. Some people get the gold and others get the shaft. In Newark, once again, we are being shafted. A loss of \$31 million would be a severe and devastating loss, however, according to the Education Law Center, Newark may lose as much as \$52 million. In an article in the New Jersey Reporter Colleen O'Dea writes "Nothing in politics is certain, but the Whitman administration's Comprehensive Plan for Educational Improvement and Financing offers just about the closest thing to a sure bet:.....Lawmakers hate it. School boards hate it. School administrators and teachers hate it." I'm here to testify today that the Newark Teachers Union also hates it.

In June, 1990, New Jersey's state Supreme Court ruled, in the Abbott vs. Burke lawsuit that the system of educational funding in the state of New Jersey was unconstitutional because poorer urban districts are not provided with adequate funding to deliver a thorough and efficient education. The spending gap between New Jersey's wealthiest school districts and the 30 special needs districts is supposed to be closed by 1998, with incremental progress towards that goal each year.

Instead of focusing on this spending gap, Commissioner Klagholz seems to be attempting to establish a minimum standard of financial support for each district in order to provide for a thorough and efficient education. He seems to want to shift the debate from how much the wealthiest districts spend to how little can be spent and still meet the constitutional mandate. Klagholz wants to focus on things like class size, number of teachers and curriculum standards, with an arbitrary dollar amount assigned.

The school funding formula seems to be based on a hypothetical model that doesn't exist anywhere. It characterizes anything outside its model's

parameters as unnecessary, wasteful or excessive. This characterization will spell disaster for New Jersey's public schools. Districts that want to spend more than the benchmarks established by the state would have to ask voters to increase spending. When thinking about asking voters to approve increased spending, it's significant to note that last year 51 percent of New Jersey's school districts rejected their proposed budgets.

Caps proposed on teacher's salaries, pensions and Social security funding would interfere with schools' and districts' ability to attract the best teachers we can to the classrooms. Classroom size would be significantly increased if the formula is approved. In urban districts choices would have to be made between security guards and teachers, between school lunches and teachers, between books and teachers. \$52 million represents more than 10% of the operating budget. Imagine a 10% cut in a district already lacking amenities that suburban districts take for granted, such as computers and access to other advanced technology. If the formula is enacted as proposed, Newark stands to lose hundreds of classroom teachers. The premature application of this formula in Newark has already resulted in the loss of numerous positions.

Thought you might like this:

The Commissioner of Education also served on the board of his community's symphony orchestra. Finding that he could not go to one of the concerts, he gave his tickets to the superintendent of his largest school district. The next morning, he asked the superintendent how she enjoyed the performance. Instead of the usual polite remarks, the superintendent handed him a memo which read as follows:

The undersigned submits the following comments and recommendations relative to the performance of Shubert's Unfinished Symphony by this city's symphony orchestra as observed under actual working conditions:

A. The attendance of the conductor is unnecessary for public performances. The orchestra has obviously practiced and has the prior authorization from the conductor to play the symphony at a predetermined level of quality. Considerable money could be saved merely by having the conductor critique the orchestra's performance during a retrospective peer review meeting.

B. For considerable periods, the four oboe players had nothing to do. Their numbers should be reduced, and their work spread over the whole orchestra, thus eliminating peaks and valleys of activity.

C. All 12 violins were playing identical notes with identical motions. This is unnecessary duplication: the staff of this section should be cut drastically with consequent savings. If a large volume of sound is required, this could be

obtained through electronic amplification, which has reached very high levels of reproductive quality.

D. Much effort was expended playing 16th notes or semi-quavers. This seems an excessive refinement, as most of the listeners are unable to distinguish such rapid playing. It is recommended that all notes be rounded up to the nearest eighth. If this is done, it would also be possible to use trainees and lower grade musicians with no loss of quality.

E. No useful purpose would appear to be served by repeating with horns the same passage that has already been handled by the strings. If all such redundant passages were eliminated, as determine by the utilization review committee, the concert would have been reduced from two hours to about 20 minutes, resulting in substantial savings in salaries and overhead. In fact, if Shubert had addressed these concerns on cost containment basis, he probably would have been able to finish this symphony!

It is the kind of attitude exemplified by this poem that keeps NJ from enacting a formula based on what is best for children, instead of what is convenient for a Governor with a tax cutting reputation to maintain.

Review of

New Jersey's Core Curriculum Standards

**Presented by Joseph Del Grosso,
President of the Newark Teachers Union,
Local 481, AFT, AFL-CIO
to the Senate Education Committee on
July 17, 1996 at its Public Hearing on the School
Funding Formula.**

NEWARK TEACHERS UNION

Local 481

American Federation of Teachers

AFL-CIO

1019 Broad Street

Newark, NJ 07102-2426

VOICE (201) 643-8430 FAX (201) 643-8435

At the request of the Newark Teachers Union, the American Federation of Teachers conducted the following analysis of the New Jersey Core Curriculum Standards using the AFT Criteria for High Quality Standards. Though the New Jersey standards extend beyond English, Math, Science, and Social Studies, we were only able to analyze the quality of the standards in these core subjects.

The December 1995 draft of the New Jersey Core Curriculum Standards shows some improvement from the draft we reviewed last spring in our report *Making Standards Matter*, but we would encourage the state to make more improvements before considering them for adoption. As they stand now, the standards meet four out of ten AFT criteria. They are focused on academics, grounded in the core subjects, manageable given the constraints of time, and they allow for teacher flexibility. But the standards are not clear and specific enough to lead to a common core curriculum; they do not include performance standards; they do not allow for multiple performance levels; they do not achieve a proper balance between knowledge and skills; they are not clear enough for teachers and the public to understand; and there is no evidence that the standards were benchmarked against international standards.

Some of these problems are not peculiar to New Jersey's standards. No state standards that we've seen actually answer the question "how good is good enough?", which is what 46 performance standards" are supposed to do. A few states are experimenting with including examples of assessment questions and exemplary student work in their standards, but it's too early to say there is a "right" way to do this. Similarly, very few states have had the resources or expertise to compare their standards to those in other countries. Having done some of this work ourselves, we can attest to how difficult it is, and it is not realistic to expect every state to completely figure this out on its own.

Nevertheless, there are some things that can be done to vastly improve the New Jersey standards. The most substantial problem is the lack of content knowledge conveyed in each of the core subjects. This can and should be corrected if the standards are going to live up to their billing as a "core curriculum." In some subjects, there is simply not enough content to drive a curriculum; in others, it seems like "how" students should learn gets more attention than "what" they should learn. The result is a set of standards that is uneven from subject to subject and that will leave most readers asking more questions than it answers.

Social Studies

Though removal of some of the more fuzzy, non-academic standards has improved the social studies standards since last summer's draft, this subject is still the weakest. In our view, the social studies standards should be completely revised. As they stand now, the standards won't ensure that students learn anything about American history, American government, the history of democratic government around the world, European history, African history, Asian history, or any history. The term "history" is used in the standards but it is completely hollow. There are no references to any particular periods of history, to any historical events or figures. None.

What does it mean for students to know “the formation, chronology, and interaction of societal forces throughout the history of New Jersey, the United States, and the world?” What does it mean to “compare and contrast developments in societies separated by time and/or distance” and to “evaluate ethical dilemmas at key turning points in history?” Which societies are most important for students to study? Which turning points in history? Which parts of the world? Standards like this give teachers absolutely no guidance. Should New Jersey students be expected to learn anything about the American Revolution, the Civil War, the Great Depression, the civil rights movement, or the Cold War? If so, the standards should say so, and they should describe what it is about these events and movements that students should understand. Consider this standard for 11th graders in Virginia:

The student will analyze the causes and effects of major events of the Civil War and Reconstruction, including:

- *slavery;*
- *States' Rights Doctrine;*
- *tariffs and trade;*
- *settlement of the West;*
- *secession;*
- *military advantages of the Union and the Confederacy;*
- *threat of foreign intervention;*
- *economic and political impact of the war;*
- *roles played by individual leaders; and*
- *impact of Reconstruction policies on the South.*

If the New Jersey social studies standards remain in their present form, they will end up raising more questions than they answer. We recommend that New Jersey standards developers, educators, parents, state board members, and anyone else concerned about the quality of the social studies curriculum in that state look at the California History/Social Science Framework and the Virginia history standards. These are examples of standards and curriculum frameworks that are thoroughly grounded in historical content and very clear about what's expected of students. They provide teachers with the type of guidance they need to do their jobs and they are meaningful and useful to parents as well. They are also both the result of a rigorous review process that illustrates the kind of consensus that can be reached around the substance of history, civics, and geography.

Language Arts

The language arts standards suffer from the same problem as those in social studies, but to a lesser degree. While the social studies standards trivialize history, the language arts standards emphasize “literacy” and “writing” in the abstract, without paying enough attention to what it is students should read and what the content and quality of their writing would look like.

Although literature is mentioned in one or two places, it takes on the same hollow tone as history. Fourth grade students should “select appropriate literature to read independently” and

eighth graders should "use literature to develop an understanding of self." What do these things mean? They give teachers no guidance, and parents reading these standards are apt to question how rigorous the public school English curriculum will be.

What's needed in these standards is more clarity on what students will be expected to read and what they should come away from their reading having understood. This is not to say that the standards should dictate a statewide reading list. But they could mention some of the classic works of literature, some of the prominent authors, and some of the historical periods and literary traditions that students should be exposed to. Without such a component, a student in one county could graduate not having read anything in common with a student in the next town over.

In terms of writing, there is also a need to be more concrete. Writing has purposes and products. A student's writing should show whether he knows anything about a particular topic and how effective he is at conveying what he knows. This includes using proper grammar, having a strong vocabulary, supporting ideas with facts, etc. This does not come through strong enough in the standards.

As the standards are presently structured, one would get the impression that reading literature and learning how to write are just small parts of the language arts curriculum. Out of six standards, only one deals with writing and one with reading. The rest have to do with speaking, listening, viewing, questioning and other skills. These things are important for students to learn, but they may not all be appropriate to develop standards for. Standards imply a level of mastery that can be measured, yet some of the listening and viewing standards will be difficult if not impossible to assess.

We recommend looking at the New Hampshire and Virginia English standards as models. Both are written clearly, both have a proper emphasis on reading a variety of literary works from a variety of authors and periods, and both are very clear about what it means for students to learn how to write.

Math

The math and science standards are clearer and stronger than social studies and English because both have more subject matter content. But both also lead off with a series of standards that focus much more on *how* students should learn rather than *what* they should learn. This is a greater problem with the math standards. There is so much attention to how students should engage in, communicate about, experience, think about, assess, and investigate math, that the actual substance of math, both content and skills, gets lost.

The first eight standards are where most readers--teachers and the public--are likely to get confused and frustrated. These all deal with the environment of the classroom and the types of learning "experiences" students should have. In our view, these things shouldn't be spelled out in standards. Standards are meant to define the skills and content that students should learn, not dictate how teachers should teach or how their classrooms should be organized. It's also worth pointing out that many of these things are impossible or inappropriate to assess:

- *students should take appropriate risks, clarifying and defending their positions without fear of being incorrect;*
- *students should interact frequently with parents and other members of their communities, including men and women from a variety of cultural backgrounds, who use mathematics in their daily lives and occupations;*
- *students should receive encouragement and reinforcement for their mathematical accomplishments, rather than discouragement and separation resulting from not achieving mastery at the same rate as their peers.*

Judging from what we've seen happen in other states, these kinds of items will not sit well with educators or parents and they could damage the image of the entire New Jersey standards-setting effort. They may all be noble things for teachers and schools to strive for, but they should not be considered standards.

Much of what's covered in the earlier math standards could be cut. If there are important points the authors don't want to lose, they could be worked into the introductory paragraphs so as not to present the ideas as standards. Some of those that deal with math skills and tools could even be worked into the standards that deal with math content. That's when the standards get much stronger and much easier to understand--once they begin to address the actual math students should learn. The standards stressing skills and learning experiences don't mean much without being linked to content.

Though the second half of the math standards are much better, there are still cases where they could be made clearer. For example, instead of saying that "students should explore properties of three- and two-dimensional shapes," why not also discuss what those properties are? This would give more guidance to teachers and to everyone reading the standards.

Science

The first few science standards have similar problems as some of the math standards. They are not linked with any science content which it makes them very hard to understand and in some cases to assess. As in math, these types of ideas should either be embedded in the actual content standards, mentioned in introductory text, or removed.

Despite a few process-oriented standards, science is still the strongest of the core subjects. Most of the standards are clear and grounded in science content. For example, students should "recognize that matter can exist as a solid, liquid, or gas and can be transformed from one state to another by heating or cooling." This is the kind of clarity that is needed in every standard in every subject.

If recent events are any indication, the outlook for New Jersey's standards is good. The governor and commissioner of education are strongly committed to making the standards internationally competitive. At their request, we recently supplied the state department of education with a complete set of AFT's *Setting World Class Standards* kits. These contain rigorous exams and curriculum materials from overseas as well as some of the exemplary state standards referred to in this report.

The next several pages contain the actual AFT criteria used to analyze the New Jersey standards.

AFT EVALUATION OF STATE STANDARDS

FEBRUARY 23, 1996

NEW JERSEY

<u>Are the standards:</u>	<u>Yes</u>	<u>No</u>
1) Focused on academics	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2) Grounded in the core disciplines	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3) Specific enough to assure a common core curriculum	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) Manageable given the constraints of time	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5) Rigorous and world class.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6) Performance standards.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7) Includes multiple performance levels.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8) Balances content knowledge and skills	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9) Allows for teacher flexibility.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10) Clear and comprehensible to stakeholders	<input type="checkbox"/>	<input checked="" type="checkbox"/>

AFT Evaluation of State Standards: New Jersey

1) Standards must focus on academics. The purpose of setting standards is to improve students' academic performance. This should be the central mission of all our educational arrangements. Forging agreement around the academic content of the curriculum and the expectations we have for our children in each discipline area is the essential first step. But there are some who would rather have standards focus on social and behavioral issues than on academics. Across the country, we've watched debates and legislative battles unfold around proposed education standards or "outcomes" that stray from or avoid academics. These efforts, frequently referred to as "outcomes based education," or "OBE," are being challenged and defeated, and not only by religious fundamentalists but also by concerned parents, business people, educators, and other public school supporters who have raised serious questions about some of the standards that have been developed.

Examples of non-academic standards from other states:

All students understand and appreciate their worth as unique and capable individuals and exhibit self-esteem.

All students demonstrate caregiving skills and evaluate, in all settings, appropriate child care practices necessary to nurture children based on child development theory.

Q: *Are the standards focused on academic knowledge and skills or do they stray too far into social and behavioral areas?*

The standards are focused on academics.

Q: *If there are non-academic issues covered, are these things that can and should be measured or tested? If not, they should probably not be pursued as "standards" but could be addressed in some other way by schools.*

Q: *If there are non-academic issues covered, could the academic integrity of the standards be upheld by simply doing away with the non-academic standards, or are they such a big part of the whole that a total reworking is necessary?*

2) **Standards must be grounded in the core disciplines.** Some educators have thought it best to move away from traditional subject areas and create "interdisciplinary" expectations for students. Interdisciplinary education can be an effective approach to teaching the knowledge and skills that arise from the disciplines. But its value depends on a firm grounding in the subjects themselves. Strong standards in each of the core disciplines will ensure that interdisciplinary approaches reflect the depth and integrity of the disciplines involved. When standards-setters abandon the disciplines, content suffers. Standards become vaguely worded and loosely connected, making the job of curriculum designers, assessment developers, and teachers all but impossible. It is not enough to "recognize" the presence of the disciplines within a set of standards. The essential knowledge and skills of each discipline should form the "core" of the standards. Otherwise, the integrity of the disciplines may get lost. This is not to say that connections between disciplines can't be made, nor that certain skills can't be cross-cutting and pertain to more than one subject. The point is, those connections and those cross-cutting skills should not be the starting point when developing standards.

Example:

Problem solving is a skill that can and should be learned in every subject, and a good set of standards will expect students to learn to solve problems in math, science, literature, history, etc. But if you use problem solving or other such cross-cutting themes as a basis for developing standards—if you use those as starting points—there are many important elements of each discipline that will not fit that structure. This unnecessarily limits what can be covered in the standards and destroys the integrity of the disciplines.

Q: Are the standards organized by the academic disciplines?

Yes

List the subjects and/or categories in which the standards are based:

<i>Math</i>	<i>Language Arts/Literacy</i>	<i>Career Education</i>
<i>Science</i>	<i>Visual and Performing Arts</i>	<i>World Languages</i>
<i>Social Studies</i>	<i>Comprehensive Health and Physical Education</i>	

3) Standards must be specific enough to assure the development of a common core curriculum. A good set of standards should outline the essential knowledge and skills that all students should learn in each subject area, and it should guarantee that all students, regardless of background or neighborhood, are exposed to a common core of learning. A strong common core would put an end to the unequal, uninspiring curricula that many disadvantaged kids get locked into from an early age; it would give teachers a much clearer idea of what their students learned the year before; and it would make life much easier on students who move from one school to another and often find themselves either way ahead or way behind the rest of the class. If standards are to set forth the content of a common core, and if they are to be used by teachers, curriculum and assessment developers, textbook publishers, and others, they must be specific enough to guide these people in their activities.

Q: *Are the standards organized by grade levels or age bands, or do they in some way clearly delineate the differences in expectations for students at different levels? If not, how could one use them to develop curricula or instructional materials for students of different ages or levels?*

Grade-by-grade	—
Grade Clusters (e.g., K-4, 5-8, 9-12)	✓
No distinction among grades	—

The documents are organized by what students should be able to do by the end of grades 4, 8, and 12.

Q: *A core curriculum should probably constitute somewhere between 60 and 80 percent of the academic curriculum. The rest can be filled in by local districts, schools, and teachers. Are the standards comprehensive and detailed enough to establish such a core?*

No. The standards in social studies and language arts are too broad and too devoid of content to lead to a common core curriculum across the state. The math and science standards do address content, but nearly half of the math standards emphasize pedagogical techniques and learning "experiences" students should have rather than what students should learn. Standards are meant to address the latter not the former.

Q: The following scale provides three different levels of specificity, each of which is illustrated by an attached set of standards (see appendix). Level 1 is very broad; level 2 is more specific and organized by grade clusters; level 3 is very clear and specific about what students should learn in each grade. We feel that a clear and usable set of standards should fall somewhere between Levels 2 and 3.

Examples of social studies standards at each of these levels (see appendix for fuller versions of these standards):

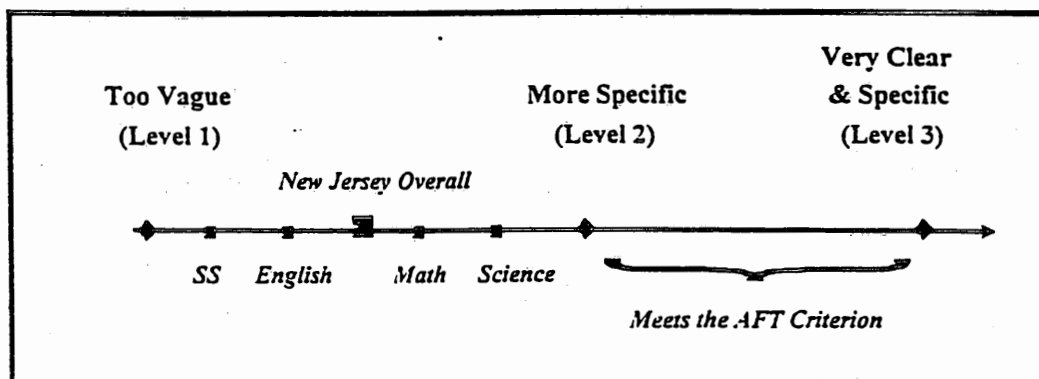
Level 1: "Students should be proficient in the principles and processes of governance systems."

Level 2: "Students should be able to explain the role that the Magna Carta, English Common Law, the English Bill of Rights, and the Mayflower Compact played in the development of constitutional democracy, which balances majority rule with protection of individual rights."

Level 3: "The student will describe and analyze the changing role of the United States in world affairs between 1898 and 1930, with emphasis on:

- the Spanish-American War;
- the Panama Canal;
- Theodore Roosevelt's "Big Stick Diplomacy;"
- the United States' role in World War I;
- the League of Nations; and
- tariff barriers to world trade."

In terms of specificity, how do the New Jersey standards compare?



Q: Are the standards clear and specific enough to guide the development of curriculum frameworks that would describe the core units to be covered in every grade?

No, without a strong content base, it is very difficult to develop curriculum frameworks describing what students need to know and be able to do in each grade. Social studies is most problematic in this regard. The standards provide absolutely no guidance as to the historical content students should learn. The language arts standards are a little better, but reading literature and learning to write get lost among a number of other more abstract skills. The math and science standards do address the content students should learn, though in math there is too much emphasis on "how" students should learn rather than "what" they should learn.

Q: If a state were to adopt these standards but give districts the responsibility for fleshing them out into a curriculum, what are the chances that students across the state would be learning the same core curriculum?

As mentioned, the social studies and language arts standards don't include enough content to establish a core curriculum. The present social studies standards won't ensure that all students in the state learn anything about the Civil War, for example. It is ignored, as is any other particular event or period in history. In language arts, it is literature and writing that get minimized. Students in different parts of the state could graduate from high school not having read a single book or author in common. The math and science standards have the best chance at leading to a core curriculum, but, particularly in math, more content is needed.

Q: If a textbook publisher and an assessment developer were to use the standards in their work, is it likely that the text and the test would be well-aligned?

More so in science than other subjects. but generally this would be a problem.

Q: If a student moved from one district to another or from school to school within a district, would these standards ease the move to a new grade in a new school without putting him or her too far ahead or behind the other students?

As mentioned, the lack of content in social studies and language arts would only make the mobility problem worse, because districts would think they are in sync with one another but each would be building in its own history content for its social studies curriculum and its own literature and writing content for its English curriculum. This would be less of a problem in math and science, but those could be improved as well. Also, the overall grade cluster structure of the standards does leave significant gaps between the grades. It is not clear, for example, what students should learn by the end of the 2nd or 6th or 9th grades. In an effort to allow for local flexibility, the standards sacrifice clarity in terms of when a student should be learning a specific skill or topic—one district may focus on DNA coding in the 9th grade and another in the 11th, making it difficult for a 10th grade teacher to know what knowledge he can assume his incoming students have.

Examples of vague or unclear New Jersey standards:

Language Arts/Literacy:

Read a variety of literary genres from and about diverse cultures.

which ones?

Are any more important than the others? Any authors, periods, styles that all students should be exposed to?

Mathematics:

Recognize and apply unifying concepts and processes which are woven throughout mathematics.

How? To what? Which concepts?

Which processes?

Science:

Recognize that scientific ideas and knowledge have come from men and women of all cultures.

Which ideas are most important for students to learn?

Any priorities here?

What are some of the cultures that should be studied?

Social Studies:

Identify and explain how events and changes occurred in significant historical periods.

Which events?

Which periods?

What kinds of changes?

4) **Standards must be manageable given the constraints of time.** Neither standards nor the resulting common core curriculum should try to cover everything to be taught. As states begin to adopt standards, there undoubtedly will be competing demands for time in the curriculum--both within and among the disciplines. Standards-setters will need to exhibit restraint in the face of these pressures. Their job is to determine what is essential for students to learn. A laundry list that satisfies everyone will be self-defeating, leaving teachers right back

where they are now--facing the impossible task of trying to rush through overstuffed textbooks and ridiculously long sets of curriculum objectives.

Q: Do the standards ask teachers and students to cover too much material? For example, if the standards are established for each grade level, do they try to fit more into each year than can reasonably be covered and learned? (Remember state standards should not set out more than 60-80% of the academic curriculum.)

This is not at all a problem. In fact, it's the opposite that's the problem, there's not enough content here.

Q: If they do cover too much, should they be pared down or is the information important enough to warrant a change in the curriculum and school schedule?

5) Standards must be rigorous and world class. Standards should be rigorous enough to challenge all students and ensure that those who meet the standards are performing at a level comparable or superior to their counterparts around the world. There is a danger, however, that states will develop standards that are one small notch above what students are expected to do now, and they will call these "rigorous" and "world class" achievement levels. Dressing up low standards will not improve student performance. If standards are truly rigorous and world class, they should stand up to some tough but sensible questions.

Q: Do they reflect various levels of knowledge and skills comparable to what students in high-achieving countries are expected to master?

No. The standards aren't clear and specific enough to allow us to judge their rigor against international standards. Except maybe for science, there's not enough content in the subjects to compare to other countries.

Q: Did the state benchmark their standards to world-class levels?

No, but officials have expressed an interest in doing so.

If no to both above questions, please go to section 6.

If yes to at least one of the above questions, please answer the following:

Q: Which countries did the standards-setters use as a basis for comparison, and what documents did they look at to determine their standards?

- Q: Will the standards lead to a core curriculum for all students--those headed for college and those headed for work--as demanding as in France or Japan?*
- Q: Will the standards result in assessments as rigorous as the those taken by average achieving students in other countries, for example the French Brevet de College and the German Realschule exams? Will the standards help bring at least 60% of American 16-year-olds to these levels as is the case in these other countries?*
- Q: Will the standards result in assessments for the college-bound as rigorous as the German Abitur, the French baccalaureat exams, the British A-levels, or the Japanese university entrance exams, all of which are at least as demanding as Advanced Placement exams in the U.S.? Will they help to bring one-third of American 18-year-olds up to the AP standard, rather than the four percent that achieve at that level now?*
- Q: Did the standards-setters refer to internationally benchmarked curricula and exams such as those of the International Baccalaureate program?*

6) Standards must include "performance standards." Standards are often grouped into two categories: "content standards" which describe what students should learn, and "performance standards" which specify how well students need to learn the material—in other words, how good is good enough? While most states are developing content standards first, it is absolutely crucial that the question "how good is good enough?" gets answered at some point and is made public in the standards documents. Content standards alone are not sufficient.

- Q: Do the standards go beyond describing what students should learn and specify how good is good enough by, for example, including samples of student work that meet the standards?*

No.

- Q: Are the standards sufficiently specific so that their attainment can be measured? That is, do they define specific, valued, measurable results, such as a "four-minute mile," rather than vague results such as "very fast running"?*

In most cases the answer is no. In order to assess any of the social studies standards and many of the language arts standards.

content would need to be added. Also, many of the math standards and a few of the science standards are impossible or inappropriate to assess.

Q: *If these are only content standards, are there plans to develop performance standards in the near future?*

There is no indication that the state plans to develop performance standards distinct from the content standards.

7) Standards must include multiple performance levels. Standards are not merely meant to measure what students are learning but also to motivate them to excel. Youngsters should be able to look to academic standards as a goal, something to work toward, to strive for; something that will challenge them, no matter how far ahead or behind they may be. Standards that are too easy to reach won't require students to work hard. On the other hand, students will be discouraged from trying at all if the standards are so high that they seem out of reach. Considering the range of achievement among students, they won't all be inspired by the same level of performance. What may seem very challenging to some is bound to look easy to others. The new Title I law recognizes this. It requires states and districts to define multiple degrees of mastery of the content standards (e.g., partially proficient, proficient, advanced) and to report achievement that way from elementary school onward. Another important way to make sure standards motivate all students is to encourage specialization at some point in high school. All students should be required to meet the same rigorous core content standards in elementary and middle school and through a certain point in high school. Once they've mastered the common core, students should have the opportunity to pursue different courses of study depending on their strengths and interests, and those courses should be directly linked to students' postsecondary and career aspirations. The point here is that standards need to significantly raise the floor without setting any ceilings.

Q: *How many performance levels are defined by these standards? Is there one level of standard which all students are expected to meet, or can some go further and reach an advanced level?*

There is no indication that the state will report multiple degrees of mastery of these standards.

Q: *If there is only one level of standard, is it high enough to challenge all students, even the highest achievers? Is it so high that for some students it may be more dispiriting than motivational?*

The lack of content and clarity in these standards makes the rigor issue difficult to judge. Particularly in social studies and language arts, it's not really clear what students will be expected to learn. If they remain as they are now, the standards will not be very challenging to any students.

Q: *If there are multiple achievement levels, is the lowest level high enough to sufficiently challenge all students?*

Q: *Do the standards ensure that all students will receive a challenging core curriculum and that no students will be placed in low level, undemanding courses?*

No. As discussed earlier, the standards are not clear and specific enough in terms of the content students should learn in every subject.

8) Standards must combine knowledge and skills, not pursue one at the expense of the other. A good set of content standards will strike a balance between the knowledge and skills students should learn in each subject area. Good standards will ensure that students develop the intellectual skills of observation, communication, reasoning, reflection, judgment, perspective, and synthesis, but they must pursue these skills through the content of the subject areas. A skill that is cut free from content and context is meaningless--and impossible to teach or assess. "Critical thinking," for example, cannot be taught in the abstract. However, it can be developed by having students analyze the contradiction between the principle expressed in the Declaration of Independence that "all men are created equal" and the existence of slavery at the time. Standards that focus on skills and not content knowledge become vague standards and it's often impossible to figure out what students are supposed to learn or teachers should teach. Conversely, standards are also a problem if they require students only to memorize facts and recall other bits of knowledge, without learning how to analyze, synthesize, and apply that information.

Examples of standards in other states that stress skills without content knowledge:

...A student will demonstrate the ability to think-critically, creatively and reflectively in making decisions and solving problems.

Students should have the skills that enhance their personal well-being including decision-making ability, interpersonal skills, critical thinking and problem-solving skills...

Students should be able to analyze the causes and effects of cultural change.

Students should be able to construct and effectively communicate a policy statement and action plan to achieve one or more goals related to an issue of public conflict.

Q: Do the standards set forth the essential content knowledge that students should learn in each subject (e.g., the major periods and events in history, the most important concepts, formulas, and thinkers in science)?

No, the standards are focused more on skills than content. The problem is most severe in social studies and language arts, but some of the math standards are too distant from math content.

Q: If districts across the state were to base their curricula on these standards, would all students in the state be exposed to the same core content in each subject? Would all students be expected to master a core set of skills in each subject?

With the exception of science, students would not be exposed to the same core content. Because there is more emphasis in skills than content in the other subjects, there is more of a chance that students would learn

If curriculum and assessment developers have to fill in too much content or too many skills, then the standards are either not specific enough or they have not achieved the proper balance between knowledge and skills. In either case, such standards leave too much open to interpretation.

Q: How much filling in of content would be necessary to develop a curriculum framework or guide that would outline the core units that should be studied in each grade? How much filling in of skills?

A considerable amount.

Q: How much filling in of content would be necessary by assessment developers in order to develop test items to measure the standards? How much filling in of skills?

For science, a minimal amount; math and language arts, a fair amount; social studies, the entire amount.

9) Standards must not dictate how the material should be taught. Good standards are designed to *guide* not to *limit* instruction. They are intended to communicate to teachers and other school staff what is most important for students to learn, but not how the ideas or information should be taught. If, for example, a set of standards includes teaching activities, they should be there for illustrative purposes only. It is important that standards not be allowed to infringe on teachers' professional responsibilities. Their ability to choose their particular teaching methods and to design their lessons and courses in ways that are best suited to their students' needs and to their own strengths and teaching styles should not be compromised.

Q: Do the standards provide enough guidance for teachers and other school staff to know what their students are expected to learn?

No, for reasons cited earlier.

Q: Do the standards go too far and limit teacher creativity and professionalism?

As mentioned earlier, some of the math standards come too close to dictating pedagogy, which is not the purpose of setting standards.

Q: Are there multiple ways that teachers can approach the standards in their teaching? Can they use a variety of resources and techniques, for example, or are they limited by what the standards say?

See previous question.

10) Standards must be written clearly enough for all stakeholders to understand. Part of the challenge states face when setting standards is how to generate broad public support. It is important, therefore, that standards not be written solely for an education audience. The standards must be written clearly enough for parents, students, and interested community members to understand--indeed, to be inspired by. Otherwise, we risk alienating the very people whose trust and support we need. Our best advice to writers of standards is to consider what the language of each standard will mean to everyone who will be reading them, and avoid jargon.

Q: Are the standards clear enough for teachers to understand what is required of them and their students?

No, with the exception of science.

Q: For parents to understand what is expected of their children and to keep an eye on their progress?

No.

Q: Do the standards send a coherent message to employers and colleges as to what students will know and be able to do when they leave high school?

No.

Q: What about the students themselves? Will they be able to read the standards and get a clear idea of what is expected of them?

No.

Q: Do the standards avoid using educational jargon that won't mean anything to parents and the public?

For the most part, jargon is avoided. But the lack of specificity and clarity in terms of academic content makes the standards hard to understand and make use of. And the emphasis on how students learn math and to a lesser extent science may confuse and concern readers.

APPENDIX

The following examples of standards reflect the three levels of specificity described on page 10.

The following is the entire set of social studies standards from a particular state. These standards reflect the specificity of:

LEVEL 1

In Social Studies, students...will acquire a solid foundation which includes proficiency in

1. principles expressed in the documents shaping constitutional democracy in the United States
2. continuity and change in the history of [state], the United States and the world
3. principles and processes of governance systems
4. economic concepts (including productivity and the market system) and principles (including the laws of supply and demand)
5. the major elements of geographical study and analysis (such as location, place, movement, regions) and their relationships to change in society and environment
6. relationships of the individual and groups to institutions and cultural traditions
7. the use of tools of social science inquiry (such as surveys, statistics, maps, documents)

The following is one of six history standards a particular state has developed. Each standard has a number of substandards as well. These standards reflect the specificity of:

LEVEL 2

STANDARD 5:

Students understand political institutions and theories that have developed and changed over time.

RATIONALE:

People living together in societies address the issues of cooperation and control through their political systems and ideologies. All societies have struggled and continue to struggle to preserve law, security, and a concept of justice. A theme central to this area is the evolution of democracy and the long struggle for liberty, equality, justice, and dignity. To become effective citizens in a democracy, students must be able to deal with the inherent tensions and inevitable conflicts caused by the pursuit of both principles of liberty and equality, and of personal freedom and social justice. Students need to understand that none of these principles can be sacrificed during difficult times if democratic government is to endure.

5.1 Students understand how democratic ideas and institutions in the United States have developed, changed, and/or been maintained.

GRADES K-4

In grades K-4, what students know and are able to do includes

- identifying historical figures from diverse backgrounds in the United States who have advanced the rights of individuals and promoted the common good;
 - describing how national holidays, symbols, and celebrations exemplify the fundamental ideals and principles of democracy in the United States;
 - explaining the need for and benefits of rules and personal responsibility in a family, school, neighborhood, and community;
 - identifying the constitutions of Colorado and the United States as important documents; and
 - explaining why cities and towns, states, and nations have laws to maintain order and protect citizens.
- 99 ✓

GRADES 5-8

As students in grades 5-8 extend their knowledge, what they know and are able to do includes

- understanding the concepts of English law and government that were transferred to the colonies (*for example, the Massachusetts Body of Liberties, the limit to cruel and unusual punishment, the New England town meeting*);
- explaining how political institutions and religious freedom developed in the North American colonies;
- describing the basic ideas set forth in the Declaration of Independence, Articles of Confederation, the Constitution, and Bill of Rights; and
- giving examples of extensions of political and civil rights in United States history.

GRADES 9-12

As students in grades 9-12 extend their knowledge, what they know and are able to do includes

- explaining the role that the Magna Carta, English Common Law, the English Bill of Rights, and the Mayflower Compact played in the development of constitutional democracy, which balances majority rule with protection of individual rights;
- describing how the structure of the Iroquois League influenced the development of a federal form of government;
- analyzing how the ideas set forth in the Declaration of Independence, Constitution and Bill of Rights, Federalist Papers, and landmark Supreme Court cases affect and operate in the contemporary United States;
- explaining how political democracy in the United States was redirected or reorganized after 1800 to create the foundation for the modern political system (*for example, sectionalism, states' rights vs. federal authority*);
- explaining the causes and character of the Civil War and its effects on the political system of the U.S.;
- comparing the various plans for reuniting the United States after the Civil War;
- explaining why the Populist and Progressive movements led to the growth of forms of direct democracy (*for example, initiative and referendum, recall*);

- describing how United States federalism was transformed during the Great Depression by the policies of the New Deal and how that transformation continues to affect United States society today;
- analyzing how the United States political system has dealt with various constitutional crises (for example, *Alien-Sedition Acts*, *assassinations*, *McCarthyism*, *Watergate*); and
- describing the influence of various political traditions of past and contemporary immigrant groups on the United States.

5.2 Students know the characteristics of various systems of government and are able to identify and describe historical examples.

GRADES K-4

In grades K-4, what students know and are able to do includes

- explaining how and why rules are established and enforced in the school and the community;
- explaining how and why laws are established and enforced in cities, states, and nations;
- giving examples of differences between democratic and autocratic forms of government; and
- giving examples of the functions of city, county, and state government.

GRADES 5-8

As students in grades 5-8 extend their knowledge, what they know and are able to do includes

- describing examples of how early societies developed laws to govern people (for example, *Hammurabi's Code*, *Mosaic Law*, *Roman Law*, *Islamic Law*, *Analects of Confucius*);
- comparing how the Greeks and the Romans pursued the ideals of democratic government;
- giving examples of forms of political organization and self government practiced by Native American societies;
- describing the basic forms of government, and giving examples of societies that have practiced them (for example, *monarchy*, *oligarchy*, *clan/tribal*, *autocracy*, *dynasties*, *theocracy*, *republic*, *democracy*); and

- describing how various other nations have pursued, established, and maintained democratic forms of government.

GRADES 9-12

As students in grades 9-12 extend their knowledge, what they know and are able to do includes

- describing the evolution of complex political ideas and systems of government in ancient civilizations;
- describing how the expansion of empires throughout history has spread ideas of government;
- describing the characteristics of the various political systems that developed during the period 500-1700 AD/CE (*for example, feudalism, centralized monarchy, absolutism, principalities, imperial dynasties, tribal kingdoms*);
- analyzing the forces and philosophies that led to the development of modern political systems (*for example, democracy, fascism, totalitarianism, and communism*);
- explaining the differences in the political traditions of Western Hemisphere nations;
- describing the characteristics of various modern political systems, and giving examples of nations that use them; and
- explaining why nation-states developed throughout the world and became the dominant form of contemporary political organization, and describing differences in their internal political structures and values.

5.3 Students know how political power has been acquired, lost, and used throughout history

GRADES K-4

In grades K-4, what students know and are able to do includes

- giving examples of how various groups have gained, lost, or maintained political rights, freedoms, power, or cultural identity in the history of Colorado.

GRADES 5-8

As students in grades 5-8 extend their knowledge, what they know and are able to do includes

- describing how various attributes of people affect political rights (*for example, gender, race, national origin, property ownership, religion, legal status*);
- describing how European expansion resulted in the assumption or seizure of political power throughout much of the world; and
- giving examples of how various groups of people used slavery and other forms of involuntary servitude to maintain and expand power throughout history;

GRADES 9-12

As students in grades 9-12 extend their knowledge, what they know and are able to do includes

- explaining how military conquest and invasion have been used to assume, maintain, and extend political power throughout history.
- analyzing the causes and characteristics of the American Revolution and the ideas and interests supporting the revolutionary movement;
- evaluating the impact of major revolutions on the realignment of political power throughout the modern world;
- evaluating the consequences of the use of genocide to acquire or maintain political power;
- describing how the development and expansion of empires throughout history has extended political power;
- describing and analyzing the major events in the expansion of the political power of the United States;
- analyzing the causes of World Wars I and II and other wars of the 20th century and the resulting changes in the distribution of political power;
- explaining how various countries maintained their independence during periods of colonial expansion; and
- giving examples of former colonies and dependent states throughout the world that have gained independence in the 20th century, and explaining how they have addressed the political issues related to independence.

The following are the history/social science standards for grade 6 in this particular state. There are similar standards for each grade, K-12. These standards reflect the specificity of:

LEVEL 3

Grade Six

United States History: 1877 to the Present

The standards for grade six relate to the history of the United States from the end of the Reconstruction period to the present day, thus completing a two-year study of American history in the elementary grades. Sixth graders should continue to learn fundamental concepts in civics, economics, and geography in the context of United States history. Teachers are encouraged to use simulations, class debates, projects, or other innovative techniques to make the students' learning experiences lively and memorable. Students should have ample instruction devoted to reviewing and strengthening map and globe skills, skills in interpreting and using information, and historical thinking skills.

- 6.1 The student will explain how, following the Civil War, massive immigration, combined with the rise of big business, heavy industry, and mechanized farming transformed American life, with emphasis on
- Western settlement and changing federal policy toward the Indians;
 - why various immigrant groups came to America, some of the obstacles they faced, and the important contributions they made; and
 - the growth of American cities, including the impact of racial and ethnic conflict and the role of political machines.
- 6.2 The student will analyze and explain Americans' responses to industrialization and urbanization, with emphasis on
- muckraking literature and the rise of the Progressive Movement;
 - women's suffrage and temperance movements, and their impact on society;
 - child labor, working conditions, and the rise of organized labor;
 - political changes at the local, state, and national levels; and
 - improvements in standards of living, life expectancy, and living conditions.
- 6.3 The student will describe and analyze the changing role of the United States in world affairs between 1898 and 1930, with emphasis on
- the Spanish-American War;
 - the Panama Canal;
 - Theodore Roosevelt's "Big Stick Diplomacy;"
 - the United States' role in World War I;
 - the League of Nations; and
 - tariff barriers to world trade.
- 6.4 The student will describe the ideas and events of the 1920's and 1930's, with emphasis on
- literature, music, dance, and entertainment;
 - the Harlem Renaissance;
 - impact of the automobile;
 - prohibition, speakeasies, and bootlegging;
 - the impact of women's suffrage;
 - racial tensions and labor strife; and
 - urban and rural electrification.

- 6.5 The student will explain the Great Depression and its effects, with emphasis on
- weaknesses in the economy, the collapse of financial markets in the late 1920's, and other events that triggered the Great Crash;
 - the extent and depth of business failures, unemployment, and poverty;
 - the New Deal and its impact on the Depression and the future role of government in the economy; and
 - personalities and leaders of the period, including Will Rogers, Eleanor and Franklin Roosevelt, and Charles Lindbergh.
- 6.6 The student will analyze and explain the major causes, events, personalities, and effects of World War II, with emphasis on
- the rise of Fascism, Nazism, and Communism in the 1930's and 1940's and the response of Europe and the United States;
 - aggression in Europe and the Pacific;
 - failure of the policy of appeasement;
 - the Holocaust;
 - major battles of World War II and the reasons for Allied victory; and
 - major changes in Eastern Europe, China, Southeast Asia, and Africa following the war.
- 6.7 The student will describe the economic, social, and political transformation of the United States since World War II, with emphasis on
- segregation, desegregation, and the Civil Rights Movement;
 - the changing role of women in America;
 - the technology revolution and its impact on communication, transportation, and new industries;
 - the consumer economy and increasing global markets;
 - increases in violent crime and illegal drugs;
 - effects of increased immigration;
 - the impact of governmental social and economic programs and the Cold War on the growth of federal income tax revenues and government spending and the role of the Federal Reserve System;
 - effects of organized religious activism; and
 - political leaders of the period, trends in national elections, and differences between the two major political parties.
- 6.8 The student will describe United States foreign policy since World War II, with emphasis on
- the Cold War and the policy of communist containment;
 - confrontations with the Soviet Union in Berlin and Cuba;
 - nuclear weapons and the arms race;
 - McCarthyism and the fear of communist influence within the United States;
 - NATO and other alliances, and our role in the United Nations;
 - military conflicts in Korea, Vietnam, and the Middle East; and
 - the collapse of communism in Europe and the rise of new challenges.
- 6.9 The student will interpret patriotic slogans and excerpts from notable speeches in United States history since 1877 including "Ask not what your country can do for you, ..." "... December 7, 1941, a date which will live in infamy," "I have a dream ...," and "Mr. Gorbachev, tear down this wall!"

- 6.10 The student will develop skills for historical analysis, including the ability to**
- identify, analyze, and interpret primary sources (artifacts, diaries, letters, photographs, art, documents, and newspapers) and contemporary media (computer information systems) and to make generalizations about events and life in United States history since 1877;
 - recognize and explain how different points of view have been influenced by nationalism, race, religion, and ethnicity;
 - distinguish fact from fiction by examining documentary sources;
 - construct various time lines of United States history since 1877 including landmark dates, technological and economic changes, social movements, military conflicts, and presidential elections; and
 - locate on a United States map all 50 states, the original 13 states, the states that formed the Confederacy, and the states which entered the Union since 1877.
- 6.11 The student will develop skills in discussion, debate, and persuasive writing by evaluating different assessments of the causes, costs, and benefits of major events in recent American history such as World War I, the New Deal, World War II, the Korean War, the Conservative Movement, the Civil Rights Movement, the War on Poverty, and the Vietnam War.**

Testimony Regarding The Proposed State Funding Plan

On behalf of the Morris Plains Board of Education I would like to thank you for giving us this opportunity to present our concerns about how the proposed state funding plan may affect our district.

The Morris Plains School District is a high-performing, small district providing a preeminent education as reflected by our standardized test results and by our #2 ranking among schools in Morris County for our students' results on the eighth grade Early Warning Test. We have one of the highest costs per pupil in the state which is the result of many factors including: an enrollment that was in decline but has recently stabilized and is increasing slightly; the high costs of maintaining aging facilities; the costs of supporting a mature teaching staff; and the costs associated with incorporating technology into our curriculum. Despite these pressures our board is committed to lowering our budget 5% per year over the next three years in order to reach a cost per pupil of \$10,000. We appreciate the increase in state aid which we will receive under the new funding plan. However, we would like you to re-examine the components of the proposed T&E spending threshold and the potential problems that may be associated with defining part of a school budget as "not constitutionally required".

The T&E spending threshold proposed by the Department of Education does not approach our actual costs of providing a quality education to our students. We suggest that the final formula incorporate the following changes in order to make it more equitable.

- **Incorporate a cost differential based on the area of the state the district is located.**

In fairness to all districts, the threshold should start at a realistically attainable number. To be realistic it must take into account the increased costs in staff, tuition and maintenance associated with the northern part of the state.

- **Incorporate the actual costs for tuition and transportation for those districts involved in sending/receiving relationships.**

As presented, the formula will allow \$8,467.00 per high school student. Morris Plains' actual cost for high school tuition and transportation is \$11,800.00 resulting in our being \$533,280 over threshold for our high school students. Our district is locked into our sending/receiving agreement by law, and we have no control over this line item in our budget.

- **Incorporate the actual costs of each district's average teacher's salary into the threshold formula.**

Districts are legally bound by their negotiated agreements and should not be penalized because they have a more experienced or mature teaching staff. Our faculty's average years of experience is 20 while the state average is 14 years. Fifty-six percent of our faculty have a BA+30 or an MA degree. Therefore we have an average faculty salary \$10,000 over the state average. This will result in our being \$580,000 over threshold. Our dilemma is if we decrease staff costs through layoffs, we will be cutting the teachers at the lower end of the pay scale. The only way we can decrease teaching salaries substantially would be to drastically cut programs.

- **Incorporate the actual cost of special education into the T&E formula.**

Our district's special education costs which include out-of-district placements and a part-time child study team are \$675,400. The formula is allowing us \$254,000 in special education aid in addition to our per pupil spending allowance for a total of \$324,000. The result is our being over the threshold \$351,400. These are expenses mandated by the state and should be considered "constitutionally required" in total.

- **Incorporate a cost factor to compensate districts for expenditures they will have to make in order to comply with the new core curriculum.**

Over the last 3 years our district has spent over \$1 million in building improvements including a new science lab, an updated science lab, a new computer center as well as ADA-mandated renovations plus \$250,000 in technology to ensure compliance with the new curriculum standards. These funds were part of our operating budget because the board viewed these upgrades as vital to the delivery of the curriculum. We anticipate a need for more staff to deliver foreign language, a need to purchase more technology so all students will have equal access and a need to make additional building renovations to comply with the standards.

In summary, it will be very difficult, if not impossible, to continue to meet the needs of our children under the current T&E formula with funds expended above that amount labeled "not constitutionally required". Even if the changes we recommend are made to the formula, we could be \$1 million over in current expenses. We feel only about \$221,000 of our current expenses

should be considered "not required". That amount includes expenditures for intramural sports, clubs and athletics — items our town feels are as important to students' education as classroom instruction. If we were required by a budget defeat to eliminate \$1 million from our budget, we would be forced to cut in areas that are not mandated by eliminating programs such as vocal and instrumental music, art, life skills, cutting teachers and increasing class size. With no appeal to an educator, our budget could be subject to drastic program fluctuations from year to year depending on the political climate. We suggest that our voters and students would be better served if the Department of Education would clearly define those items in a budget that are "not constitutionally required" so we may put them up for a vote along with capital improvements rather than using a formula to determine a lump sum of money. The voters would be better informed regarding the discretionary items in the budget and the education of our students would be protected.

Mrs. Mary Vaughan
Representative of the Finance Committee
Morris Plains Board of Education

**The New Jersey Speech Language Hearing Association's response to the
"Comprehensive Educational Improvement and Financing Act of 1996"**

Delivered by Sue Goldman to the Senate Education Committee on

JULY 17, 1996

Good Afternoon. I am Sue Goldman from the New Jersey Speech Language Hearing Association (NJSHA). For your information, NJSHA members are speech language pathologists /specialists /correctionists and audiologists. As members of NJSHA, we are dedicated to providing the highest level of service to the over 500,000 New Jersey residents who suffer from communication disorders. As it relates to special education, NJSHA members address the needs of New Jersey children who receive speech/language/hearing therapy, remediation and augmentative services through a special education and regular education curriculum.

After reviewing Senate Bill 40 and the Commissioner's recommendations for funding for special education services, it is apparent that fiscal concerns are driving the mission of this document - "to equalize regular education expenditures of the special needs districts and the state's wealthiest districts." In order to accomplish this mission, the New Jersey Department of Education has recommended to the Legislature, drastic and inappropriate changes to special education classification and funding. These changes undermine the mission of the **Individuals with Disabilities Education Act (IDEA)** to provide "free and appropriate public education to students with disabilities in the least restrictive environment."

After reviewing the **"Comprehensive Educational Improvement and Financing Act of 1996,"** we are extremely concerned that there is no mention of speech-language services in the bill with the exception of Page 57, Section 67, where services were mentioned relative to funding for non public schools. Further, the bill uses the outdated term of "speech correction services" on Page, 57, Section 67. The correct terminology is "eligible for speech language services." I refer you to the **New Jersey Education Code 6:28.**

The term "language" is of great importance because it directly impacts academics. If adequate funding ceases to exist for speech language services, students in need of these services will be denied necessary supports which help them remain in regular education. Often, speech-language services are the most critical support a student has to enable him or her to achieve the academic skills necessary to move on to the next grade level.

Without speech-language therapy, speech- language disorders can and do impact the development of effective communication skills, inhibit active participation in classrooms, destroy a student's self-esteem and compel students to limit their goals and give up their dreams. In fact, the recently adopted **Core Curriculum Standards** demand a proficiency in speech and language skills. For example, the Language Arts Literacy Standards" require students to "speak of a variety of purposes in a variety of contexts."

I ask you: **How can a student do this in reading and writing when he/she cannot grasp basic skills like listening and oral speech?** Speech is a child's first basic skill and language the precursor to both reading and writing abilities.

I am sure you agree that the following must be answered and it is for this reason that NJSHA requests clarification of how speech-language services are funded within this Act.

Specifically, NJSHA needs to know: **Exactly what portion of funding is to be allotted per student for speech-language services? How will the amount be tracked to ensure that it is used for speech-language services? How will a district be held accountable to adhere to IDEA's mandate for the provision of speech-language services when prescribed?**

The **MGT Report** commissioned by the New Jersey Department of Education recommended a 15% cap on special education classification. This cap included speech-language services as a classification. Why wasn't this recommendation followed when so many of the other recommendations were incorporated into the language of this bill? NJSHA urges you to rethink this recommendation and to incorporate speech-language services into this funding proposal. By doing this the Legislature will ensure that pupils with speech-language disabilities are served as mandated by IDEA.

While we are on the subject of classification, NJSHA needs clarification as to whether or not the classification "eligible for speech-language services" will remain or be eliminated. The New Jersey Department of Education's Office on Special Education has told NJSHA that the classification "eligible for speech-language services" will remain, but the funding mechanism will change. We have been told that we will be funded on the federal level for the "eligible for speech language services" classification. Can funding be received on the federal level, but not on the State level? NJSHA respectfully requests a definitive response on this important issue. NJSHA can not support a proposal that eliminates the classification "eligible for speech-language services."

As most of you know, an incredible amount of attention and justification for decisions made in the **"Comprehensive Plan for Educational Improvement and Financing"** as developed by the Department of Education are based on the alleged inappropriate classification of students. Specifically, the **Comprehensive Plan** asserts that the current funding system encourages the inappropriate classification of students as either "perceptually impaired" or "eligible for speech-language services."

By way of background, the State Department of Education's Office on Special Education programs developed and published a technical assistance document in 1984 to help speech language specialists determine eligibility for students in need of speech language therapy. However, the State Office on Special Education has done little to monitor this document's utilization by professionals. Further, the State Department of Education has never updated this document.

///x

Various members of NJSHA have been told that eligibility criteria for speech and language disorders may now be put into education code. We support this idea if it is done fairly and correctly. Such criteria must not be created overnight. If eligibility criteria is not done in code, NJSHA urges the Commissioner to require the State Office on Special Education to provide consistent, updated resources to speech language professionals so that a pupil is classified appropriately.

The **MGT Report** also addressed the subject of inappropriate classification. This report asserts that the percentage of students classified for speech has risen between 1976 (.09 aid factor) to 1991 (.18 aid factor). This information is both misleading and confusing. The classification "eligible for speech corrective services" which has been changed to "eligible for speech language services," was originally instituted around 1976. Therefore, lower numbers at that time were due to the fact that not all districts had implemented complete classification of students receiving speech services. The current statistical report from the New Jersey Office of Special Education Programs shows a decrease of students classified for speech from 1980 (2.68%) to 1995 (2.36%).

The next question I would like answered is: What happens when there isn't enough funding to implement a student's Individualized Education Program (IEP) adequately and appropriately?

Currently, many New Jersey schools are failing to provide speech language services as outlined in the student's IEP. The IEP is the specific curriculum guide for each classified student. It must adequately and appropriately reflect individual students needs and future goals. The IEP must be void of administrative and funding concerns and/or the availability of qualified personnel.

Further, the proposed funding system ignores speech services as a mandated service under IDEA. In fact, the 1993 Review of the New Jersey State Department of Education's Implementation of Part B of IDEA states that many districts in New Jersey have violated provisions of the law because services provided in a child's IEP have been prescribed based on administrative convenience or the availability of personnel, rather than the individual's need. (pg.40)

If the classification of "ESLS" is dropped, what will ensure that children will receive the services they need and are guaranteed under IDEA? If the "ESLS" classification remains, but receives inadequate state funding, how will the State guarantee that fair and appropriate services are provided?

Finally, I would like to touch on the subject of monitoring, the New Jersey Department of Education has no method in place to monitor how school districts use special education funds. Monitoring funding was a major recommendation in the **MGT Report**. Study after study has shown that monies allocated from federal and state sources for special education were not reaching the targeted population. Altering the current funding system without a system in place to monitor the spending of these funds will only result in yet another failure. Since no mention is made of which monies are to be set aside for speech-language services, how can the State or districts possibly monitor funding?

For this reason, NJSHA supports the proper monitoring of these monies to ensure that they are spent as intended. We also support monitoring of students classified as eligible for speech language services.

Language is a complex network integrating important areas of understanding and expression - the basis of learning. When a child is unable to comprehend language as spoken, the task of understanding the written word is even more difficult. Similarly, when a child can not integrate his or her thoughts into spoken language, the process of putting them down on paper is impossible.

Speech-language disorders impact the development of effective communication skills, inhibit active participation in classroom activities, and destroy a student's self-esteem. For these reasons, NJSHA urges you to re-examine the proposed funding mechanism outlined in the **Comprehensive Plan** so that it more adequately addresses the needs of children with communication disorders.

In conclusion, NJSHA urges the Legislature to address the questions asked in this testimony as well as the following five (5) questions prior to adopting the "Comprehensive Educational Improvement and Financing Act of 1996:"

- (1) If this Act is adopted, how can the State ensure that students with speech language disabilities be serviced according to their prescribed needs?
- (2) What happens when there isn't enough funding to implement a student's Individualized Education Plan (IEP) adequately and appropriately according to IDEA?
- (3) Presently, New Jersey receives money from the federal government for each child classified as "eligible for speech language services." What happens if children in need of speech language services are not classified and the State can not claim the federal dollars? How will the State make up this funding ? (If children in need of services are not classified eligible for speech language services, the State will lose approximately \$400 per child in federal money.)
- (4) When children who have difficulty rapidly retrieving, processing, and formulating language are not provided with the remediation they need, how can they be expected to achieve the goals outlined in the **New Jersey Core Curriculum Standards**?
- (5) If special education monies are given in through "block grants," how will the State ensure that the money is being used for its intended purpose?

On behalf of NJSHA I respectfully request answers to our questions in writing and I thank you for the opportunity to comment on this very important policy.

JULY 17TH PRESENTATION TO
THE N.J. SENATE EDUCATION
COMMITTEE-1996

1. I'M HERE TO CONGRATULATE COMMISSIONER KHAGHOLTZ AND HIS STAFF ON FACING UP TO EDUCATIONAL FUNDING IN THE STATE OF N.J. HE HAS MORE GUTS THAN THE REST OF US HAVE HAIR ON OUR HEADS
2. WE'RE HERE TO COMMENT ON HIS FUNDING PLAN. IT'S ALL ABOUT MONEY. OUR MONEY. HOW IT'S SPENT. WELL MY SUPPORT GOES TO THE CONCEPT OF ESTABLISHING EXCELLENCE MINIMUM STANDARDS WHILE AT THE SAME TIME ALLOWING LOCAL SCHOOL BOARDS TO SPEND UP TO WHATEVER LEVEL THEY WANT TO PAY FOR. LET THE VOTERS DECIDE.
3. THE PLAN TAKES ON THE SERIOUS ISSUES GOVERNMENT HAS DUCKED FOR YEARS - LACK OF MONEY GOING TO THE CLASSROOM, SMART PLANNING, MANDATES, VOTING IN NOVEMBER REGARDING ACHIEVEMENT, THE SPECIAL EDUCATION FIASCO, TRANSPORTATION, BILINGUAL, THE RIDICULOUS HANDLING OF VOTED DOWN SCHOOL BUDGETS AND MANY OTHERS.
4. BUT IT'S ALL ABOUT MONEY - MONEY THE PEOPLE WHO CAN'T BE HERE TODAY - BECAUSE THEY'RE OUT EARNING IT - THIS COZY 2 PM TO 5 OR 6 PM DOES NOT ALLOW PROPER ACCESS AND THAT'S WRONG.
5. I FEAR THE SPECIAL INTERESTS WILL MAKE THIS PUBLIC PROCESS A SHAM. I'M TALKING ABOUT EDUCATORS - A GROUP THAT CAN NEVER AGREE ON ANYTHING EXCEPT THAT MORE MONEY WILL FIX ANYTHING. PICK ANY TWO AND THEY WILL NOT AGREE ON THE TIME OF DAY, THE TEMPERATURE OR WHETHER THE SUN'S OUT. YET WE'RE IN THIS MEETING

BECAUSE OF THEM.

6. IT'S ALL ABOUT MONEY, THE REPORT SAYS IF ALL THE EXTRAS WERE REMOVED IN EVERY SCHOOL DISTRICT IN THE STATE - OUR PER PUPIL EXPENDITURES WOULD STILL BE SIGNIFICANTLY HIGHER THAN REGIONAL OR NATIONAL COSTS.
7. FIVE MINUTES DOES NOT ALLOW ANYONE TO DIG INTO ALL THE DETAILS AND I WOULDN'T PRETEND I COULD DO IT, BUT IT ALLOWS US TO EXPRESS OUR VIEWS.
8. I'M SYMPATHETIC TO THE WEALTHY COMMUNITIES AND THEIR CONCERNS ON DUMPING DOWN I'VE PAID TAXES IN SOUTH ORANGE, WESTFIELD, MENDHAM AND I LIVE IN A LITTLE COUNTRY TOWN NOW. 60% OF MY LOCAL TAXES GO TO EDUCATION, OVER 15% GO TO COUNTY EDUCATION AND 40% GOES TO THE EDUCATION. I DON'T FEEL LIKE I'M GETTING MY MONEY'S WORTH ESPECIALLY WHEN I LOOK AT RESULTS.
9. GIVE THEM A CHANCE. MY OPINION IS THAT IF THE PLANS DISAPPOINT EDUCATION ADMINISTRATORS, TEACHERS AND THE VARIOUS SPECIAL INTEREST GROUPS IT MOST CERTAINLY BENEFITS CHILDREN, THEIR PARENTS AND THE TAXPAYERS.
10. THANK YOU FOR THE OPPORTUNITY TO EXPRESS A VIEW.

ED 52ABO
978 ROUTE 521
NEWTON, N.J. 07860

My name is James Pace. I would like to thank you for the opportunity to speak today not only as a new board member of Hanover Township but as a father of two young girls. Our board of education is a member of the Garden State Coalition of Schools and as such we are keenly aware of the difficulties inherent in developing a funding formula. I am here today to comment on the difficulties that the current funding formula would impose on our district and to offer suggestions.

In anticipation of the decrease of funding we have already done a number of things. We have cut an administrative position, tightened our teaching staff, changed our health plan to save money and are actively looking into reconfiguring our schools to make them more efficient.

Unfortunately there are things that our township forefathers put in place that we can not change. We have 3 elementary and one middle school in the township that due to the change in makeup of our community are now not strategically located. There are certain fixed costs that are attached to operating these buildings which cannot change. If we are forced to reduce our budget to meet with the proposed guidelines, we will have no choice except to substantially reduce our teaching staff. It took many years for our salary guides to be where they are today and due to tenure laws, we do not have any flexibility on which teachers we can cut. The reduction would have to be at the bottom of the pay scale and would force us to reduce a larger number of staff. The effect of this in Hanover Township would be a tremendous increase in class size which our buildings would not be able to support and would probably mean a reduction in programs currently offered.

Hanover Township prides itself in the wonderful special education program available to those students with special needs. Under the new funding formula, several things would happen:

1. With regular class sizes becoming larger, there would be less opportunity to mainstream special education children in the regular classes.
2. Due to lack of funding, elective classes would be the first to be cut. Since these are the classes where the mainstreaming is most likely to occur, there would be less opportunity for mainstreaming.

3. Related services not mandated by the state for individual students such as occupational, physical and speech therapy but yet offered by the district would be reduced.

4. Self contained classes would continue rather than efforts for inclusion.

5. Out of district placements may not be possible because of high tuition and transportation costs even though those programs may be the best for the child. In the end, those who need the special services the most would lose out!

Under the proposed plan, voter approval would be necessary to vote on any amount that the state now considers "excessive and unnecessary." Due to strong support of our community in the last school budget election, we may be able to pass this overage amount but not without the possibility for potential disaster. We foresee the following will happen:

1. Our once harmonious community would now be divided between those who have children in the system and those who don't.

2. Our board and our PTA would have to devote an inordinate amount of time on election strategies.

3. The makeup of our community would be changed. A passing budget would certainly increase property values which would then increase school populations. It would also force those who do not have anyone in the school system to move out due to increases in property taxes.

4. A failing budget would then decrease property values, and make those who voted against the budget to save themselves extra tax dollars, losers in the end.

As a district we have been brainstorming to come up with a new approach for school funding. Our main thoughts go into the costs of running our school district. Seventy-five to eighty percent of our budget is personnel salaries. We are locked into tenure and salary guides which have been developed by the legislature and protected by the courts. As an alternative, the plan could suggest a model classroom size that divides the current contracted costs by the number of students in the district. While the costs per pupil to teach the core curriculum would be different throughout the state, each student in the state would then receive a thorough and efficient education based on the core curriculum standards. If YOU feel you must come up with a single per pupil spending in the state, YOU must rewrite current tenure laws and come up with a state salary guide.

In closing I would like to say that people pay more for housing in Hanover Township because of the strong sense of community and the quality school system. This gap in spending took decades to occur and can not be fixed overnight without disastrous effects.

In a world of downsizing and corporate relocation, where our children will need the highest academic and technological skills, it seems absurd to level down the highest achieving districts as opposed to using these school districts as the model for those that are not succeeding.

James Pace
6 Countrywood Drive
Morris Plains, NJ 07950
201-267-4138
3123

TESTIMONY

SENATE EDUCATION COMMITTEE

HEARING ON THE COMPREHENSIVE PLAN FOR EDUCATIONAL
IMPROVEMENT AND FINANCING

July 17, 1996

Submitted by: Dr. Judith A. Ferguson, Superintendent of Schools
West Morris Regional High School District
Chester, NJ

Chairman Ewing, and Members of the Senate Education Committee,

I am here today as Superintendent of the West Morris Regional High School District to present evidence that The Comprehensive Plan for Educational Improvement and Financing Act of 1996, recently introduced by Senator Martin, fails terribly in its announced intention to provide an "equitable funding system to enable every district to offer a high quality education to every student." (page 1 of Plan, May, 1996).

Efforts to create a model that prescribes staffing ratios is laudable, and with some adjustments, could be useful in defining T&E. However, when tied to average salaries, an automatic inequity is immediately established! Those who are spending less per person can have more staff than the model prescribes. Those who are spending more, must do with less.

Why do some districts have higher teachers' salaries? Regional costs and longevity are the main reasons. Are students in Morris County to be shortchanged because they have teachers with more years of experience and higher salaries than those who live in other parts of the state?

When I compare the number of positions that our district employs to that of the model, the greatest discrepancy is in the number of teachers we provide. Yes, we have many regular academic classes of 24; in fact many of our classes are at our maximum of 28. But we also have classes under 15. And there are sound educational reasons for us to do so, reasons such as safety in technology classes, limits of classroom size for photography labs, limits of the number of teaching stations in computer, science, and other lab classes. In addition, our efforts to include many special education students in our high school rather than send them to out of district placements has substantially decreased our overall student teacher ratio. The reality is, in order to meet the recommended staffing ratios in the model, we would be required to lay off 50 classroom teachers. This is one third of our teaching staff.

What would be the impact of that layoff? Loss of most elective programs, (certainly the arts and technology courses), reduced numbers of advanced placement programs, reduced options in foreign languages, elimination of many remedial classes, and the list goes on.

120x

What remains? Our school would become a factory where students are packaged in lecture driven courses in oversized classes. Many would fall through the cracks. Yes, and those whose parents can afford it will go off to private schools where they can still get a good education.

The model also dramatically underestimates the cost for maintaining clean and well maintained facilities. Buildings and grounds in Morris County will soon fall into disrepair like those of our sister schools in the cities. Is that what we want?

While sports may not be high on everyone's agenda, believe me, they are very high on the agenda of the students and parents who live in Morris County! This model would reduce our programs by half. Which sports shall we eliminate? Football? Soccer? Who decides what clubs are essential? Half of them or more will disappear.

Now, I know what some of our legislators may be thinking. She's just crying wolf. The voters will approve these extra expenditures, you say. Are we to rely upon the majority of voters who do not have children in the public schools to annually vote to raise their own taxes in these fiscally uncertain times? I don't think so! They will most certainly vote no when they see a ballot question that asks for 4.6 million dollars more than the Commissioner of Education and the Legislature say are "constitutionally required."

Education in New Jersey remains a state responsibility. Under our current system of local school districts, this responsibility cannot be packaged into a "one size fits all" model. This proposed financing plan would provide no recourse to a board of education whose budget is defeated by the voters and not reinstated by town officials. The success of many local districts which has been built over many years could be destroyed overnight.

You may also be thinking, what about all of that administrative "fat?" Like many districts, the West Morris Regional High School District has taken steps during the last several years to eliminate all but the essential administrative costs. This fact is borne out when we compare both our administrative positions and the budget allotments in the proposed plan to our actual costs. Three years ago we downsized our administrators by one third at an annual savings of over \$350,000. Last year we had an audit of our administrative functions completed by Towers Perrin which validated our belief that we had eliminated any unnecessary or excess costs. We share transportation with our elementary districts which maintains reasonable costs for all. We also have initiated serious talks with these districts to regionalize. We have started an educational foundation to support our schools with non-tax revenues. Our parents raise substantial funds to support our sports and arts programs. We have done all that is possible to maintain quality programs at reasonable costs.

121x

So too are our salaries in line with those around us. No, they are not the same salaries as those paid to teachers and administrators in South Jersey. Nor should they be with the higher cost of living in the region.

In September, when our students and parents return to school, you will hear from many more people. The timing of the release of the information required to compute the impact of the formula was unfortunate. The timing of this hearing is unfortunate. If the Legislature wants to know what the people think about this Plan, you will wait for the school year to begin. I urge you not to form fast opinions based on the quiet of summer. Parents of school children who live in the Mendhams, the Chesters, and Washington Township are very concerned about the quality of their schools. They will not sit idly by and see their schools dismantled by a funding formula that is based on faulty cost assumptions and insufficient teaching staff. This is not California, where forty and fifty students are crowded into classrooms. Nor do we want it to be. Until recent years, NJ was a national leader in education. We are falling fast behind.

Do I believe it is impossible to lower the costs of public education in New Jersey without sacrificing the quality of our schools? No, but to do so will require legislative solutions to factors which drive up the costs of education. These solutions will require thoughtful, bold and creative actions, unlike the simplistic and ill-advised model before you.

Examples of these solutions are:

1. Amendments to the tenure laws for teachers and support staff;
2. Statewide or regional bargaining;
3. Incentives for earlier retirements; and
4. Incentives for regionalization

For too long, local boards of education have been left alone to decide costs. We cannot turn around the results of these local decisions overnight without hurting children. Reducing teaching staff is not the solution! I trust you will not be fooled by a formula that is for many schools, educationally inadequate and impossible to apply.

Action is necessary and may be long overdue. But this action must take place at a level much higher than the classroom, and this proposed funding plan leaves us no other choice than to cut programs and services to students.

This formula, if approved as is, will truly "level down" many good schools like West Morris Regional. Is this the legacy that this legislature wishes to leave to New Jersey's schoolchildren?

122x



**New Jersey
Principals and Supervisors Association**

1479 Pennington Road, Trenton, NJ 08618-2694

TEL: (609)771-8200 FAX: (609)771-9375

**TESTIMONY BEFORE THE
SENATE EDUCATION COMMITTEE
REGARDING THE DEVELOPMENT OF A SCHOOL FUNDING FORMULA**

Submitted By:

**John Foulks, Principal
Terrill Middle School
Scotch Plains-Fanwood School District
July 17, 1996**

Thank you for the opportunity to testify before you today regarding the development of a new school funding formula. I am currently Principal of Terrill Middle School in the Scotch Plains-Fanwood School District. I am also Vice President of the New Jersey Principals and Supervisors Association, which represents over 5,000 school leaders throughout New Jersey. As an educator, I understand the tremendous challenge the Legislature faces in trying to craft a funding plan that meets the needs of all students.

Our district has analyzed the impact of bringing Scotch Plains-Fanwood's spending in line with the funding level in the Comprehensive Plan. This plan is based on a so-called model school district and is supposed to ensure that all districts have the resources to provide a thorough and efficient system of education. My comments today will focus on the disastrous "real world" results that will occur, if the Legislature allows this imaginary model district to become the basis for school funding.

In our district, we would have to slash our budget by at least \$6.5 million to come in line with the maximum allowable spending for regular education, as defined in the Comprehensive Plan.

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

- eliminate 12 teachers in my school, Terrill Middle School
- eliminate 17 high school teachers and 3 Child Study Team members;
- reduce extra-curricular activities by almost 20%;
- reduce or eliminate programs in business education, industrial arts, informational technologies and foreign language;

- eliminate some advanced placement and gifted/talented programs; and
- reduce our award winning instrumental music program.

What rationale is there for labeling our current spending as wasteful or unnecessary and forcing these drastic cuts? Did the state of New Jersey carefully research the highest achieving districts in New Jersey and use these districts as a model for determining optimal spending levels? The answer, of course, is NO! Our district is one of those high achieving districts that was praised in the past by the State for our exemplary programs. Now it seems, we have gone from the "lighthouse" to the "outhouse" in the State's eyes. Instead of looking to districts like ours, the Department has developed a model school district that exists no where in New Jersey.

Without significant changes, the proposed school funding formula will lead to severe instability in our district and other high performing districts throughout New Jersey.

I would urge changes to the formula in the following areas:

Greater Flexibility in the Budget Vote

The proposed budget vote mechanism will make it impossible for many districts to engage in long-range planning. This should be changed so that existing spending is "grandfathered" and voters only consider additional spending. District spending should also be allowed 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.

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.

The proposed plan fails to provide enough spending flexibility to meet the needs of school districts in northern New Jersey. The cost of living is significantly higher in northern New Jersey. There is something wrong with a formula that labels more than 70% of all school districts in northern New Jersey as having excessive spending.

Fully Fund Special Education

Our district's moral and legal obligation to meet the educational needs of all students does not stop once we meet some artificial quota or cap. Likewise, the state's duty to fully fund all special education students should not stop once a district identifies more than 10% of its students as needing special education. There is simply no rational basis to argue that every district should have the same percentage of special education students. In many cases, a district will have a high percentage of special education students because that district is known to have a high quality program and parents choose to move there. Should we now start penalizing districts for having such excellent programs? If, in fact, the Department of Education has evidence that some districts are inappropriately identifying students, it should address those districts on a case by case basis, instead of jeopardizing critically needed programs for thousands of students throughout New Jersey.

Fully Fund Pensions

The Department of Education has indicated that they are still considering a plan to shift the responsibility for funding pension costs to local school districts. I urge the Legislature not to allow the State to surrender its responsibility in this critical area. School employees who have devoted most of their lives to public education deserve to know that their pensions are financially sound. In addition, local property taxpayers should not have yet another cost pushed off to local communities.

Include Pre-Kindergarten in Model School District

Finally, I would like to challenge the Comprehensive Plan's assumption that pre-kindergarten programs are only necessary in the State's poorest school districts. Our school district serves a diverse student population that includes a large number of "at risk" students. Parents in our community rely on our pre-kindergarten program to give their children the educational foundation they need. With academic expectations rising for all students, pre-kindergarten programs should no longer be considered a luxury, but instead a vital part of a thorough and efficient education for all students.

Once again, I would like to thank you for the opportunity to share my views on this complex and far reaching issue. I believe it is possible to develop a school funding formula that does not level down the quality of education in our district and other high achieving districts. Working together, I am confident we can develop a funding formula that supports a world class education for all students. I look forward to working with you to achieve this critical goal.

125x

POTENTIAL STATE PLAN REDUCTIONS ELEMENTARY

SP-F

Students: 359-492

- Preschool Program
- Gifted & Talented
- Basic Skills
- Speech
- Reading Recovery
- Instrumental Music
- Class Size to support diverse learning needs and styles

STATE MODEL

500 students
"one size fits all"

Eliminated in all but
low income areas

Not mentioned

No State funds

No State funds

Not mentioned

Not mentioned

Increased class size

POTENTIAL STATE PLAN REDUCTIONS

MIDDLE SCHOOLS

TERRILL

Students: 438

Teachers: 41.6

STATE PLAN

Students: 675

Teachers: 45.6

Prorated: 29.5

State Plan Reduction of 12 Teachers

POTENTIAL STATE PLAN REDUCTIONS

SP-F Middle Schools

- Award winning instrumental music program
- Home Economics
Industrial Arts
Informational Technologies
- Model 6th Grade
Foreign Language Program
- Award winning team-taught environmental earth science
- Class size appropriate to teaching all students with diverse learning needs
- Team taught regular & special education classes

State Model

- reduce & refocus on drama & dance
- eliminate electives
- reduction in teaching staff eliminates program.
- eliminated
- Reduced or eliminated
- Reduced or eliminated

POTENTIAL STATE PLAN REDUCTIONS HIGH SCHOOL

Extracurricular/Co-curricular Activities

SPFHS

\$552,000

STATE MODEL

\$460,908

State Plan Reduction: \$91,000

POTENTIAL STATE PLAN REDUCTIONS HIGH SCHOOL

Extracurricular/Co-curricular Activities

State Plan Eliminates:

Football

or

Swimming
Volleyball
Golf
Bowling
Tennis
Gymnastics

Soccer
Fanscotian
Muse

or

Fee Basis
for clubs

Student
Leadership

Elimination
of 25% of the
Cocurricular
activities

\$91,000

\$91,000

4

130x

POTENTIAL STATE PLAN REDUCTIONS

FORGET "SOMETHING FOR EVERYONE"

2	BUSINESS EDUCATION (FLBA/DECA)	
1.5	HOME ECONOMICS	
3	INDUSTRIAL ARTS	
2.5	MUSIC	
1	ENGLISH	
1	MATH	
1	SOCIAL STUDIES	
1	SCIENCE	
1	ADVANCED PLACEMENT SCIENCE	
1	PHYSICAL EDUCATION	
1	FRENCH	
1	ITALIAN	TOTAL: 17 TEACHERS

COMPREHENSIVE STATE PLAN ISSUES FOR SPECIAL EDUCATION

SPECIAL EDUCATION STUDENTS SP-F AS OF OCTOBER 13, 1995

RESOURCE CENTER	K-5	138
	6-8	92
	9-12	<u>118</u>
		348

PRESCHOOL HANDICAPPED	37
--------------------------	----

SELF CONTAINED AND DEPARTMENTALIZED	85
--	----

OUT-OF DISTRICT	52
-----------------	----

HOME INSTRUCTION	<u>1</u> 523
------------------	-----------------

INCLUSION STUDENTS	
K-5	13
9-12	2



Bergen County Special Services

327 East Ridgewood Avenue • Paramus, NJ 07652-4897 • 201-265-6300 • FAX 201-265-6849

PUBLIC TESTIMONY ON S-40 THE "COMPREHENSIVE EDUCATIONAL IMPROVEMENT AND FINANCING ACT OF 1996"

Provided by:

Mr. Leonard Margolis
Assistant Superintendent
Bergen County Special Services School District
Bergen County Board of Vocational Education

Provided on: July 17, 1996

Parsippany, New Jersey

I am Leonard Margolis, Assistant Superintendent, representing the Bergen County Special Services School District and the Bergen County Board of Vocational Education, two regional school districts which seven months ago entered into a formal partnership in an effort to consolidate administrative and educational services in our county. During my professional career, I have served as an administrator for more than twenty years in Bergen County, most of my experience being associated with children with disabilities. I have served local districts, an informal regional consortium of nine school districts, and two county regional districts. Over these years I have been asked to serve on numerous NJ Department of Education committees and task forces and was one of the Special Education Directors associated with piloting the Plan to Revise Special Education in New Jersey.

I have carefully followed the steps leading to the introduction of S-40, The "Comprehensive Educational Improvement and Financing Act of 1996." Although I have many concerns about the proposed legislation in general, I will limit my comments to those aspects which affect persons with disabilities. I am concerned about changes which would cause:

- a single special education cost factor for all pupils with disabilities, irrespective of the severity of their disability and without a provision that the aid will be directly linked to the special education program attended by the student.
- the elimination of all state funding for the eight County Special Services School Districts, the only school districts in the state to receive zero state aid.
- a 10 % cap on the number of classified students who would receive state aid in County Vocational School Districts.

County Vocational School Districts, have by their own nature, attracted a high percentage of students with disabilities. Today more than thirty-five (35) per cent of all students in the County Vocational School Districts statewide are classified as handicapped. Many of these high school students have already experienced academic failure for many years. Recognizing that their future success in life may not be realized through a college education, these young men and women turn to our County Vocational School Districts to pursue careers in automotive services, integrated office occupations, retailing, food services, horticulture and others. To now limit state aid to a 10 % cap for students in these placements seems arbitrary and capricious and represents a total lack of understanding on the part of the Commissioner and the Department of Education with regard to the benefits of these programs for students with disabilities.

At a time when the more than 600 school districts in New Jersey are being encouraged to consolidate, regionalize, and form into larger more efficient educational units, the Commissioner has recommended changes which would certainly destroy the eight County Special Services School Districts. These units which represent a partnership among state, county and local school districts have been providing appropriate educational services to almost five thousand (5,000) of New Jersey's most severely disabled students in some cases for over twenty (20) years. The plan before you has the potential to threaten the level of county support, to force a significant increase in local school taxes, and worst of all, to diminish services to students with severe disabilities who need them most.

The Commissioner has stated that many of the children now being educated in County Special Services School Districts should be educated back in their local school districts, in regular classes, along side non-handicapped students. This is a very admirable goal for the Commissioner and his Department of Education. By the creation of new legislation and the stroke of the Governor's pen, do you really think that the third grade class located in the neighborhood school down the block from where you live is ready to provide an appropriate education for a child with cerebral palsy who neither speaks or walks, an autistic child who screams, flails his arms, and strikes out at his teachers in an attempt to communicate with his world, or a deaf student with receptive and expressive language skills that are at a three year old level? Do you think that your town's high school has suddenly become ready to serve the emotionally disturbed students who refused to attend school, were seriously self destructive, or were so disruptive to the operation of a regular high school?

After spending my entire professional career of more than thirty years in special education, I am here to tell you that the solution to the "inclusion" issue is not as simple as the Commissioner would lead you to believe. Regular education with teacher aids and specialized devices is not all that is needed to service the students now attending County Special Services School Districts. If these

direction, not just a meaningless mandate to achieve federal compliance. The Commissioner now has it within his power to approve every placement into a County Special Services School District. He should exercise that authority if he feels students are being placed who could be more appropriately educated elsewhere. He should direct his central staff to work with the County Special Services School Districts in developing programs within local school district buildings. You should provide financial incentives which would allow County Special Services School Districts to build facilities adjacent to local schools. In doing so, the expertise, specialized equipment, and highly trained staff now assembled and functioning within County Special Services School Districts could become an integral part of a local school district. Currently the Bergen County Special Services School District and the Midland Park Board of Education are working together on developing such a plan for hard of hearing and deaf students pre-school through high school within Midland Park. This northern New Jersey regional center will provide an appropriate educational experience for students from five or six counties. Recently the Department of Education awarded the two districts a \$100,000 grant to help establish the program. This is the route to successful inclusion in New Jersey, not an arbitrary act that would force County Special Services School Districts out of existence and force students with the most severe disabilities back into local district placements which are neither ready nor willing to accept them.

In summary please consider the following:

1. Do not create a system with one cost factor for all of the variables associated with educating students with disabilities. Create a system of providing state aid consistent with the degree of the disability and link the aid directly to the child who will receive it. Do not decrease the level of state aid for children with moderate to severe disabilities. Currently the state provides \$10,000 in state aid for each child who attends a County Special Services School District. The proposed legislation reduces the state's contribution on average to \$4,600, leaving the remaining \$5,400 to be made up through local property taxes. The legislation before you is an attempt to take money away from children with disabilities in order to solve other educational issues of concern to the Governor. As so well stated on bumper stickers by parents of special education students across New Jersey, "Governor Whitman, Don't balance your state budget on the backs of HANDICAPPED KIDS!"
2. Do not handicap the County Special Services School Districts by cutting off their state aid. Can you imagine a school district with more than a thousand (1,000) children with severe disabilities trying to survive with zero dollars to begin the school year? Can you imagine the uncertainty for staff who will have to be notified every spring according to law, that our staffing needs are uncertain? Would you want to work or attend school in such a climate? It has taken twenty four(24) years for New Jersey to

develop the expertise of providing meaningful education to students with moderate to severe disabilities. It was only a few short years ago that the entire country looked to New Jersey as a model. If "inclusion education" has become the new buzz word, *don't throw out the baby with the bath water*. Use what we have that is so highly developed and reshape it to be in better conformity with today's thinking. Encourage the Governor to direct the Commissioner to provide leadership and direction, not arbitrary mandates.

3. Do not apply a capricious cap of 10% on the number of students with disabilities who will receive state aid in County Vocational School Districts. Students in these placements are benefiting from instruction which allows them to function within the community by holding jobs, paying taxes, living independently, and contributing to society.

Thank you very much for all your efforts in serving as our representatives and for taking the time to hear our concerns about your proposed action on this faulty legislation.

MOUNTAIN LAKES BOARD OF EDUCATION

The Public Hearing before the Senate Education Committee, July 17, 1996, Parsippany Hills High School, Parsippany, New Jersey.

"The Comprehensive Plan for Educational Improvement and Financing"

**Testimony: William E. Burkett, Member
Mountain Lakes Board of Education**

Good afternoon, my name is Bill Burkett. I am a past president and a current member of the Mountain Lakes Board of Education in Morris County. I am the Board representative to the Garden State Coalition of Schools, serving this year as vice president of the Coalition.

My testimony today reflects the views and thoughts of the Mountain Lakes Board of Education, which has followed the evolution of "The Comprehensive Plan" with very great interest.

Mountain Lakes prides itself on our ability to consistently provide an excellent education for our students at a cost the community finds acceptable. A decade or so ago our district faced the dual problems of declining enrollment and vacant facilities. By marshaling the considerable talents of our citizenry, a practical set of solutions was developed. First, we expanded our Hearing Impaired Program to fully utilize a building which would have been closed. Today, Lake Drive School serves almost 200 hearing impaired children from more than 85 sending districts.

Second, we initiated a non-resident tuition program to fill empty seats in classrooms without incurring additional staffing costs. Third, we successfully negotiated a sending/receiving relationship with Boonton Township to educate their high school population. These actions collectively allowed Mountain Lakes to initially maintain and eventually expand our program

offerings and, most importantly, to run the district efficiently. Community effort solved the problems, not State Government.

We recognize the importance of equitably funding education for all children in the State of New Jersey and understand the reality of the process of allocating the resources available. However, equity in funding should not be the cause of any district having to reduce the quality or the breadth of its program offerings. We really need a more creative approach than "The Comprehensive Plan", if we are to preserve and enhance one of New Jersey's most valuable assets—its system of public schools.

In reviewing the "The Comprehensive Plan" presently before the Legislature, Mountain Lakes has several concerns:

1. The T&E Foundation target is too low and there is no demonstrated link to the new core curriculum standards. It is poor form for the State Department of Education to deem any portion of a high performing district's spending level as excessive and/or unnecessary. The voters have already deemed the spending level as necessary to properly educate their children.
2. The Foundation level for a T&E education should account for regional cost differences and be adjusted annually for changes in the cost of living and in current student enrollment.
3. The Plan should emphasize the high academic standards demanded in the State's many high performing districts. Minimum academic standards breed minimum academic achievement, which should be unacceptable in any district—urban, suburban or rural.
4. Special Education should be fully funded by the State. The number of out-of-district residential placements is increasing and placing greater strains on district resources. In an

atmosphere of inclusion, the notion floating around that children are being classified simply to obtain additional aid is ludicrous.

5. The Plan does not address how to undo three decades of laws, administrative codes, and judicial findings that initiated and still propels the upward spiral of the costs of collective bargaining agreements in the areas of salaries and benefits.
6. The legislature needs to be cognizant of sending/receiving relationships when considering the rules governing the vote on the budget. Sending district tuition should be exempted from the vote on the budget in order to avoid creating complicated contractual issues between the sending and receiving districts involved.
7. School Board Elections should not be moved to November. The danger of politicizing school elections is too great. Besides, children's education should never be subjected to the whims of the political process.

We appreciate the daunting task you face and applaud all of the efforts to solve a very complex problem. Mountain Lakes stands ready to assist in whatever way it can from sharing information on how we solved problems to developing programs like "The Paterson Connection" which brings together high school students from Paterson and Mountain Lakes for an ongoing series of academic, social, and community service activities. Mountain Lakes supports and wants to be an active participant in the effort to ensure that every child in New Jersey receives a solid education in preparation for assuming a productive role in society.

Thank you for your time and consideration.

Testimony before the Education Committee
Presented by Dr. Carol R. Conger
Superintendent, School District of the Chathams
July 17, 1996

I am Carol Conger, Superintendent of the School District of the Chathams, and I appreciate the opportunity to speak before you today on the proposed Comprehensive Plan. Chatham has the distinction of being the only K-12 voluntarily regionalized district in the State. Since regionalization 9 years ago, we have consistently implemented strategies which assures that our school dollars are spent on direct programs and services to students rather than on Administrative and ancillary expenditures. Like most quality districts across the State, we continue to improve our educational programs to meet the needs and demands of a rapidly changing global society.

We all know that the intent of the courts in the Abbot vs Burke case was to raise the quality of education in all schools to that provided in the best schools in the State. The proposed Comprehensive Plan in its current form does not do that. It fails miserably. What the plan does is to define a set of loosely constructed core curriculum standards which every child must achieve. It then sets a minimum level of spending to support those standards. The concept is a good one, the final product is not. The new core curriculum standards are written in very broad, general terms which could be met by almost any district, regardless of how weak the curriculum is. These standards are no reach for us. The Comprehensive Plan is an outline for the leveling down of education in the State of New Jersey.

The level of spending set forth in the Comprehensive Plan to provide this mandated thorough and efficient education is significantly below that which most quality districts currently spend on each of their students. Chatham's school budget for the 1996-97 school year is \$26,000,000. The Comprehensive Plan tells us that \$4,900,000 or approximately 20% of our budget is not necessary to provide a thorough and efficient education. A full 20% of our budget, in the Plan's terminology, is not "constitutionally mandated", a confusing term at best. What this says to our taxpayers is that 20% of our budget is "fluff or extras", and we should be able to do without it. A significant number of districts across the state are in this same predicament.

We in Chatham have been fortunate in the past. The Chatham community has traditionally supported quality education and may continue to do so by voting yes on an additional 4.9 million dollars which has been termed "wasteful and unnecessary". But that is not the point. The point is that the Comprehensive Plan calls for a leveling down of the standards we have worked so hard for so many years to achieve. Quality education must be the norm, not something which must be taken to the community for a vote under the umbrella of "extra expenditures". The Legislature must not let this happen.

Assemblyman Bagger who represents Chatham Township, has introduced a revision to the plan which would grandfather all districts at their current per pupil expenditures without going to the public for a vote. This would assure that no district would be forced to make massive cuts in one year but rather would permit us to implement cost saving measures over time and in ways which would not devastate the quality of education we currently provide. Under Assemblyman Bagger's plan, districts would not be forced to designate a large percentage of current budgets as "not constitutionally mandated". It would protect all students in the State and would give us a level playing field to begin to operate under a new funding structure.

The Legislature must not be not be party to the leveling down of education in our State. Do not follow the path set by Massachusetts and California. If you adopt the plan in its current form you, are setting us directly on a course of mediocrity. We have all worked too hard and too long for quality education for all New Jersey youngsters. I urge you to make revisions to the Plan which will assure that the quality of education is based upon the norms of the best districts in the State. Richard Bagger's proposed revision to the Plan is the first step in the right direction.

Thank you for your time and attention.

Good afternoon. My name is Carole Beris and I am the Director of Adult and Continuing Education for the Plainfield School District and Principal of the Adult High School.

I am pleased to see that the Adult High School is included in the May, 1996 Plan for Educational Improvement and Financing. However, I am concerned about the unclear language which will determine future funding for accredited Adult High Schools.

The proposed administration's bill on school funding reads that for the 1997-98 school year, state aid shall be distributed to Adult High Schools and County Vocational Schools on an unweighted per pupil basis. It is imperative that the needs of each of these programs be evaluated independently as the two programs are not at all the same and service students with different educational backgrounds. It is important to note that Adult High Schools must meet the same standards of academic compliance as those of the local high school- namely, core curriculum proficiencies, state and locally mandated credit requirements, the High School Proficiency Test and Special Review Assessments. In Plainfield, as in many other districts throughout the state, this means that a student must complete 120 credits as well as passing the HSPT. All teachers must be certified in the subject they are teaching. The function of the Adult High School has been to assist adults to

achieve higher levels of skills with the resulting high school diploma enabling the person to succeed in meeting technological job market demands.

Throughout the state of New Jersey, approximately 10,000 students yearly have been provided with the necessary remediation, instructional coursework, and student advisement which is necessary for Adult High School requirements.

The proposed bill also states that the Commissioner shall conduct a review of existing programs to determine programmatic definitions and establish appropriate per pupil amounts. No one at the State Department of Education has been able to answer the question of "what a programmatic definition is." We have offered and will continue to offer to assist Commissioner Klagholz as experienced adult educators who would gladly give their time to assure that the determination of the funding meets the needs of the Adult High School students of New Jersey. This funding amount must be based on explicit knowledge of the requirements for the Adult High School diploma.

Plainfield has been hard at work in a serious district-wide education reform that began in April, 1995. The community and corporations in the state have joined the district in partnership to create the quality instructional and support programs that our at-risk students require. These

efforts are now in serious danger because of the impending loss of \$2.5 million in state aid which would result from the Governor's plan to eliminate Plainfield as a special needs district since it was not part of the original *Abbott v Burke* suit.

The Governor's plan leaves the future of funding for adult education in a cloud. Again, this has serious implications for Plainfield where 8,300 people over the age of 25 do not have a high school diploma. If funding for Adult High Schools proves to be inadequate, these people will be denied an opportunity to complete their education. Over 12% of Plainfield's population fell below the poverty line and the per capita income was \$14,742. We must empower people to improve the quality of their lives through education which, in turn, leads to job opportunities and job training.

Furthermore, the education of children is in the hands of their parents as well as their teachers. Literate, educated parents become partners with schools in producing children who can achieve high academic standards. Parents who are students in the Adult High School internalize the need for their children to do well in school and become more involved in the school system as partners in furthering their children's education and acting as role models. It is obvious that the children of uneducated parents are at a severe disadvantage. These parents often have negative images of a school system

that did not meet their needs and do not promote the family literacy values which contribute to a child's school success. Research from Headstart Programs reports a significant correlation between the reading level of the parent and that of the child.

The children of Plainfield need access to a thorough and efficient education. The generation of their parents also needs the services and support provided by the Adult High School to complete their high school education and compete in a job market that now demands a higher skill level. Without a high school diploma and a high degree of literacy, the "career choices" for many will be limited to welfare, potential homelessness and low-paying or no-paying jobs.

The degree of need throughout the state of New Jersey speaks for itself- more than 1.5 million adults in N.J. lack a high school diploma. It is critical that legislation provides sufficient funding for the Adult High Schools so that our services can be continued. The Adult High School is not only cost effective but it has proven to be an excellent model for bringing people into self sufficiency. Thank you.

Statement of Claudia B. Browne

Somerville PTO Co-President, District Representative to GSC Statewide Parent Network

July 17, 1996

Good afternoon. My name is Claudia Browne. I am the co-president of the Somerville PTO, and the district representative to the Garden State Coalition Statewide Parent Network. Somerville is by no means a wealthy district, yet became a member of the Garden State Coalition in 1993. My district supports the Coalition's efforts toward achieving more equitable education opportunities for all children by improving education through excellence in academic achievement, educational practices and school finance.

I am here today, however, as the mother of three children ages 8 1/2, 6, and 3 1/2 years. I am a product of a **quality** public education. I was well prepared to enter Carnegie Mellon University, graduating with a Bachelor of Fine Arts degree in Graphic Design. After working for some time as a graphic designer, I became a stay at home mom during which time I graduated, Phi Beta Kappa, from Rutgers University.

Public education served me well. It has served many of us well. As parents, we are committed to public education for our children - with one very important stipulation - it **must be based on academic excellence** and not a misguided effort to equalize the spending of very diverse districts.

Is it more important to equalize the regular education expenditures of the "special needs" districts and the state's wealthiest districts, or to provide a "thorough and efficient system of education for all children"? From where I sit, those seem to be distinctly different goals.

If the Court reasons that it is unfair for the state to operate a school system which provides high-quality, high-cost programs to some children and low-quality, low-cost programs to others, wouldn't it also conclude that it is unfair for the state to operate a system which denies high-quality programs to all children in the name of efficiency and equality?

The meaning of "thorough and efficient" is clear. By definition, thorough means "exhaustively complete; painstakingly accurate or careful". The Core Curriculum Standards **must be no less** than that. Efficient is defined as "acting or producing effectively with a minimum of waste, expense or unnecessary effort; exhibiting a high ratio of output to input". No place, in either definition, is the word "equal" contained or even alluded to. Two districts, spending equal amounts of money, may not be equal at all in their ability to deliver a thorough and efficient education to their students. Mandates such as a blanket per pupil expenditure for regular education, or a statewide cap on special education enrollment, blatantly denies the undeniable differences in the cost of living and demographics that exist throughout this state. To be confident that every district will be able to deliver a quality education and maintain academic excellence within those parameters is ridiculous. And we all know it!

Why not take this opportunity to finally put Abbott vs. Burke to rest and emphasize a **quality** education for all New Jersey children? Does it make sense to set a dollar amount and then back into a set of vague and immeasurable standards? Why not use high achieving districts as your model of a **thorough** education based on excellence in academic standards and programming, and from that point, develop a fair, clearly defined, **efficient** plan to fund that?

Guaranteeing **equality** for every New Jersey student does not even begin to address the issue of **quality**. However, making a commitment to **quality** for every student, can't help but result in **equality**.

Please revisit the Core Curriculum Standards. Thoughtfully consider the Bagger Amendment. Don't just talk to school administrators, teachers and parents. Take the time to listen. We know what's best for our children, and we want what's best for New Jersey. Thank you.

S-40 The "Comprehensive Educational Improvement
and Financing Act of 1996"

Testimony

by

Marion Glantz M.S., CCC-SLP

July 17, 1996

Good afternoon, my name is Marion Glantz, a Speech Language Pathologist working in a school system. Those of us working in the schools are certified as Speech Language Specialists (SLS) or Speech Correctionists. There over 1,741, as of 1994, SLSSs working in the schools. I am here today to implore you to look at all aspects and consequences of the Comprehensive Educational Improvement and Financing Act of 1996 very carefully. There are several points I wish to make.

The statistics used in various documents from the State Department of Education and other reports can be misleading and confusing. The MGT Report Commissioned by the New Jersey Department of Education asserts that the percentage of students classified for speech and language services has risen between 1976 to 1991. The way students are classified for Eligible for Speech and Language Services (ESLS) has changed from when they were classified as Eligible for Speech Correction Services in 1976. The December 1, 1995 Special Education Statistical Highlights for New Jersey State Department of Education informs us that pupils classified ESLS has decreased for the tenth year in a row (1995- 39,059; 1994- 39,809). Looking at trends in speech services from this same report, out of the total school population, you see an increase of speech/language services as a related service (1995- 43,500; 1994- 37,315). These numbers include preschool handicapped classification, which has shown an increase in numbers. The overall percentage of public school enrollment that receives ESLS services is only 3.2%. This all can become very confusing to comprehend. All reports on statistical information show different percentages. Whether you are looking at all educational disabilities or total school population, all charts show that the number of students receiving speech and language services is decreasing.

The Report of the New Jersey Legislative Task Force on Special Education, December 22, 1995, states that "Future study is needed to examine the perception that the Special Education population in

148x

New Jersey is becoming more severe and complex. The link between severity of disability and increased costs to educate pupils will have an obvious impact on costs." This statement is so important in reference to preschool handicapped, autistic and multiply handicapped classifications. More children are now entering these classifications. Speech and language services are an intricate part of these classifications. Is this the influence of society, drugs and alcohol abuse or the environment? Even the experts are unsure of the answers. Putting a limit on the classifications will cut into funding programs needed for this population. Will we be giving these children a Fair and Appropriate Public Education (FAPE) under the Individuals with Disabilities Education Act (IDEA)?

Parents know the importance of these programs for their children. If you deny their child a FAPE, they can go before the Office of Special Education Programs (OSEP) on the Federal level to litigate against the State of New Jersey and their school district. This will eventually cost the State and school district more money.

The Task Force Report states that the Commissioner's Plan was prepared prior to the completion of the Task Force's recommendations on special education. They strongly disagree with putting a ceiling on the classification rate for funding purposes. Also objecting to averaging of the statewide costs to determine a single cost factor for all children. Both these reports say that there is no incentive to place classified pupils with disabilities in regular education classes. In this new bill there still in no incentive. The only incentive is not to classify at all. MGT reports that several school officials stated that a major concern of the regular classroom teachers was their lack of training in special education interventions. There needs to be funding for training the regular classroom teacher on how to deal with the child with any learning disabilities, if your goal is to reduce the number of classifications. MGT recommends using funding to service supplemental instruction, resource center, speech, occupational therapy and other related services that provide support to the regular classroom. They also recommend using 15% of the population to guide funding, not 10%.

In the Comprehensive Plan, it is mentioned that speech and language classifications should be counted under T & E foundation budget and

a per weighted pupil basis rather than a count of pupils receiving speech and language services and remedial services. The categorical aid will be a single cost estimate for non-speech special education programs using 10% as a classification. Both of these plans leave little to be desired. There is no money under 504 for any classifications. What is the State going to do when the school district does not get the money needed from township tax levy? When the voters turn down the extra funding, as well as the Commissioner, how does the State intend to assure that there will be sufficient funding to fulfill the requirements under IDEA for giving any child with a disability, whether mild, moderate or severe, a FAPE? If a child is identified as needing special education services, that child must receive such services.

After reviewing the Financing Act, I am concerned with the 10% limitation of special education classification. Does the 10% include the ESLS classification? If not, where is the ESLS funding coming from? ESLS classification is not mentioned anywhere except for funding in the non-public schools. The Act mentions T & E funding for core curriculum, early childhood, per pupil regular education and categorical aid. Under categorical aid, there is transportation, bilingual education, adult and post secondary education, distance learning network, county vocational aid, and special education. Where is the funding for Eligible for Speech and Language Services?

Core curriculum is another area of concern for those students with speech and language (communication) disabilities in the regular classroom. Districts will be penalised or rewarded on how well their students achieve on state wide testing. Core curriculum standards place a heavy demand on speech and language skills, oral and written communication, as well as reading skills. If speech and language services are limited it will definitely have an adverse affect on the outcome of using the core curriculum as standards. Some of these children will not receive the

necessary support needed to remain in the regular classroom due to the districts not receiving enough funding to supplement their educational needs. About half the students that are referred to the Child Study Team (CST) are usually classified by the SLS first. Many of these children have difficulty rapidly retrieving, processing and formulating language. This interferes with learning how to read. Learning to read involves first learning letter sounds, blending those sounds to make words for meaning, putting words together in sentences for creating a meaningful story. Many students classified learning disabled, simply were not taught that words are composed of sounds or they just can't process this information. This is where the SLS becomes part of the team to help that student before he or she is referred to the CST and classified. These children may not be seen, if you are going to limit how many students can receive speech and language services. How are you going to assure that these children succeed using the core curriculum? If left unattended, speech and language disorders can and do impede the development of effective communication skills, especially in the classroom.

Where is the monitoring to make sure the T & E block grant money is being used appropriately? Will there be monitoring on how appropriately students are classified? Who will monitor how many students truly fall under 504? Will there be a limitation on the number of students receiving speech and language services? Who is going to monitor that the student with a speech and language disorder is receiving a Fair and Appropriate Public Education they deserve? Funding alone does not assure that this is taking place.

In conclusion, I would recommend that funding for Eligible for Speech and Language Service classification stay in place. We need to think of the children who do have those "mild communication problems". Early intervention helps avoid further classification of these children. It appears that this State is out to defeat the purpose of the speech and language program. Please do not forget that the objective to educating children with disabilities is having them become productive tax paying citizens, and not an adult relying on state support.

I am requesting a response to all my questions in writing from

this committee. The major question is, how are you going to monitor and make sure that there will be sufficient funds, no matter what the source, to render services to every child who qualifies for speech and language services as directed under IDEA?

Respectfully submitted by,

Marion Glantz M.S., CCC-SLP

Marion Glantz M.S., CCC-SLP

321 Daniele Drive

Ocean, New Jersey 07712

**Laraine Whitcomb
48 Lylewood Drive
Tenaflly, New Jersey 07670
(h) 201-567-8051
(w) 201-342-6330**

**Testimony to Education Committee RE: Comprehensive Funding Plan
July 17, 1996**

I am the parent of 3 children, two of whom have completed their undergraduate college educations and one of whom has but 2 years of high school left. Therefore, on a very personal level, my family will probably not feel the educational impact of the decision you will make regarding the proposed funding plan and core curriculum requirements.

However, from the day my oldest child entered kindergarten in Tenaflly in September 1977 through this moment, I have been totally committed to and involved in the public schools in my community. I am presently serving as a co-president of the Home-School Association at Tenaflly High School, and during the 21 years I have lived in Tenaflly I have volunteered in a wide variety of capacities, including serving a term as a Trustee on the Tenaflly Board of Education. I provide this background to demonstate my long-term commitment to public education, a commitment echoed by most of the parents in my town, where a great majority of school-age children attend the public schools. We believe in and support the public school experience, not only for our children but for all children.

I know that you have received many letters and phone calls from concerned voters about the proposed funding plan and that you are attempting to be responsive to these concerns.

- My community, like most of the other members of the Garden State Coalition, as well as many more urban and suburban districts around the state, fears the impact of the vote on the "constitutionally not required" portion of the school budget. A vote on a percentage of the budget rather than the whole leaves programs and staff in constant turmoil, uncertain of their continued existence from one year to the next. The intent of the amendment proposed by Assemblyman Bagger would spare the dismantling of

existing excellent programs and for that reason, I hope you will support the concept of protecting current programs.

- I also come before you today to urge you to revise that part of the proposal which restricts spending for special education by placing an arbitrary cap on addressing the needs of classified students. We are proud of the program we have developed locally for our special needs students and of the fact that parents do not perceive a stigma in having their students classified. A district should not be punished for having accomplished this.
- The other areas with which I take particular issue is the +/- 5% allowance for regional cost differences (not a realistic figure when you look at the actual cost of living differences around the state) and moving school board elections to November (a step which offers little if any benefit and will only cause confusion for voters).

While I feel somewhat uncomfortable taking pot shots at someone's earnest efforts, I believe the administration veered from the course some time ago. The Court mandated spending parity. Therefore, the appropriate response would have been to find the means to allocate sufficient funding for special needs districts to result in that parity. Instead, the administration chose to develop a curriculum component, perhaps in the belief that in the world of education, more important than how much a district spends is what students learn. I take no exception to the importance of curriculum and program. The problem lies however with what the administration believes students should learn and what type of educational environment is necessary to allow that learning to take place.

I applaud the attempt to create a state-wide core curriculum, so that as citizens of our larger community we can have some assurance that all New Jersey public school students have at least a common and necessary body of knowledge in a wide variety of subject areas. But if the administration wanted to offer a "world class education" I believe the wiser approach to structuring this curriculum would have been to study the programs, staffing patterns, and configurations in the highest achieving lighthouse districts in the

state and emulate those programs. Instead, what has been presented appears to be a curriculum sufficiently vague in many of the subject areas so as to allow the administration to promote the belief that the curriculum can be accomplished for the per student dollar figure it is able to provide. Cutting the income tax and rolling back the sales tax increase may have been popular moves politically, but on a pragmatic level, has left the state with little financial flexibility to meet its obligations.

As much as my husband and I have struggled and borrowed to send our children to college, we understand our responsibility as citizens to help provide for those with less financial means than ourselves. We are very comfortable with the knowledge that our tax dollars will help students in special needs districts have the opportunity to study and learn in safe buildings, with sufficient numbers of competent professionals. But please understand that communities like Tenafly have been operating in recent years under stringent budget caps that barely meet the increase in the CPI. At the same time, the strength of the NJEA ensures that we will be required to provide salary increases to staff year after year. This has resulted in a constant challenge to find ways to maintain the quality of the programs we wish to offer our students. Creativity and ingenuity combined with strong community support have allowed us to continue to provide an valuable educational experience. But if we must tell our voters that large portions of our budget are "not constitutionally required" and that our students can receive a "world class education" without existing programs, we will be hard-pressed to convince those voters to increase their taxes to fund them.

Please don't ask us to limit the opportunities we wish to provide our students. Please don't ask us to eliminate programs we value because some mythical school district which exists only on paper does not include it. Equity for New Jersey's children should be achieved by improving public education for all and not by bringing us all down to the lowest common denominator.

**PUBLIC TESTIMONY ON
S-40 THE "COMPREHENSIVE EDUCATIONAL IMPROVEMENT
AND FINANCING ACT OF 1996"**

Provided by:
Ms. Karla O'Rourke
Ramsey, New Jersey
Parent of a recent graduate of
Bergen County Special Services School District

Provided on: July 17, 1996
Parisippany, N.J.

My name is Karla O'Rourke. I live in Ramsey, New Jersey and I am the mother of Kristina Cardillo. She just graduated from Learning Thru The Arts, a secondary program of the Bergen County Special Services School District. I would like to tell you about Kristina and I will begin her story in sixth grade. She worked hard that year and was, I believe, happy. She even was a cheerleader for the elementary school football team. She had two excellent teachers who nurtured and inspired their students. Life was good and she graduated from sixth grade. Now it was off to high school. During this time stories were going around about an elementary teacher that had been transferred to the high school. He wasn't allowed to teach younger students because he had been charged with child molestation. He now taught seventh grade with his classroom near the office and the door open at all times. This ultimately was fact and my daughter had this man as one of her teachers. The trauma of a large new school, many teachers during the course of the day, new classmates, stricter scheduling and on top of all this a teacher whose reputation was far from pure. This coupled with a rising crisis in the home life caused her to start a downward spiral. She barely made it through seventh grade and eighth grade wasn't much better. By her

ninth year she was absent much of the time and January of that year she totally refused to go at all. She was now in severe depression and there was no help or understanding from the public school system. It was only through much prodding from me that she was finally classified as Emotionally Disturbed and she was able to finish ninth grade with a tutor. I might add here that it was only through an acquaintance that I learned of special education. The school gave no help whatsoever until I told them I wanted and expected the necessary help. Finally, Learning Thru The Arts was suggested as a place where kids could do well. This was a place that understood her special needs and her talents. A place where she was accepted and building her self-esteem was a priority. By building her self-esteem she was able to do more academically and now has a diploma and several awards for achievement. One of those awards was for attendance. Kris enjoyed going to school. Kris will be going to Bergen Community College in the Fall and talks of working in special education or becoming an Art Therapist. I believe children with special needs need continuity and nurturing to help them grow into productive adults. If direct funding to the Special Services School Districts is stopped it will cause constant changes in the lives of these children. It takes time to build a rapport with a child and if the money isn't available to keep the same teachers and counselors each year, I feel it will cause more harm than good. If this cut, reducing State Aid from \$10,000.00 a student to \$4,600.00 per student goes through, how many smart, talented children are going to fall through the cracks. The cost of welfare, drug rehabilitation programs, etc. -- jail will pose a greater cost to the taxpayer than providing the education they need. It is the right of all children to receive the same quality education. Yes, my daughter, thank God, made it and I could now just walk away feeling blessed that these issues weren't happening before she graduated. but I can't turn my back on all the other children who desperately need special education. Can you please not pass this bill, as it is before you. Please make the necessary changes to preserve

the integrity of special education programs for New Jersey's most needy students.

Thank you very much.

Susan Young
53 Birk Street
Saddle Brook, NJ 07662
(201) 843-0395

Senate Assembly Hearing for S-40, Comprehensive Education Improvement and
Financing Act of 1996

Hello, my name is Susan Young. I live in Bergen County. For the past 23 years I have taught Special Education in Hackensack. Professionally, I have serious concerns regarding the proposed funding changes. More importantly today I want to express my concerns not as a professional, but rather as a mother.

My son, Thomas, is a sixteen year old young man who attends Bergen County Board of Special Services Autistic Program. He has been a student there for the past twelve years. I would like to give you a brief history of how Thomas arrived at the Board of Special Services and the progress he has made since first attending this program. When Thomas was three and a half years old, his father and I were told by many of the specialists, both medical and educational, that he would never progress past the functioning age of five at the most. It may be helpful to know that at that time Thomas had little or no communication skills or responses to any stimuli. Knowing this we began a search for an appropriate placement. This in itself took months, since there were few choices we found acceptable and even the professionals were not familiar with all the placements. The search finally ended almost a year later when a friend suggested that I research the County's program. Thomas' first day at school he bellyflopped onto the floor and would have been content to stay there if not for the dedicated and consistent encouragement of the staff that he first encountered.

159x

Twelve years later, because of the benefits that can only be provided in a specialized educational setting such as the Bergen County Board of Special Services Program, Thomas has not only become extremely aware of his surroundings, but he has far surpassed the earlier bleak prognosis. This young man not only is able to take care of his own personal needs, but has become adept at anticipating and fulfilling the needs of those around him. This child who, if not for this program, may have faced a gloomy outlook now is evolving into a young man who will one day be able to function as a tax contributing adult living in a group home setting rather than an institution. Thomas who was once believed never to be able to read, handle money, or communicate effectively; is now capable of some reading, keeping track of the money he earns in workshop and; because of his training with an augmentative communication board as well as some learned verbalization skills, he is able to express his wants, his desires, his needs, and is beginning to express his feelings. Because of the intensive, specialized training Thomas will soon move to a more sophisticated device since he has advanced beyond the capabilities of his present board. The sense of self-pride Thomas feels is more than obvious each time he reaches another milestone in his development. Each milestone, with the encouragement of the administration and staff, bolsters Thomas to reach further and achieve a higher level of development.

If Thomas had been forced to remain in a regular school setting, the specialized staff and training he has received would never have been as effective and thorough as it has been. Simply because of the fact that within my own home district there were few, if any, youngsters who required the exact or similar unique training that Thomas required.

If the proposed funding formula becomes a reality, I fear that Thomas and other youngsters with severe disabilities will be denied their constitutional right for a thorough and efficient education. It would be impossible for local districts to provide the caliber of education and experiences now being enjoyed by those attending County Special Services School Districts.

Today, Thomas has achieved a level of socialization never thought possible. Future goals for him are to become more independent and self-sufficient, including becoming a tax paying member of society. The devastating effects of this funding formula, I believe, will have a detrimental effect on my son's future as well as the future of others. I urge you not to withdraw direct funding to the eight County Special Services School Districts; and by all means, not to reduce the monies. I would like to spare future special education parents the frightening, frustrating experience of having to fight for appropriate placements for their disabled youngsters when, in fact, for the last 20 odd years, there has been a more than adequate situation for these youngsters. Thank you for your time and your consideration.

161x

Phyllis M. Williams
President



Paul A. Potito
Executive Director

**Comments of the Arc of New Jersey on S-40
Presented before the Senate Education Committee
July 17, 1996; Parsippany Hills High School, Parsippany**

Good afternoon. My name is Andrew Hendry and I am the Director of Governmental Affairs for The Arc of New Jersey, formerly the Association for Retarded Citizens. The Arc is the largest statewide organization advocating and providing services for people with developmental disabilities throughout New Jersey. As such, we are very interested in this legislation, which will have a profound impact on our state's nearly 200,000 children in the special education system.

I should begin by explaining my organization's philosophy that we used to review this legislation. There are a variety of settings available for educating our youth with special needs, from separate districts, separate buildings, self-contained classrooms to fully inclusive settings in mainstream classrooms with the supports necessary to make that work. We believe that special education placements should be based solely on the needs of the child in question. Unfortunately, in New Jersey, this is often not the way we do business.

In New Jersey, we have very strong financial incentives and disincentives built into our system which play a role in placement decisions. For example, districts currently receive no categorical special education aid for placing a student in a mainstream classroom with the supports necessary to make the placement work. This is a strong disincentive against inclusive placements, which the federal law - the Individuals with Disabilities Education Act (P.L. 94-142) - says should actually be the first option considered for all pupils. Thus, districts who want to make a fully inclusive placement have to bear the full excess cost necessary to make the placement work. This is neither fair to the students nor the districts.

Our current system also provides state categorical and foundation aid directly to 8 county-based special services school districts, bypassing the pupil's district of residence. Coupled with the 15% of their costs borne through county taxes, this allows these special districts to charge an artificially low tuition rate to the sending district - a rate of about \$5000. This artificially low rate creates a financial incentive to send students to these districts.

The Arc simply wants to level the playing field - we want to get rid of the financial incentives and disincentives forcing districts to make decisions that are not based solely on what our special education students need to make it in society. This is the philosophy we use to judge this legislation.

162x

The Arc strongly supports the fact that this legislation allows special education aid to be available to the school district for all placements, including the regular classroom. This will allow inclusive education to be more readily available for students for whom it is appropriate, given the supports necessary to make it work. This will also take a burden off of school districts who currently have to jump through hoops to make a fully inclusive placement work under the current system.

The Arc also supports the fact that all aid will go through the local district. This will help us to get rid of some of the financial incentives for placements in more restrictive settings that I mentioned earlier. While special services school districts are extremely valuable settings for many of the students receiving services there - financial considerations should not be the reason students are placed there. Clearly, the current system is heavily influenced by financial considerations. If you are a school district administrator under the gun from local taxpayers to keep costs down, and you had to choose between a \$5,000 special services placement, and putting together an in-district program for \$15,000 - which might be more appropriate depending on the needs of the child - which would you choose?

The Arc supports the provision to allow additional aid to districts for "extraordinary special education costs". Though the incidence of high-cost special education students is in fact low, we should assist districts in providing these students with the full range of services they need to be able to contribute in the future.

While The Arc supports the previous two aspects of the legislation, we do have strong concerns about two other aspects.

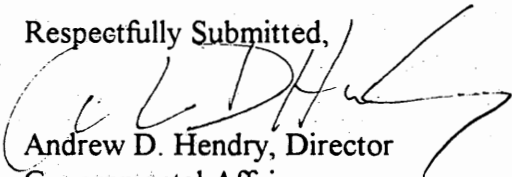
Our first concern regards using only a flat average rate for special education aid to the districts. The needs of special education students and the respective costs of educating them varies widely. A perceptually impaired child may require very little assistance, while a child with severe autism may require around-the-clock supervision. Utilizing only one rate to cover each special education student does not make sense. Using the average rate that this proposal calls for would make sense if New Jersey was one large school district - but it is not. Over 600 districts are going to have a very broad spectrum of needs. Some may be serving a higher percentage of students with severe disabilities, while some districts may be serving no severely disabled students.

The Arc instead recommends using a three-tiered system of special education funding, so at least some variation is allowed based on the needs of the individual students. The tiers could be based upon the severity of need, or duration of special education services. For example, the three factors could be for full-day special education, half-day, and a few hours a day. This will result in distribution of aid based on severity of need. This is more fair to the districts and to the pupils, and we ask that you consider this concept in your deliberations.

The Arc is also concerned with the 10% classification rate cap in this legislation. There is a broad range of classification rates in New Jersey's school districts - for example 10% in Newark and 25% in Trenton in 1994. New Jersey's classification rate is nearly two percentage points above the nation's average (9.5% compared to 7.85%), and methods for discouraging over classification must be explored. But setting an arbitrary cap may hurt districts and the students they serve, who have legitimate reasons for having a classification rate above the an arbitrary cap. I ask the committee to reexamine the imposition of a classification cap. The New Jersey Legislative Task Force on Special Education outlined other possible ways of discouraging over-classification. And, The Arc suggests perhaps using target classification rates for each district, developed with consideration of their current rates. Districts going over their target would be subject to review to determine if they are qualified for increased aid. Methods such as this should be explored first.

On behalf of The Arc of New Jersey, and our over 6,000 volunteer members statewide, I appreciate having opportunity to testify before you today. Thank you for your continuing concern for our state's special education students.

Respectfully Submitted,



Andrew D. Hendry, Director
Governmental Affairs
The Arc of New Jersey

C. MICHAEL BRADY
Livingston

You will hear from many today and in truth you already know yourselves all the practical reasons that Governor Whitman's school funding plan is harmful. You simply need now to realize that we know it too.

We know that paying less taxes is good; but we also know that having too few tax dollars to support the most fundamental responsibilities of this state government is bad. Worse by far than paying more taxes.

We know that public monies should never be spent wastefully. But we also know that we must spend whatever is reasonably necessary to educate our children. Education is the very sustenance of democracy and capitalism. Stop and hear beyond the rhetoric. Without public education democracy and capitalism cannot flourish.

We know that we cannot provide even rudimentary education at the cost limits mandated by the plan. No more so than I could find a good ten cent cup of coffee. The cost limits are absurd. End the pretense that this plan is good for education.

We see that this plan provides mandates without models. Excellent models already exist. The Livingston school district is not as lean and efficient as it might be, but it is lean and efficient and the watchful, involved Livingston citizens perpetually apply pressure to make it more so. Livingston efficiently and effectively provides quality education to a broad spectrum of students, including an alternative school program for students who would otherwise likely not be in school and extensive programs for those with special education needs. There are others as good or better. We know that the plan as proposed will destroy much of that excellence; excellence which will never be recovered.

We know that money alone will not solve our educational problems. Money alone will not solve any of our social problems. But we cannot solve social problems without adequate public education and under performing school districts cannot so much as hope to improve without the funding needed to purchase the basic tools essential to building solid programs.

We recognize this plan as economic and political exploitation. It preys on those who will suffer most in the end by allowing them to believe that they are getting more, like bait in a trap.

We see that Governor Whitman has chosen to sacrifice public education to support her politically expedient tax cuts. She has dressed the child which is education in fancy vestments which she calls "core standards" or some such thing, but this only makes the affair more ghoulish, for the child is being led to sacrifice no matter how well dressed.

We know that you cannot realistically raise taxes this year. But do not let this plan destroy educational excellence and compromise the promise of future excellence. Protect the right to quality education and formulate an honest plan for cost effective improvement.

166x

PUBLIC SCHOOL DISTRICTS OF LEGISLATIVE DISTRICT 39

TESTIMONY PRESENTED TO THE SENATE EDUCATION COMMITTEE RE: SCHOOL FUNDING HEARING PARSIPPANY HILLS HIGH SCHOOL JULY 17, 1996 — 2:00 P.M.

Testimony: Diane Holzberg, Vice President, Demarest
Board of Education, Legislative District 39
Representative

Good afternoon. My name is Diane Holzberg, a board of education member from Demarest. I am legislative chairperson of District 39 in Bergen County.

We appreciate the amount of time your committee and the two task forces have spent in reviewing testimony and data in order to meet the Supreme Court deadline of September 1996 for a new funding law.

We have serious concerns regarding the potentially devastating effects of the proposed *Comprehensive Plan for Educational Improvement and Financing* on our districts.

One need only look at the July 4 edition of *The Record* to see the negative impact on our districts and on 52% of the districts in the state according to figures provided by the Office of Legislative Services. According to that study 97% of the districts I am speaking for today would have to go to the voter for portions of their budgets that would be defined as *constitutionally not required*. It has been said by the governor that the local voters will do the right thing — that she has faith in the voters. I ask you — do you have faith in asking 70% of your constituents to vote to raise their taxes? These are good people who happen to have no children in the schools; many of whom live on fixed incomes and find themselves squeezing to make ends meet. If given the opportunity to reduce their tax bill, they will. The 309 districts that will put large portions of their budgets on the line happen to be located in the northern part of this state. When these budgets are defeated, our staff and programs will be cut since 80% of our budget is salary and benefits.

We acknowledge education and its delivery is changing, and we are working to change with it so that our students will not be hurt by cuts. We search for every economy that we can find.

The *Plan* as it is presently crafted ignores a number of important considerations. These include:

1. No link between foundation amount and core curriculum standards. The commissioner has not demonstrated that the foundation amount set in each district will be enough to deliver the standards that the governor has determined is necessary to provide a thorough and efficient education.
2. Minimum standards — The *Plan* provides a minimum academic standard instead of focusing on the excellent academic standards currently practiced in many of our districts;
3. Significant regional cost of living differences;
4. Widely disparate bargaining agreements and staff experience factors;
5. Thirty two years of statutes, administrative code, and legal determinations that have shaped and regulated the outcomes of public sector bargaining;
6. The impact of Governor Kean's minimum teachers' salary initiative on the cost of education throughout the state;
7. The number of special education students and associated costs can vary for legitimate reasons;
8. That separating school board member and budget elections and partisan politics is still desirable.

In the interest of fairness to *all* of the state's districts, we urge you to consider the Bagger Proposal and a number of the recommendations which are currently being discussed by the **Assembly Task Force on the Funding of Education** which include:

- Districts whose 1996-97 regular education budgets exceed the proposed maximum T&E budget should be permitted to have their current budget maintained and established as the baseline for future budgets. Using the *Plan's* proposed system, no vote should be required on any budget that spends up to this amount plus adjustments for enrollment and the CPI. If a school board wishes to spend in excess of this amount, then a vote will be triggered. The vote would allow for the budget to be presented in its entirety. If the budget is voted down, only the increase beyond CAP is subject to review.

This "grandfathering" provision is intended to stabilize the transition to the new funding scheme without creating a devastating impact on the established school programs.

- The threshold for appealing for additional aid for high-cost of special education placements should be reduced from \$50,000 to \$30,000.
- The task force fully endorses "World Class Schools Construction Act" that will fully fund the State's debt service obligation, guarantee full debt service in the future, and build new schools. This legislative package will provide \$50 million in immediate property tax relief by making up the State's shortfall on debt service aid, and leverage an estimated \$4 million in funds to construct new schools. This package of bills should be adopted in time to appear on this year's ballot.
- Current year enrollment should be counted twice annually, in October and February. Adjustments in aid should be made for districts that show significant changes in enrollment. If necessary, a special fund should be established to provide additional aid to those districts that have large increases, especially in the special education area.
- All school board member and budget elections should remain in April.

We are interested in several other recommendations being discussed by the task force committee, but we need additional time to review these recommendations in depth. These recommendations have obviously been developed mindful of the realities that actually exist while the *Comprehensive Plan* seems to have been developed absent of the recognition of the history, experiences, and challenges faced by districts throughout the state.

Thank you for listening to our concerns. We are hopeful you will develop a bill that will meet the needs of all the students in the state.

Contact: Diane Holzberg
Demarest Board of Education
568 Piermont Road
Demarest, New Jersey 07627
Phone: (201) 768-6060
Fax: (201) 768-9122

169x

TESTIMONY ON THE COMMISSIONER OF EDUCATION'S
"COMPREHENSIVE PLAN"
- by Margaret Angeli, Board President
Teaneck Board of Education

Introduction - as a response to the Department of Education's "Comprehensive Plan" for the future funding of public schools in the state, (I, as a representative of) the Teaneck Board of Education find the current proposal:

- * is concerned solely with "efficient" (i.e., how inexpensively can schools be operated for);
- * lacks any semblance of a research base to support its proposals on
 - size of staff, or
 - compensation neededto produce effective educational results; and
- * (as a result) is a "model" singularly designed to hold taxes down (at all levels), and to prove that legitimate government services (in this instance, public education) can effectively be delivered for less than their current costs - - - despite every ounce of data which points to an opposite conclusion.

The "Comprehensive Plan"

Without question, the Teaneck schools successfully delivery public education to its students:

- * state mandated competency tests (e.g., EWT) are routinely passed by better than 98 percent of the student populace;
- * 90 plus percent of high school graduating classes historically go on to higher education;
- * the district offers a wide range of academic, career and cultural subjects in addition to a broad scope of extra-curricular offerings, and
- * the district easily passed all indicators of State Monitoring three years ago (as it has every previous department monitoring initiative).

In short, without question the Teaneck schools deliver high quality, effective public education.

Against this backdrop of success, the "Comprehensive Plan" significant reductions in access to resources, under the hubristic banner of "efficiency." We estimate that this "Plan" would shrink Teaneck's base budget by \$16.7 MILLION - - about a one third decrease in resources available to educate 4500 children in Teaneck!

To wit, the "Plan" would permit per-pupil spending of

- * elementary = \$5,872. (per child)
- * middle school = \$6,342. (per child)
- * high school = \$7,204. (per child)

By comparison, Teaneck spent:

<u>grade level</u>	<u>actual</u>	<u>amount over "Plan"</u>
elementary	\$7,288/pupil	+ \$1,416/pupil
middle	\$9,579/pupil	+ \$3,237/pupil
high school	\$9,482/pupil	+ \$3,140/pupil

per NJAC 6:20-3.1 (dated 12/13/95, copy attached).

These data amply evidence the "value" in spending on education, as evidence of the afore cited success of Teaneck's students.

The question is then: what causes this major discrepancy in spending - - the "Plan" versus reality?

The answer is simple = staff salaries! The commissioner's plan would permit funding at \$45,000. per teacher. In 1993-94 Teaneck spent just over \$60,000. apiece.

With approximately 390 teachers and 4,113 (non-classified) students, teacher salaries (alone) explain better then half of the per-pupil cost differential. However, again GIVEN THE ACADEMIC SUCCESS OF Teaneck's students (which is well above state averages), the real issue becomes:

is the goal "efficiency," or "quality" in education?

Clearly, in Teaneck's case, spending has produced quality. Why should it be reduced? Are we talking about effectively educating children at a reasonable price, or are we really talking about cutting taxes - - public services be damned!

Further evidence in this DICHOTOMY issue is the Department's own admission (via the Comparative Spending Guide, February, 1996, page 21), the ACTUAL PER PUPIL expenditure AVERAGE in 1993-94 was

\$7,451/pupil

for all New Jersey districts.

Yet the Department proposes spending about \$6,342 (using the middle school rate) per pupil on average! In essence, the Department of Education the PROTECTOR of and ADVOCATE for all children's education in the state wants to CUT SPENDING ON INSTRUCTION by 15 PERCENT!

How is this fostering quality in public education?

Of course, the "Plan" is silent. No research is proffered by the commissioner to document any semblance of efficacy in his proposal.

Hence the unstated, goal of the "Plan" is cutting resources available to school children (i.e., T - A - X - E - S), under the hubris of efficiency!

Ancillary to the unrealistic funding paradigm, the commissioner's "Plan" would eliminate remedial (i.e., At Risk) funding to Teaneck. This wipes out another \$352,127. in state aid presently used to help children with educational need (note, Teaneck's "at risk" population, as redefined in the Plan, is but 11 percent of its total student body - - not the 20 percent needed to qualify for aid).

171x

We note that this "Plan" continues the insidious inference, via its funding stratagem, that only poor children, and only when they comprise more than 20 percent of the school population, have remedial educational need. One would hope that in 1996, such simplistic "thinking", social stigmatization is more precise, had departed even the subconscious of public policy makers. Apparently, it hasn't.

An additional point, only a half-day of kindergarten is included in the Plan's spending algorithm - - while every piece of educational research indicates that a full-day program is more beneficial to young children. Indeed, every piece of educational research available supports the hypothesis that the early the schooling experience, the more effective later instruction is (for the child).

Again, credibility is lent to Teaneck's belief that this "Plan" is truly about cutting available resources to public schools, not maintaining educational quality.

Regarding children with special needs, the Plan foolishly persists in promulgating a notion that classifying children is a "money making scheme," contrived by local educators. Undocumented by fact, the commissioner's supposition is ludicrous.

Simply compare the amount of state aid per classified pupil Teaneck now receives, \$7,029., with its actual costs, 1993-94 (per attached, SDE. calculated figures), and the "Plan's" proposed resource model:

<u>Plan Proposal</u>		<u>Teaneck Actual Cost</u>	
Elementary	\$6,189.	Neurologically Impaired	\$14,709.
Middle	\$6,790.	Perceptually Impaired	\$16,415.
High	\$7,745.	Emotionally Disturbed	\$29,628.
		Preschool Handicapped (1/2 time)	\$11,617.

Again, the "Plan" exhibits

- * a cut in current state aid, and

- * a clear avoidance of reality - - the actual cost of providing service to children of special need.

Furthermore, the "Plan" proposes financial disincentives when classification rates exceed 10 percent of the total student population, state wide, does have defined need. (Note, in Teaneck, the non-speech classified population, the Department's algorithm, is 7 percent of the total enrollment).

The point seems to be: declassify children, whether they need special help is superfluous! Is this an educational plan? Or, is this some politician's scheme to hold down the cost of public services by merely decreeing that services are not needed (fact to the contrary, notwithstanding)?

A final point, the "Plan" proposes to shift employee tax cost to the local district, when salaries exceeded (the Plan's arbitrarily defined, an undocumented) figure (\$45,000. for teachers, on average). This COST SHIFTING alone would place an additional \$600,000.+ per year unto the Teaneck taxpayer - - - as (we presume) our contribution to help the state balance its budgetary problems.

Impact

Our initial calculation is that the Plan would take \$16.7 MILLION out of our \$52 million budget. In essence, under this Plan the local electorate would be asked to either

- * INCREASE your property taxes by 14 PERCENT in its first year; or
- * REDUCE them by 35 PERCENT (by turning down the budget),

and the result is not appealable! Why waste time having a vote???

And, this represents the Department's concept of a "THOROUGH AND EFFICIENT" education! The DESTRUCTION of a public education program that NOW provides quality instruction to a diverse populace would be IMMEDIATE and IRREVERSIBLE. The specific "cuts" that would ensue defy a sane description in a public venue.

Just simply say: send your kids to private schools, if you want anything beyond RUDIMENTARY education (forget "thorough" or "efficient"). Nothing of worth will be delivered under this plan to further worry about "efficient."

Conclusion

In sum, the "Plan" has nothing to do with

- * efficiency, nor
- * promoting quality education.

It is about cutting taxes - - or more precisely, "proving" they can be cut - - while "redefining" a PUBLIC RESPONSIBILITY down to a care-taker level: daily baby-sitting for 6 to 18 year-olds.

m/w/testimony

173x



State of New Jersey

DEPARTMENT OF EDUCATION
CN 500
TRENTON NJ 08625-0500

CHRISTINE TODD WHITMAN
Governor

LEO KLACHO
Commissioner

December 13, 1995

To: Board Secretary/School Business Administrator
Chief School Administrator
03 Bergen
5150 Teaneck

Subject: 1993-1994 Per Pupil Cost - Tuition

We have completed our review of your district's costs per pupil for the 1993-1994 school year pursuant to the provision of N.J.A.C. 6:20-3.1. The certified costs per pupil for tuition adjustment purposes are listed below. The details for these calculations are attached.

Preschool/Kindergarten	\$6,854
Grades 1-5	\$7,288
Grades 6-8	\$9,579
Grades 9-12	\$9,482
Neurologically Impaired	\$14,709
Perceptually Impaired	\$16,415
Emotionally Disturbed	\$29,628
Preschool Handicapped PT	\$11,617

For further information concerning the above, please contact Sandra M. Brown on (609) 777-4481.

c: County Superintendent

Enclosure to Board Secretary/Business Administrator only

174x

**PUBLIC TESTIMONY ON
S-40 THE "COMPREHENSIVE EDUCATIONAL IMPROVEMENT
AND FINANCING ACT OF 1996:**

Provided by:
William "Pat" Schuber
County Executive
County of Bergen

Provided on: July 17, 1996
Parsippany, New Jersey

I am an attorney, a former member of the state legislature, and currently serve as Chief Executive of the County of Bergen—the most populated county in New Jersey. I write to address implications for Bergen County which are certain to arise from the implementation of the state's "Comprehensive Plan for Educational Improvement and Financing."

A number of Bergen County's 75 school districts have property values and personal income levels which the "Plan" suggests would result in the elimination of all state aid. If this is done in order to provide more state aid to districts in other counties, it means that Bergen's taxpayers will shoulder a greater portion of the state's financial obligations that ever before. From a local standpoint, such disproportion cannot be supported.

A recent administrative collaboration between the county's technical and special services school districts is saving an estimated \$750,000 in annual costs. The same administrative team is now operating the county's \$7 million JTPA program. Other collaborative—and cost saving—efforts

founded within the county's educational system include a county-wide student transportation cooperative, a regional instructional television and library service network and a variety of health and social service programs the "Plan" recognizes as essential to student achievement. The financial efficacy of such cost containments has been undermined by the state which reduced aid for expenses it deemed unassociated with a "typical" public school system. Such an outcome can be viewed as a punitive reaction to the type of resource sharing advocated by the "Plan."

New Jersey's percentage of classified students is not as extraordinary as statistics indicate if one considers that 30% of this population are students who require speech correction. In Bergen, we believe that the majority of students classified for other reasons are receiving necessary, "in their best interest" services. This belief is underscored by the existence of eight special education regions. The local school districts within these regions share the special education resources necessary to serve almost 5,000 disabled students each year. Students with profound and low incident disabilities are served by the Special Services School District.

If the "Plan" becomes law, it is projected that:

—School districts will have to limit the number of students classified as learning disabled to 10% of their total population. State aid will be reduced when numbers exceed this limit—a particular problem for county

receiving schools whose classified student populations may exceed 30% or 40%. Whether classified students are supported by state aid or not, mandated special education services must be delivered. This will necessitate increase of local support and quite possibly cause that same support to be re-directed away from typical programs. A potential result: mainstream students being denied beneficial services in deference to providing mandated services to an excess classified population.

—A classified student's needs may not be met irrespective of the 10% cap because an arbitrary limit has been set on student outplacement. A district which has outplaced the maximum number of students allowed by law, may be unable to adequately serve its remaining classified population.

—The needs of severely disabled students may not be adequately met because the proposed cost of "optimum" special education placement is not sufficient. Our experience clearly shows that adequate differential in the cost for special education (\$15,000 to \$50,000) should be addressed in any proposed state formula.

—Planning for programs and services by special services school districts can only be impeded by receiving state aid in the form of indirect, and often untimely, tuition payments by sending districts.

—No financial consideration will be taken for the dual-role capacity of county technical schools. In Bergen County, the technical high school is the public institution which has been most responsive to the state's Workforce Development Partnership Program. Despite the Program's shift in focus from individual to corporate training grants, the technical school continues to serve more than 25,000 adults annually. Nonetheless, the State's 1997-98 per pupil amount for postsecondary categorial aid is \$1,755 less per pupil than current aid (\$3,222).

—No consideration is given to regional economical differences. In this case, Bergen County will be negatively impacted by virtue of (1) per pupil foundation budgets which are less adequate in the New York/New Jersey metropolitan area than elsewhere; (2) disproportionately higher "required local share"; (3) regional salaries which exceed the statewide model and will result in even greater demand on local tax structures.

In summary, please incorporate the following clarifications or modifications in the "Plan":

1. Preserve the previous levels of school aid coming into Bergen County, particularly with regard to the Technical and Special Services School district;

2. Acknowledge the county's technical institute as operating outside the scope of a "typical" public school and support the personnel costs which allows it to continue and expand its role as a community and human service provider;

3. Exempt county receiving schools from any arbitrary caps or limitations on the number of (state supported) students classified with learning disabilities. Any other approach penalizes the receiving district which does not determine the classifications of the students it receives.

4. Increase support for severely disabled students whose expenses exceed \$15,000 but do not reach \$50,000, at which level "extraordinary assistance is now proposed.

5. Include adult post-secondary students in the weighted per pupil count used to determine state aid to county technical and special services school districts.

6. Factor regional economic differences into any analysis that generates foundation per-pupil expenditures or local fair share.

7. Disseminate state aid directly to special services school districts.

I welcome the opportunity to express the concerns of my constituents.

180x

Testimony

DATE: July 16, 1996
TO: Senate Education Committee
FROM: John M. Abeigon
73 New York Avenue
Newark, NJ 07105
RE: State School Funding Formula
CC: Senate Education Committee, Clerk

Senator Ewing and Committeemen:

I would like to thank the committee for holding these public hearings on the State School Funding Formula. As a resident of the state's founding city-Newark, I would appreciate it if the Committee could, in the future, strongly consider holding these meetings at a more appropriate time and place to accommodate the vast numbers of disenfranchised citizens who for reasons of employment or transportation could not be here to speak for themselves.

The purpose of these hearings is to consider the public's opinion of the State School Funding Formula as a response to the State Supreme Court mandate that parity be reached in providing a thorough and efficient education for all the children of the state.

Senator, Committeemen, do not allow yourselves to appear to be foolish. The state Commissioner of Education, Leo Klagholtz, has already made a big enough spectacle of the Department of Education by shamelessly scouring the state in search of a definition of a "thorough and efficient education" as required by the state's constitution.

Senator, Committeemen, a thorough and efficient education can be found right here in this building; a thorough and efficient education can be found in the elementary and high schools attended by your own children; a thorough and efficient education can be found in the schools attended by the children of our illustrious Governor, Christie Todd Whitman.

May I suggest to the committee that a thorough and efficient education can also be found at Newark's Science and University High Schools; a thorough and efficient education can also be found at Newark's Lafayette and Burnet Street Schools only with much more effort on the part of parents, teachers, aides, clerks and the children themselves. a thorough and efficient education can be had at these schools but not through parity.

181x

Senator, Committeemen, a thorough and efficient education begins at home in working, thriving and vibrant communities. You know this! It begins with a safe, sound and tranquil environment. You know this! Unfortunately, for those disenfranchised citizens living in our abandoned inner cities paying jobs and tranquillity are as difficult to find as finding the definition of a thorough and efficient education was for our commissioner of education.

As a high school English teacher I can testify that all of my students are heroes. As they scuttle through the prostitutes and drug dealers, pimps and drug addicts (who service a predominantly suburban clientele) they experience daily a life threatening obstacle course seen by the students of this high school only on television.

The Supreme Court mandated parity in public school funding. "Parity", if I may save the State Department of Education another study, means equality. The plan we discuss today suggests we do this off the backs of our abandoned cities and working middle class who live precariously from pay check to pay check.

The funding formula asks that we do more with less; that we dumb down every student in the state. Senator and committeemen, the funding formula does not reach parity, it is a three card monty game played by prep school appointees.

The plan stinks. I know it; the majority of the people here know it and, I suspect Senator and committeemen, that you also know it.

Respectfully,

John M. Abeigon

182x



Bergen County Special Services

327 East Ridgewood Avenue • Paramus, NJ 07652-4897 • 201-265-6300 • FAX 201-265-6849

**PUBLIC TESTIMONY ON S-40
"THE COMPREHENSIVE EDUCATIONAL IMPROVEMENT
AND FINANCING ACT OF 1996"**

Provided by:
Mr. Wolfgang Albrecht,
Vice President
Bergen County Board of Special Services

Provided on: July 17, 1996
Parsippany, New Jersey

I am writing in response to Senate Bill S-40, "The Comprehensive Educational Improvement and Financing Act of 1996."

I am Vice President of the Bergen County Board of Special Services, one of the eight regional special services districts in New Jersey. Our district is also one of the largest, providing exemplary services to approximately 21% of the states 5,000 severely disabled children.

As a member of the Board of Special Services, I am called upon to participate in decision-making concerning fund allocation, administration and educational program delivery. These multiple perspectives inform both my analysis of this Act.

I am extremely concerned about the impact of this Act upon the real ability of all school districts, and especially the special services school district to provide appropriate services to our most significantly and severely disabled children.

The Reality at Impact

The 1,027 children currently served by the Bergen County Special Services School District are hearing impaired, multiply handicapped, medically fragile, autistic, mentally retarded, or psychiatrically diagnosed as emotionally disturbed. These are not arbitrary or unnecessary classifications.

Who are these students? They represent 131 municipalities in Northern and Central New Jersey, and include 14 of the state's 30 special needs districts. They come from families and communities that experience the debilitating realities of coping with the escalating medical and educational costs of providing for the multiple special needs of a disabled child.

What will happen to these students when the Comprehensive Plan becomes law?

183x

"Nationally Acclaimed for Excellence"

- Home districts may be forced to keep students, even when they cannot afford to offer the essential services provided by the special services school district. What kind of education will these students receive? How will they be assessed and classified? Without concrete answers to these questions, I can assure you that these students will lose any chance of functioning in society.
- Severely disabled students stand to lose regular access to specialized therapeutic services, vocational programs, sheltered workshops, feeding therapy, medical therapy, adaptive daily living skills, physical therapy, occupational therapy, and assistive technology. For more than 20 years, these programs and services have effectively transitioned students into the mainstream. It is not efficient or feasible for a home district to assume the responsibilities and costs of these programs for one or two children.
- Programs provided by the regional special services districts for moderately and severely disabled students will be reduced or eliminated. These students usually come to special services districts after they have failed in the home district. How many of these children will drop out of school and end up on the street?
- The costs of educating a moderate to severely disabled child mainstreamed in a home district classroom will greatly exceed the costs of educating that child in a special service district classroom. This encourages duplication of services and is simply not cost efficient.
- Students in need of classification will probably be overlooked by the system. They will probably be informally labeled anyway -- as "slow learners." How many of these students will complete high school?

I ask you to consider how a few of the elements in the proposed legislation will manifest themselves in the life of the school and the disabled child.

Reinforcing Slow Learner Syndrome

In prior generations, students with learning disabilities were labeled "slow learners." The primary intervention was to leave the student back a grade, or to pass the student despite his or her level of functioning. Educational research now identifies a variety of disabilities that impede learning. We now recognize that some disabilities do not manifest themselves in severe behavior disruptions and are not always correctly identified by the classroom teacher. If a 10% cap is imposed, its impact upon state aid and local funding may result in a return to the "slow learner" syndrome.

Fitting a Square Peg in a Round Hole

Educators have long debated the feasibility of equal funding as a means of bringing about equal opportunity for all students. The creation of a "one factor" or "single classification" as the basis of an equal funding formula implies that the needs of all classified children are the same.

In reality, students needs differ greatly. The real costs associated with providing education for a special education child differ greatly in accordance with the type and degree of disability, the costs of living in the district and region, and the placement of the child. Clearly, a multi-tiered funding criteria is required to adequately reflect the costs associated with differing needs of the child and his or her disability.

Splintering State, County and Local School Partnership

The special services school districts currently provide consistent services and costs under a particular medical category. The shift of direct aid from special services to the home district fosters competition between the public school districts and private schools. This may drive down costs and quality of services at the expense of the student. The real potential of intermittent cash flow and uncertain budget interferes with the regional district's ability to hire and retain quality staff, rent facilities, pay utility bills, contract for services, and participate in cost efficient volume purchasing.

Eliminating Regional Service Costs More

The model provided in S-40 provides a per school quota of students placed out-of-district. This quota is arbitrary and does not consider needs.

The lifelong prognosis for the children is dismal. We have seen what happened several years ago when the mentally ill were "deinstitutionalized." Local studies now reveal that over 50% of society's homeless are mentally ill, now residing on street corners and park benches. Do we truly wish to create a new homeless population of emotionally disturbed youth? Special education can prevent emotionally disturbed youth from becoming homeless, committing delinquent acts, or harming themselves and others. We cannot, however, solve these problems after they have occurred.

How can we prevent these problems and insure that quality and adequate educational services be preserved for our most difficult to serve students?

- Provide the incentive to local districts to scrutinize their classification process. An arbitrary 10% classification cap is a disincentive to the provision of quality and appropriate education for the disabled.

- Create incentives for special service and home districts to work together. Direct full payment of all severely disabled students to the special services school districts. The proposed quota system is a disincentive to collaboration and creates the potential for costly duplication.
- Provide a level of state aid that addresses the real costs of thorough and efficient education -- a level that accounts for regional costs of living.
- Create a needs driven (not budget driven) multi-tiered approach to funding.

Ask yourself the question: Is equal opportunity really fostered by equal state aid or by addressing the individual educational needs of the child?

The Bergen County Executive, Mr. William P. Schuber, says "No." His written testimony is submitted here today for public consideration.

Thank you for your time and attention.

Respectfully submitted by:

Wolfgang Albrecht
Vice President, Bergen County Board of Special Services

Date: July 17, 1996

186x

Francis L. Dixon

34 Noe Avenue

Madison, NJ 07940

(201) 377-7672

TESTIMONY AT PARSIPPANY HIGH SCHOOL TO LEGISLATORS

I HAVE SERVED ON MORRIS 2000 EDUCATION COMMITTEE AND WAS INVITED TO BE INVOLVED IN DR. KLAGHOLZ'S FOCUS GROUP IN DEC. '95 IN EDISON.

MY INTEREST IN EDUCATION IS LONG STANDING- MY OLDEST DAUGHTER AND HER HUSBAND ARE TEACHERS IN SALEM AND CAMDEN COUNTIES . A SIGNIFICANT PART OF MY RESEARCH IS IN EDUCATION ESPECIALLY DIRECTED TOWARDS GUIDING MY SEVEN GRANDCHILDREN IN MORRIS AN GLOUCESTER COUNTY AND IN ANN ARBOR MICHIGAN.

BRIEFLY , I OFFER THE FOLLOWING OBSERVATIONS AND SUGGESTIONS TO YOU WHO HAVE THE POWER TO DO THE RIGHT THING.

* ADMINISTRATIVE COSTS

REDUCE THE NUMBER OF SCHOOL DISTRICTS FROM 620 TO ABOUT 150 (50,000 POPULATION) THIS , I BELIEVE WOULD BE OPTIMUM AND MANAGEABLE. ~~I~~ ABOUT 8 YEARS AGO I SUBMITTED A STUDY TO REGIONALIZE THE MADISON, CHATHAM(S) HARDING AND FLORHAM PARK DISTRICTS. THIS WOULD HAVE SAVED A LARGE FRACTION OF ADMINISTRATIVE COST AS WELL AS OPERATING COSTS IN K-6 AND MUCH MORE IN 7-12 ^{WHERE} DUPLICATION IS MORE PRONOUNCED..

* TEACHERS

THEY ARE NOW GETTING GROWNUP PROFESSIONAL SALARIES . WHY CONTINUE SPECIAL TREATMENT THAT PROFESSIONALS IN THE PUBLIC SECTOR ARE NOT GUARANTEED SUCH AS :

- TENURE WHICH REMOVES INCENTIVE. WE SHOULD REWARD GOOD TEACHERS AND FIRE THE BAD.
- COLLECTIVE BARGAINING WHICH IS BARRED TO MOST IN THE PRIVATE SECTOR.
- PENSIONS THAT ARE COLA PROTECTED

* DISCIPLINE

EMPOWER THE TEACHERS TO EXERCISE REAL DISCIPLINE- PREVENT PARENTS AND OTHERS FROM SUING AND MAKING A SHAM OF THE CLASSROOM FOR THE DILIGENT. FOR THOSE WHO ACT UP SEND THEM TO THE "600" SCHOOL LIKE NEW YORK HAD .

THANK YOU .

187x

Testimony of the
MONTCLAIR TAX UNION (MTU)
at the
NJ SENATE PUBLIC HEARINGS
on the
NJ Department of Education's
COMPREHENSIVE PLAN FOR EDUCATIONAL IMPROVEMENT AND FINANCING
Parsippany Hills High School, Morris Plains, NJ
July 17, 1996

TABLE OF CONTENTS

I.	INTRODUCTIONS	1
II.	EXECUTIVE SUMMARY	2
III.	SUGGESTIONS FOR IMPROVING THE PLAN	3
A.	Teacher/Certificated Staff Matters	3
1.	General Comments.	3
2.	Teachers' Qualifications	3
3.	Teacher Work Day	3
4.	Staff Contracts	4
B.	Pre-K Program	4
C.	State-Aid	4
D.	Community Inputs to a 'Thorough and Efficient' Education	4
1.	The Present Silence	4
2.	Citizens Inputs	5
3.	Further Legislative Needs	5
E.	The Voting Process	5
IV.	BEYOND THE PLAN	6
A.	Educational Family-Enrichment Programs	6
B.	Data-Coincident Bookkeeping	6
IV.	CLOSING REMARKS	6

Testimony of the
MONTCLAIR TAX UNION (MTU)
at the
NJ SENATE PUBLIC HEARINGS
on the
NJ Department of Education's

COMPREHENSIVE PLAN FOR EDUCATIONAL IMPROVEMENT AND FINANCING

Parsippany Hills High School, Morris Plains, NJ
July 17, 1996 @ 2:00 PM

I. INTRODUCTIONS

A. I'm appearing here today on behalf of the Montclair Tax Union (MTU), to applaud the work of the NJ DOE in developing both the November 1995 and the May 1996 issues of the **COMPREHENSIVE PLAN FOR EDUCATIONAL IMPROVEMENT AND FINANCING**, herein collectively called the PLAN, and to urge not only you as the representatives of the NJ Legislature, but also the full Legislature, to vote the essence of the PLAN.

B. The PLAN has skillfully addressed the concept of what is a '*thorough and efficient*' education; this concept runs thru all the COURT decisions affecting education for the past 20+ -years, and as the PLAN recognizes, the concept is at the heart of any system of education improvement and financing.

C. I must say that each editions of the PLAN had its own unique inspirational message directed at rationalizing educational quality and financing, and each represents a thousand steps into the future. All who contributed in any way to these documents deserve a 'thank you' from all NJ-citizens. Both editions especially the more conceptually-informative November 1995 issue, are also remarkable documents that will continue to set literary standards for clarity and readability of language, substance of subject matter, and analytic simplicity and craftsmanship, which so many of us engaged in similar pursuits, can use as a standard to emulate. The PLAN has come none too soon, considering as set forth in the Nov 1995 Plan, the following:

1. The range of costs for NJ's K-12 school districts like Montclair's, is \$5,900 - \$11,500, and noteworthy, even higher in less broadly based districts. NJ continues to spend more per-pupil money (\$8,770.) on education than any other state (in the 1993-reported year, 11-percent more than the second ranking state). The average per-pupil costs of all 50-states is \$5,170.

2. Tragically, NJ is simultaneously ranked near the bottom of a state-listing of per-pupil educational dollars reaching the classroom. The current funding system does not systematically target funds for the improvement of student achievement; rather it support the bureaucracy and status-quo. Most of the comments to follow are directed at this aspect of the PLAN.

3. Following closely the wording of the November 1995 PLAN, all citizens can celebrate realizing the proposed PLAN for the first time looks at the NJ educational system as a cohesive state system, and no longer as a collection of 600 independent systems. A '*thorough and efficient*' education will mean the same for all districts across the state. No longer will state-funding incorporate the concept of 'local goals' in its definition of '*thorough and efficient*' education. No longer will it be allowed to include in the concept of '*thorough and efficient*' education whatever a given district say it is for its students. No longer will it be reasonable for a district to expect the state to fund programs without well documented indications that the programs provide a '*thorough and efficient*' education, whose definition is universally understood across the state.

D. A word about MTU! MTU is a local, fiercely non-political organization (it supports no candidates), begun about three years ago (1) to study the makeup of local, county and state's portions of Montclair's real estate (RE) taxes, (2) to provide judgements as to the value of such individual portions of the RE-taxes (are citizens getting their money's worth, and even if so, can citizens afford to continue to pay such taxes?), and (3) finally, if deemed necessary to take whatever citizen actions are required to effect control over excessive RE-taxes. Because the educational portion of the local taxes are by far the highest in absolute terms, and this portion is growing at the fastest rate, much of MTU's efforts have centered on school performance and value as judged from quality and costs. This work has led to the annual issuance of MTU's MONTCLAIR EDUCATIONAL ALMANAC herein called the ALMANAC, whose initial issue preceded the PLAN, and which as such related to Montclair, traversed much of the ground travelled by the creators of the PLAN.

189 ✓

E. The NJS DOE has already been advised of MTU's appreciation for the work of the PLAN, and while one might quibble over the changes appearing in the later version (the later is more generous with the both the numbers of staffers and the compensation of individual staffers), I would not be here if that's is all MTU wished to convey. MTU is here to suggest a few additional items which relate to the 'efficient' portion of the 'thorough and efficient' education for inclusion in the current PLAN. Were these few items to be adopted by the legislature, it is MTU's opinion that it would be significantly improve the long-term workings of the 'thorough and efficient' educational legislation. Such items are listed below and supplement the experience gained by MTU's detailed analysis of the Montclair school district.

II. EXECUTIVE SUMMARY

A. Were the following few items to be adopted by the legislature, it is MTU's opinion that such action would significantly improve the long-term workings of the 'efficient' portion of the 'thorough and efficient' educational legislation. None of the items directly address the high individual income of NJ's certificated staff, and thus, even with the implementation of the items listed below, NJ for the foreseeable future, still may be known as the most-expensive-education state.

B. MTU suggests the current legislative process associated with consideration of the PLAN:

1. Re Teacher Qualifications (SEE Page 3 for further discussion), address the inequities built into the present system of staff compensation generally based on academics and years-of-service, rather than work-place performance.

2. Re Teacher's Work Day (SEE Page 3 for further discussion), adopt the Average Daily Student Contact Score (ADSCS) concept, and establish min and max classroom student population, e.g. 18 and 30, respectively. To facilitate this adoption, teachers must be required to be certified in multi-disciplined core courses.

3. Re Staff Contracts (SEE Page 4 for further discussion), require that all NJ local school staff-contracts be recast over the near term, to conform to the itemized funding levels set forth in the PLAN. Such contracts when in excess of the funding levels of the PLAN, must be approved by the separate voting of all local citizens just as required for excess yearly budgets.

4. Re State Aid (SEE Page 4 for further discussion), require that all state aid, e.g. a school district's portion of teachers' social security (FICA), and teachers' pension (TPAF) costs, and all other state-contributions to a district, even though not passing thru the books of a district, be reported by the district as state-aid.

5. Re Citizens' Inputs (SEE Page 5 for further discussion), facilitate the introduction of community-inputs into a district's educational life, and provide a certain minimal funding for organizational/administrative purposes only (most of the inputs would be provided by non-compensated volunteers). Such funding should not be directed to the local BOE, but rather thru the local governing council.

6. Re Further Legislative Needs (SEE Page 5 for further discussion), provide a certain minimal funding (not more than \$5,000./school district) for organizational/administrative purposes associated with a district's volunteer educational efforts (most of the inputs would be provided by non-compensated volunteers). Such funding should not be directed to the local BOE, but rather thru the local governing council.

7. Re The Voting Process (SEE Page 5 for further discussion), include provision for standardized state-wide, background and voting statements all approved after all local approvals, by the NJS DOE.

8. Re The Voting Process (SEE Page 5 for further discussion), also require all portions of all local school staff contracts in excess of the funding levels of the PLAN, be subject to separate voting by all citizens just as required by a district's excess yearly budget.

III. SUGGESTIONS FOR IMPROVING THE PLAN

A. Teacher/Certificated Staff Matters

1. General Comments.

a. It should be noted that the adoption of the PLAN as presently configured, does little to alter this dubious distinction enjoyed by New Jersey re the exorbitant cost of a NJ public-school education. Despite the high cost of a NJ education viz-a-viz that available in the rest of the country as noted above, the PLAN seemingly has avoided any aspects of the structure of the teaching industry. So much of the concept of an 'efficient' education, is tied into the written and unwritten work-rules that govern the daily lives of what herein we will call teachers, which includes all certificated staff-persons. Recognizing that such an opportunity may never again present itself in any of our lifetimes, I suggest that you as legislators who daily confront the political aspects of state-problems, that you especially not miss this rare opportunity to address the following:

2. Teachers' Qualifications

a. Basing salaries on academic degrees/educational progress, and years of service, rather than on professional performance has introduced many distortions and many high-cost problems for Montclair, and perhaps all districts. In the USA, few if any category of professionals other than that of the public school teacher, is compensated on the present basis of the NJ-educational system. In Montclair presently, more than 50-percent of the certificated staff is at the highest salary levels dictated by education and years-of-service, irrespective of performance evaluations. There is no further economic challenge for these staffers. Regardless of whether one's performance is exceptional, or marginal, or just poor, one's compensation is unaffected. When most of a district's high-school staffers can not look for rewards based on doing a better job, one might argue that certainly another option, e.g. lessening one's individual burden with fewer hour of performance, seems to hold some attraction. As noted below this seemingly is just what has happened. Thus a grid-lock has been created that deprives other teachers not at the top of the educational/experience ladder, though fully capable of providing great classroom-performance. MTU suggests the current legislative process associated with consideration of the PLAN address the inequities built into the present system of staff compensation generally based on academics and years of service, rather than work-place performance.

3. Teacher's Work Day

a. The PLAN's gives no direct clue as to its assumptions re the work-day, work-year of principals, supervisors, teachers, aides, and clerical personnel. In MTU's perspective, this lack is one glaring shortfall of the PLAN.

b. The state is willing to contribute to the pensions of all NJ -teachers, but appears unwilling to suggest minimum, work-day performance. The latest issue of the ALMANAC introduces the concept of the Average Daily Student Contact Score (ADSCS). This score tabulates the total average number of students that appear before each Montclair classroom-teacher in the course of a typical classroom day, at selected schools (our one HS, one of our two middle schools and one of our seven elementary school). Actually each teacher's classroom schedule dictate an individual's teacher's score, and all classroom teachers in the selected schools were individually scored, but only averages are reported in the ALMANAC. The ALMANAC indicates the average student contacts for a typical Montclair's HS-classroom teacher is 75, representing an average class loading of three periods per day based on a class size of 25 students per period. Half of the staffers had still lighter loads. MTU feels the ADSCS is a measure of the optimization of an average classroom-teacher's daily chores.

c. MTU salutes all NJ-staffers performing well while optimally engaged; it suggests restructuring for those lightly engaged with potential saving in the millions of dollars; and there are many teachers in both categories. The result that appear in the ALMANAC are universally surprising to most outsiders. School-insiders probably suspected the results, but few if any, were willing to sound the alarm. The efficiency implied in the concept of a 'thorough and efficient' education, suggests the imperative need for both *min* and *max* classroom students-numbers besides average numbers used in the PLAN. NJ-citizens can no longer tolerate public-HS classes with for example, 3 or 5 or 10 students. Classes with less than the minimum number of students would be canceled; classes with more than the maximum number of students could be divided to provided two or more classes of the same course. MTU suggests the current legislative process associated with consideration of the PLAN adopt the Average Daily Student Contact Score (ADSCS) concept, and establish min and max classroom student population, e.g. 18 and 30, respectively. To facilitate this adoption, teachers must be required to be certified in multi-disciplined core courses.

4. Staff Contracts

a. Little is mentioned re the impact of the PLAN on local principals and teacher contracts. Generally these contracts are very generous in Montclair, and now might be the time to right some of the contract-excesses. (Excess is rampant in Montclair's upper echelon-staffers). Surely these excesses should not be memorialized by legislation, and surely should not be considered in the state-aid formulations.

b. MTU suggests the current legislative process associated with consideration of the PLAN require that all NJ local school staff-contracts be recast over the near term, to conform to the itemized funding levels set forth in the PLAN. Such contracts when in excess of the funding levels of the PLAN, must be approved by the separate voting by all citizens just as required by excess yearly budgets.

B. Pre-K Program

1. The PLAN seems to implicitly endorse the concept of a half-day, no-charge PRE-K Program for all eligible NJ-students, all under the aegis of the local school district.

2. The taxpayers of Montclair are still paying for several years of very expensive, full-day PRE-K experimentation, providing marginal results. It appears now that if this Montclair-program is to continue, it will be administered, funded, etc., outside the school district's aegis.

3. The PLAN should not equivocate re its thoughts on the PRE-K Program.

C. State-Aid

1. Presently, the school district's portion of teachers' social security (FICA), and teachers' pension (TPAF) costs are supported at the 100-percent level by state aid. Yet the local school districts rarely include such when reporting state-aid.

2. MTU suggests the current legislative process associated with consideration of the PLAN require that all state aid, e.g. a school district's portion of teachers' social security (FICA), and teachers' pension (TPAF) costs, and all other state-contributions to a district, even though not passing thru the books of a district, be reported by the district as state-aid.

D. Community Inputs to a *'Thorough and Efficient'* Education

1. The Present Silence

a. The PLAN is generally silent with respect to parents' and community's input to the educational process. Such inputs should not be ignored; rather, the NJS DOE should be urged to never forget (1) that most of the staff of any local school districts usually are non-residents of the district, and (2) local communities acting thru local councils, local volunteers, etc., are most often better able to handle certain socioeconomic educational matters in an accountable fashion than can be provided by high-paid non-resident staffers.

b. In Montclair, one wonders about the seemingly complete lack of remedies afforded to ordinary citizens to correct the obvious difficulties that confronts our town. We have an appointed school board who thinks that any educational deficiencies if any indeed is ever acknowledged, can best be addressed by the board itself (which in turn has transferred all responsibilities to our SOS), with the usual remedy of providing more money. Restructuring the system never is a consideration.

2. Citizens' Inputs

a. MTU believes that ordinary local citizens once organized, are often able to provide educational services better than that provided by the local school district. Montclair with great personal support from surrounding area citizens, has a very successful all-subject, all 1-12 grades, year-round, no-cost tutoring service, for any student/parent wishing assistance in mastering a given subject.

b. The PLAN's message re: socioeconomic matters of the at-risk students rightfully said the schools can't do it all. MTU would prefer that school districts provided none of the services. The local community is far better at these kinds of things. Again the message is *'Let's get high-priced school personnel, most often living miles away from the school district, out of socioeconomic matters'*.

c. To facilitate the introduction of community-inputs into a district's educational life, MTU suggests the current legislative process associated with consideration of the PLAN, provide a certain minimal funding for organizational/administrative purposes only (most of the inputs would be provided by non-compensated volunteers). Such funding should not be directed to the local BOE, but rather thru the local governing council.

3. Further Legislative Needs

a. I have been involved for many years with marvelous one-on-one volunteer tutors here in Montclair. Most volunteers are eminently skilled to assist students, but presently such assistance in a classroom-setting, is not permitted by present laws.

b. How tragic! You as legislators are here and now being asked to assist NJ-citizenry in its off-struggles with various local school districts. MTU suggests the current legislative process associated with consideration of the PLAN, allow non-certified though otherwise qualified volunteer tutor/teachers working part-time, into the classroom-setting for a period extending up to a year, without having to meet the requirements of DOE-certification. Such action would be designed to bring pressure on what many local citizens perceive as an excessively cozy and bureaucratic BOE/local school district-influence. I'm betting students would wind up far better off with caring volunteer-tutors, in most if not all, cases.

c. NJS-citizens must have a redress-capability including the ability to resist excessive demands, when local staff-contract time role around.

E. The Voting Process

1. Presently, in district where voting on school budgets is prevalent, voters most often, do not know what portion of the budget is 'constitutionally essential' and what portion represents 'optional' expenditures. In fact as the November 1995 PLAN reads, voters traditionally have had little to say; the vast majority of defeated budgets eventually are approved, despite voter rejection. As a result, the state has been approving all district budgets as proving a *'thorough and efficient'* educational system, without ever knowing precisely what is being *'thoroughly and efficiently'* provided; the budgets reflect per-pupil expenditures and program elements with wide disparities among districts within state, regional and county boundaries. Presently programs that are deemed constitutional mandated in one district are rarely mandated as necessary in other districts.

2. All of the above can change if the PLAN is implemented as written, even with or without these and other suggested improvements. And the one essential ingredient of the PLAN is the voting process for all funds outside the state-prescribed funding levels.

3. But to insure against mischievous tampering with the voting process by local BOEs, PTAs, local educational associations, local political organizations, etc., MTU suggests the current legislative process associated with consideration of the PLAN, include provision for standardized state-wide, background and voting statements all approved after all local approvals, by the NJS DOE. The background statements are crucial, and should address every item of a local budget that falls outside the state's guidelines for a *'thorough and efficient'* education. Taxpayers wishes must be honored. The integrity of the school budget voting process must be perpetually insured.

4. All NJ local school staff contracts should be recast over time, to conform to the itemized funding levels set forth in the PLAN. MTU suggests the current legislative process associated with consideration of the PLAN, also require all portions of such contracts in excess of the funding levels of the PLAN, be subject to separate voting by all citizens just as required by a district's excess yearly budget.

193x

IV. BEYOND THE PLAN

A. Educational Family-Enrichment Programs

1. Wisely, the PLAN presently embodies a small amount of money (it may not beenough) for low-cost, non-academic/enrichment relief for at-risk students/families. On days off, perhaps two or three times a year such as during the NJEA convention, the PLAN's provisions might be used to provide for a dollar or two per family, a day at such places as Liberty State Park (LSP), or the Camden museum? One ticket per family would provide bus fare, and admission to LSP, etc. Everyone would be required to bring their own lunch, and an adult family-supervisor would have to be in attendance. What a marvelous way to foster family togetherness while enriching/refreshing family-spirits. On a personal note, in the 1930's my family was provided such a day at the state facilities in Sea Girt. On that day everything even lunch, was without charge, and sponsored by the local political organization (today, the payment plan for that day still revolts me; then I was oblivious). My sisters and I still talk about that day as a day of great family enrichment.

B. Data-Coincident Bookkeeping

1. I continue to believe that citizens must be urged to stay continuously informed about all aspects of governmental costs (always presented in user-friendly fashion), including municipal, county and local educational costs. Collecting the various cost-figures is never easy, and never entirely satisfying. The problem - one's inability to find data coincident in time. For example our local township's fiscal year runs in parallel with the calendar year; yet the MPS' fiscal year runs from July 1 thru June 30. Few working within the systems without protracted scratchings and extensive explanations, can address the applicability of costs in any given year.

2. This matter has been discussed with our town's finance director. He indicated that he would probably have little difficulty shifting the municipal budget to a school-year basis (July 1-June 30), although it also might be possible for the schools to convert to a calendar year basis. I have discussed this matter with the DOE-Trenton, and it appears that there are some imbedded negatives to the present laws that prevent this transition to be university adopted.

3. Because educational costs are by far the largest single item that faces a taxpayer, I'd like to suggest that as part of the PLAN's streamlining of the management of educational costs, the Legislature adopt a single time-frame for all state aid, and local budgets covering municipal, county and educational costs. Such will greatly facilitate both civic and institutional comprehension.

V. CLOSING REMARKS

A. I personally have been following the decline of SAT scores before most educators gave hardly a glance, while at the same time I've seen the cost of education sky-rocket, with hardly a brake-person in sight. MTU too would like to ask you to continue to challenge the system, and all who draw sustenance at the very copious well of educational nourishment. Most local school-districts/bureaucracies are truly bloated, and sadly most in the higher paying positions are quick to point out that costs are beyond their control, being mandated mostly by you in Trenton. Let the legislation under consideration be structured so well that its subject matter will not have to be revisited again for another 50-100 years.

Very truly yours

The MONTCLAIR TAX UNION

Edward J. Flaherty
397 North Fullerton Avenue
Montclair, NJ 07043
201-746-8300

194x

Testimony

Date: July 17, 1996

To: Senate Education Committee

From: Mitchel Gerry
1123 Sussex Road
Teaneck, NJ 07666

RE: State School Funding Formula

cc: Senate Education Committee, Clerk

Senator Ewing and Committee members:

The percentage of per pupil cost paid for by the state of New Jersey has continuously decreased until it has become one of the lowest in the country. For example, according to the National Center for Educational Statistics (NCES 1993b), state revenue accounts for 41.6% of public education's expenditures in this country. However, in New Jersey, only 38% of our public schools' funding comes from the state. If this funding formula is approved, an even larger burden will fall on local districts who refuse to *dumb down* their curriculum to meet the state's funding criteria. Since the Governor and the Commissioner of Education want the state to have such a dramatically impact on education in New Jersey, then the State of New Jersey should pay its fair share. **THEREFORE, MY FIRST RECOMMENDATION IS THAT THE FUNDING FORMULA SHOULD RAISE NEW JERSEY'S CONTRIBUTION TO PUBLIC EDUCATION TO 41.6%.**

A new study from the Economic Institute, *Where's the Money Gone? Changes in the Level and Composition of Education Spending*, tracked education spending over the past 25 years. They found that the overall share of spending going to regular education dropped from 80% to 59% since 1967. By 1991, special, bilingual, vocational and compensatory education; desegregation; dropout prevention; school lunch; and alternative education had received about 60% of all new school funding. As research shows, these new programs have consumed an even larger share of school budgets in state's like New Jersey, particularly in poor urban areas like Newark. Yet, the new proposed funding formula seeks to cut spending to Newark's educational community by approximately \$50 million dollars, according to the Educational Law Center. **IF THE STATE'S FORMULA SEEKS TO LEVEL OFF REGULAR EDUCATION FUNDING ACROSS THE STATE, THEN DISTRICTS WHICH HAVE EXTRAORDINARY COSTS DUE TO PROGRAMS LIKE BILINGUAL EDUCATION, COMPENSATORY EDUCATION, SPECIAL EDUCATION, ALTERNATIVE PROGRAMS, DROP OUT PREVENTION, AND SCHOOL LUNCH SHOULD HAVE THESE PROGRAMS FULLY FUNDED BY THE STATE.**

195x

SPECIAL EDUCATION

Commissioner Klakgolz's funding formula correctly points out that New Jersey has one of the highest classification rates in the country and our special education students tend to be educated in the most segregated programs nationwide. He says that his funding formula will set up incentives to correct these problems and perhaps they will. But I'd like to highlight some costly items which have been omitted and some new incentives which will benefit the state's treasury while placing an added financial burden on local districts.

- The 10% cap on classified students sets a limit on how much the state will contribute to special education costs in a district. Any extra students past the 10% cap can still be classified under IDEA, and it seems that the state of New Jersey will continue to receive federal funds for these students. So, the state benefits financially while the districts and their students lose. The state benefits doubly because of their new Special Education Medicaid Initiative (SEMI).
- Districts which service classified students who are eligible for Medicaid can apply to the SEMI program. The state treasury gets 80% of these funds and the local districts get 20%. In other states, at least 50% of these funds go to local school districts. What's even more troubling is the fact that the millions of dollars the state gets from this program isn't earmarked for special education programs. It's not even earmarked for education. This money goes right into the state's general treasury. **THE SEMI PROGRAM AND ITS REVENUES SHOULD BECOME PART OF THE STATE'S FUNDING FORMULA AND THIS MONEY SHOULD BE EARMARKED EXCLUSIVELY FOR EDUCATION AND PREFERABLY SPECIAL EDUCATION.**
 - What's particularly alarming about the SEMI program is that most of these special education students who are eligible live in poor urban areas. The state of New Jersey now controls New Jersey's three largest districts which have the bulk of these students. Therefore, the state of New Jersey has created a financial incentive for its general treasury by classifying poor urban children. This became evident in the Newark Public Schools this year since the state took control and initial classifications went up over 40%.
 - Commissioner Klagholz said that New Jersey classifies too many students yet the transition team which he assigned to Newark emphasized how Newark seemed to under classify students, when compared to the state average. The state Department of Education then reassigned CST members away from regular education interventions where they could prevent classifications while they registered Newark in SEMI. It's therefore not surprising that Newark's initial classification rate went up over 40%. The state of New Jersey already classifies a disproportionate amount of black students, which Commissioner Klagholz's funding formula didn't address, but with these seemingly new incentives to classify students in Newark one can expect the number and percentage of African American students to be classified to really sky rocket.

- Section 504 of the Rehabilitation Act of 1973 will be receiving more emphasis in New Jersey's Public Schools this year, as the workshops conducted by the state Department of Education would suggest. Not only does this aim to eliminate discrimination against special education students and students with other handicaps, but it will require many new costly accommodations. There are no additional federal funds available for this civil rights legislation so state and local provisions need to be made. Also, with the change in the state's funding formula for special education and subsequent cut back in state aid, it's possible districts might cut back on services and programs for handicap students. These districts might then be subject to civil rights law suits and cut backs in federal funds. **THE STATE'S FUNDING FORMULA SHOULD ADDRESS THE PROVISIONS OF THE COSTS ASSOCIATED WITH COMPLYING WITH SECTION 504 OF THE REHABILITATION ACT OF 1973.**
- The decision to base a district's Child Study Team member on total school enrollment is a sound one which is consistent with the goal of intervening in regular education and minimizing the need for special education classifications. However, when one compares the number of Child Study Team members currently working in New Jersey's public schools to those in the funding proposal, we see a decrease of approximately 1/3. With 30% fewer school psychologists, school social workers, and learning consultants the number and scope of interventions they can be involved in drops dramatically. Does the Commissioner plan on eliminating one discipline from the mandated Child Study Team and if so which one? School psychologists? School social workers? Learning Consultants? The ramifications of this drastic reduction need to be analyzed and debated. **I agree with the decision to base Child Study Team members on total school population, but the current formula which eliminates 1/3 of them will have dire ramifications for regular and special education students.**

These are a few of the many concerns which should be considered when adjusting or changing the proposed funding formula.

Joann Gonzalez
91 22nd Street
Paterson, NJ 07513
(201) 881-7686

Hi, my name is Joann Gonzalez. I was born and raised in Passaic, N.J. I graduated from Passaic High School in 1991 and Rutgers University in May of 1996. A member of the Passaic High School's cross-country teams, indoor and outdoor track teams, peer leadership, teen institute of the garden state, student council and the national honor society, I was a very active student in and outside of the classroom.

The reason I am here today is because I feel I was cheated of a quality education that should have prepared me for college. My education was by far the same education that my fellow classmates from Princeton and Flemington received. Not only was I led to believe that I was prepared for college but that I was an intelligent individual.

I was inducted into the national honor society, yet I did not even break 900 on my SAT's. I was ranked in the top 10% of my class out of a class of more than 450 students, yet when I arrived at Rutgers I was placed in Elementary Algebra, Reading and English 98, two classes below what the majority of high school students are placed into going into college. I did not begin to realize that I was any different till the end of my freshman year at Rutgers University where it all became clear. At Rutgers I was placed in two gateway classes aside from the Algebra and English classes. These gateway courses are for students who did not score above a certain average in the verbal part of the SAT's. I was never told this. I registered for General Psychology and Introduction to Sociology and then it was decided for me that I would probably not succeed in those courses so they placed me into these gateway courses. My point is these classes should not even exist. There is something wrong with this picture.

I was supposed to be a "good" student, I did well at Passaic High School. I believed I did well because I was smart not because the education that I received was not a quality education. I struggled up until my last semester at Rutgers. I had to hold a part-time job and at times this was very difficult for me. I went to Rutgers University with ambitions and dreams and I left disappointed and discouraged. I went in as a Pre-Med student but I left with a BA in Psychology and a minor in Biology.

I still want to pursue a health career but my cumulative average falls below a 2.5 making it very difficult for me to get into a physical therapy program. The average cumulative average for students applying is a 3.5 and above.

I spent many nights at Rutgers crying wondering why everything came so difficult for me right along with hundreds of others who came from these inner-city schools in Newark, Passaic, Paterson and Jersey City to mention a few. Why is it that valedictorians from Princeton high school's go to Harvard, Yale and the like. Whereas valedictorians from Newark schools go to Montclair State University.

We all know how money is allocated among the districts and it is immoral. Many students do not even attempt to go to college from these schools and fall through the cracks. But what advice can you give me?

I have graduated from a University but because I had to play catch up throughout my five years at Rutgers now I have to spend close to \$2,000 just so that I could take some of these classes over. But because I am determined, and have the support of my family and friends I am willing to double my efforts to get into a program and I will apply to programs next year and every year thereafter until I get accepted.

198x

Sadly, many of these students do not have the support of their families and end up giving up. There's not much you can do for me but what about the thousands upon thousands of students going into these high school's and growing up in these systems. what are you going to do for them? Less and less students each year from Newark, Paterson and Passaic attend and graduate from college.

I want you all to know that this is very real and very sad. I used to be embarrassed of my SAT score and my cumulative average, I am not embarrassed any longer because I did my part but you should be, because you can change these laws. I was one of the better students at Passaic high school and I worked very hard to get into a good University but clearly Passaic does not have the same resources that these public schools in the suburbs do and this issue needs to be addressed.

Thank you for taking the time to listen, I just hope for the sake of these students from the inner cities that something will come of it. Please do not let what I have said be forgotten in just a couple of days. Take the time out to make some changes now before it is to late. Many kids do not have the support of family and will not even bother applying. Please do not let them down and do not let the percent of inner- city kids that drop out of college continue to increase. Thank you once again.

Joann Gonzalez

**Testimony to the New Jersey Senate Education Committee
July 17, 1996
Parsippany, New Jersey**

**Provided by Judith E. Kesin
Principal, New Brunswick Public Schools, Adult Learning Center
Member, Greater Raritan Workforce Investment Board**

What would your life be like without a high school diploma?

What job opportunities would you have while competing with the college graduates who've lost their jobs through downsizing?

How would you be able to help your children with their homework if you didn't have the skills to give them the support they needed?

As a citizen, would you feel comfortable speaking up at a public forum about an issue that was important for your community?

Would you have the courage to testify before a legislative committee, like this one, that was making important decisions that impacted on your life?

There are nearly 40,000 New Jersey citizens who do not have a high school diploma, the most basic educational credential required by most employers. New Jersey's Adult High Schools (also known as accredited evening schools) have been addressing these critical questions by providing educational opportunities for adults to earn locally issued high school diplomas since the end of World War I. Public evening schools for adults have been part of the state's basic aid package to districts since the late 1940's and today the need is greater than ever.

We are pleased to see that Adult High Schools are included in the State Department of Education's revised *Comprehensive Plan for Educational Improvement and Financing* but deeply concerned for the 40,000 New Jersey citizens who don't have a High School Diploma.

The revised Plan indicates that "funds will be distributed as categorical aid to adult high schools and county vocational schools on an unweighted per pupil basis." By combining these two

widely different programs into one funding component, the Plan ignores the fact that these programs serve two very different target groups. **Only Adult High Schools address the needs of adults who do not have a high school diploma.**

The Plan needs to recognize the complexities of the Adult High School and provide adequate funds to insure its continuation. These programs must meet the same standards of academic compliance as those of the local district high school.

In New Brunswick for example, Adult High School students must earn 110 credits and pass the High School Proficiency Test in order to earn a locally issued High School Diploma. Fully certified teachers provide individualized and group instruction in their subject areas as well as the skills needed to meet graduation requirements. Flexible day and evening scheduling accommodates the realities of adults' employment and childcare situations.

Because the program has been tailored to adults, instruction is adapted to help meet their special employment, parenting and practical life needs. Adult High Schools provide adults with the opportunity to gain the credentials that they need while participating in critical learning activities, essential for successful transition to college, job-training or the workplace.

Many adults lack the foundation to compete in the job market without these credentials. As one employer of New Brunswick Adult High School graduates stated, on the job training is not enough, companies "do not have the capacity to teach the equivalent of a high school diploma. We rely upon programs like yours to prepare adults with the basic skills upon which we can build and enhance." I include a copy of that letter with this testimony.

Adult High Schools not only mirror the academic requirements of our secondary schools but they function effectively and economically on half the per-pupil cost.

In order to continue and sustain this vital program, the new funding process must recognize the importance of providing adequate funds to address the needs of the diverse school districts operating these programs. **Minimal funding will have the same chilling effect as no funding.** If you feed a hungry man bread and water, you can say you fed him, but you know in your heart he will die.

While the State's educational system undergoes systemic change, as does our workforce readiness system, large numbers of citizens still have not had their educational needs met anywhere. Many are destined to become a drain on the economy. **Minimal funding of the Adult High School will result in the destruction of an important institution which will be essential to welfare reform efforts.** By assisting our citizens in acquiring critical skills and credentials, we will help to increase the pool of taxpayers and ultimately strengthen our economy.

On behalf of the 40,000 adults who still need a high school diploma, I ask that you carefully review and study the requirements of Adult High Schools and the implications of its new categorical aid designation. Please do not treat these potential high school graduates as *throwaways*. They are an important human resource both for our economy and as the parents of our next generation.

attachment letter: Professional Security Bureau Ltd.

Professional Security Bureau Ltd.

July 15, 1996

Ms. Judith Kesin
Principal
New Brunswick Adult Learning Center
100 Bayard Street
New Brunswick, NJ

Dear Ms. Kesin:

I understand that you will be testifying before NJ state legislators this week regarding the continuation of state funding of adult high school programs. I am writing this letter to support your efforts.

As an employer, Professional Security Bureau (PSB) seeks applicants with the basic skills of reading, writing and calculation. Our security officers must read and understand post orders, communicate clearly with our clients and their visitors, write concise incident reports, and monitor warehouse merchandise using quantitative skills. In addition, our officers often react to situations which require skill in decision-making and rely on observation/research skills in investigating incidents at their assigned sites. PSB recruits your students as employees because we know that the education they receive in an adult high school prepares them to successfully perform the responsibilities of a security officer. The high calibre of applicants we have hired from the New Brunswick Adult High School is a testament to the quality of the education they received while in attendance.

Although PSB is a respected leader in the training of security officers, we do not have the capacity to teach the equivalent of a high school diploma. We rely upon programs like yours to prepare adults with the basic skills upon which we can build and enhance. It would be a disservice to our citizens to significantly reduce or eliminate the system for funding adult high schools in New Jersey.

Please feel free to call me if I can demonstrate my support in other ways.

Sincerely,



Marcy F. Smelkinson
Human Resource Manager

TESTIMONY
DR. WILLIAM LIBRERA
SUPERINTENDENT OF MONTCLAIR PUBLIC SCHOOLS
COMPREHENSIVE EDUCATIONAL IMPROVEMENT AND FINANCING ACT OF 1996

SENATE EDUCATION COMMITTEE
PARSIPPANY HILLS HIGH SCHOOL
JULY 17, 1996

Thank you for the opportunity to present my testimony to you regarding the Comprehensive Educational Improvement and Financing Act of 1996. I applaud the opportunity which you are giving the public to comment on such a critical issue for public education in New Jersey. I have been an public school educator in New Jersey for twenty six years, the last fourteen as a superintendent in three school districts. The proposed funding plan will substantially harm the outstanding programs, which have been created, implemented, and sustained in Montclair. Though I wish it were different, this proposed plan is neither comprehensive nor an improvement. This conclusion is evident in my view in many aspects, but I will, within the limits of my time, focus on a few of the representative problems.

First and foremost, I believe this plan will be declared unconstitutional. It does not address the fundamental charge of the court in the Abbot decision. Parity is not addressed because differences in spending may occur with voter approval. This same voter approval is what has created the disparity in the first place. It is shameful that almost two decades of the struggle in the courts has in fact produced, in the form of this proposed plan, the same disparity now endorsed by the Commissioner of Education and the Governor.

The responsibility of the State of New Jersey is to all of the children. All children who are considered "at risk" require support, not just those who happen to be in a district where twenty per cent or more of the population meets an expedient definition of poverty. The proposed plan deals most often with districts and arbitrary threshold numbers, such as the poverty percentage. Funding should respond to the needs of all children, regardless of where they live.

Another example of an arbitrary threshold is the cap on Special Education. There is an assumption that all school populations will have the same percentage of children in special education. This, of course, is an easier way to calculate aid, but it ignores the fundamental issue of the criteria by which need should be established. Criteria are what is necessary if we are committed to educating all children.

Another example of the negative impact this proposed plan will have on Montclair is the position taken regarding full-day kindergarten and prekindergarten. The proposed plan establishes full-day kindergarten as fundamental and prekindergarten only if a district has more than twenty percent of the children at the poverty level. For the past twenty years, Montclair has been a state and national leader in providing full-day prekindergarten and kindergarten to all children, regardless of income. According to the proposed plan, such programs are not fundamental. It is inconcievable that the leaders in our state agree with such a conclusion. Allowing the voters to decide what is fundamental in early childhood education is not an act of leadership.

I urge you to reject this funding plan before the court again rejects it, as they surely will. With such action, you will exercise substantial leadership on behalf of all the children in this state.

North Plainfield Adult High School

20 Harrison Avenue
North Plainfield, New Jersey 07060

Terry Luxenberg, Principal
Phone: 908-769-6103 Fax: 908-769-6116

Testimony : July, 1996 - Legislative Education Committee

*Presented by: Terry Luxenberg, Principal
North Plainfield Adult High School
20 Harrison Avenue
North Plainfield, NJ 07060
(908) 769-6100*

Good afternoon. I am Terry Luxenberg, Principal of the North Plainfield Adult High School, here today to respond to the Plan for Educational Improvement and Financing.

It is rewarding to see that input from adult educators and students inspired the inclusion of the adult high school in this plan in the area of categorical aid. Students cheered when I announced that their letters and testimony had a positive impact on the political process that determines the future opportunities for the 1.5 million New Jersey adults who do not have high school diplomas.

However, I am quite concerned about the unclear language in this plan as it relates to the funding of adult high schools. The bill sets aside \$25 million for adult high schools and county vocational schools. I assume that this refers to post secondary vocational programs although I could not verify that this is the intention of this bill. Adult high school and post secondary vocational programs are quite different in the populations they serve, their requirements, services and funding needs. There should be distinct formulas for funding each program based on an analysis of costs and needs. Along with other colleagues in adult education, I volunteer to help you develop a formula that is reasonable.

While adult high schools have been available since the end of World War I and part of the state's basic aid package to districts since the late 1940's, the need for them continues. According to the 1990 census, 23.3% of New Jersey's adults lack a high school credential and 9.4% have less than an 8th grade education. Over 15,000 young people drop out of New Jersey's high schools each year.

These statistics are appalling at a time when the technological demands of the workplace virtually mandate secondary completion as a minimum for entry into any form of employment that offers hope of moving up from the bottom rung of the economic ladder. For this reason well over 12,000 adults attended the 57 adult high school programs last year; approximately 25% of them were 16-18 years old.

"Learning is Lifelong"

206x

The estimated population of adults in need of retraining or developing even the most basic literacy skills is estimated to be about the same as that of the entire national school-age population, about 40 to 50 million people.

I am quite sure that there is not a person in this room who would debate the need for our state to provide a second chance for those individuals who did not complete their secondary education. No one will deny the importance of offering a high school diploma program that prepares adults to compete in the workplace. In fact, every initiative to move people into the workforce assumes that diploma programs and basic skills programs will be available to prepare these individuals for the demands of a training program.

The adult high school program offers a chance to achieve both a high school diploma and the skills needed to prepare for meaningful work. Students are prepared for the High School Proficiency Tests which require high levels of reading, math, critical thinking and writing skills. They also must show the same proficiencies as today's New Jersey high school students in all other subjects. Elective courses in computer science or applications are available to students as they become ready to process this information. Foreign born students have the opportunity to learn English while they earn a high school diploma.

Most adults who lack a diploma are not ready to walk into a training program without the background of knowledge and the experience of learning that this program provides. More than basic literacy skills are needed to grasp and deal with the rapidly changing technology of the workplace. Research in adult learning shows us that people who make a commitment to a program like the adult high school are more likely to stick with other training programs.

One might argue that the adult student has the option of getting a GED or an equivalency diploma. Unfortunately, the GED equivalency diploma has lost considerable credibility with employers and colleges. The military does not recognize it at all. In contrast, the adult high school diploma is a state-endorsed, locally issued diploma with all the merits of a regular high school diploma.

Further, the adult high school diploma is the best bargain in education today. Not only do adults benefit, but so do the children most in need. Research from Headstart programs report a significant correlation between the reading level of the parent and that of the child. Literate, educated parents become partners with schools in producing children who can achieve high academic standards. The reverse is also true, putting the children of uneducated parents at a severe disadvantage. These parents may have negative images of a school system that ultimately did not meet their needs. This is the home environment of too many children who will be attending our public schools in the year 2000. This is the time for a generation of children who have access to a thorough and efficient education and a generation of parents who support schools because schools support them.

In 1990, Goals 2000 included adults in its mission by supporting a goal to eliminate functional illiteracy nationally by the year 2000. This goal is essential if our economy is to flourish and our children are to reach their full academic potential.

Certainly, we have a long way to go to achieve 100% literacy when over 21% of adults in New Jersey cannot complete a job application or read a bus schedule. Of that number, 13% were born in another country and cannot communicate in English.

Economically, New Jersey cannot survive without a literate adult population in our workforce. The jobs that are available demand high level skills that people cannot learn without a solid grasp of the basic skills. Job training without basic education will not work when the trainees do not have the reading and math skills to access the information. Without an available and competent workforce, business and industry will move to other areas of the country.

Even a small community like North Plainfield, with fewer than 20,000 residents in our 3 square miles, attracts adult high school students from 43 surrounding communities. This year our enrollment soared from 226 in 1994 to 583 in 1995 and we have a waiting list of almost 200 people. Over 25% of our students are between 16 and 18 years old and more than 65% are of Hispanic origin.

Our students want to help their children do well in school and they want a chance to compete for better jobs. Adult students become citizens, they vote, they can even become governor of the state of New Jersey as former Governor Florio proved.

What will happen if we do not give adults in New Jersey the chance to improve their lives through secondary completion programs and literacy programs? Will we spend our resources on swelling prison populations and welfare rolls rather than educational programs? Adults deserve a second chance to complete their education. They deserve the option of attending an adult high school program that gives them the same chance to acquire the necessary proficiencies for a successful life that every high school student has.

Representing not only the community of North Plainfield, but also the one million, five hundred thousand adults in New Jersey who do not have a high school diploma, I applaud your recognition of the adult high school as part of the mission to provide a thorough and efficient education to the citizens of New Jersey, whatever their age, and suggest that you allow us to work with you in developing a clear and equitable funding formula for this program.

Thank you so much for being a receptive audience.



EDUCATIONAL MEDIA ASSOCIATION OF NEW JERSEY

I am Suzanne Manczuk, representing the Educational Media Association of New Jersey [the school librarians' professional organization, an all-volunteer association]. E M A commends the Department of Education for recognizing the critical importance of school library media services in the Core Content Curriculum Standards and for providing fiscal support for library media specialists in the funding model being considered by the Legislature.

Funding resources in the school library media center is both effective and efficient. Resources in the media center support cross-curriculum/multi-disciplinary instruction for all grades and reading levels. The library media specialist not only manages the vast and diverse resources in the library but also selects, purchases and encourages optimum utilization of all resources, developing the students' ability to move seamlessly among resources regardless of format. Classroom attendance and individual student attendance in library media centers is rising as a result of resources now available in classrooms. Classroom teachers realize that their resources can provide preliminary information, but in-depth information and instruction to access and assess a variety of resources is most appropriately provided by the information specialist - the library media specialist. Simply put, books, magazines, electronic data bases, 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!); in addition, the trained professional staff member is there to teach the information process skills. The concept of technology is not new to the library media specialist. For years the school library has been the hub of information resources in ever-changing formats. The advent and use of computers for information retrieval is simply a natural progression in the the development of technologies.

Students need access to both school and public libraries. School library media centers, through age and reading level appropriate resources and instruction, specifically support the curriculum while public libraries serve the interests of the whole community. The school library media program is a catalyst for all academic instruction and a dynamic force for excellence in education. It links multimedia, print, and technology to classroom instruction. Not all students have the means to physically get to their public library, but all students do attend school. Electronic access to public libraries via modem is often limited in terms of number of patrons that can dial in at one time and/or the amount of time that a patron may spend on line before another person is granted access. Many students can access electronic information all during the school day (and in some districts students can access information in the evening); much of students' time "on line" can be extensive in terms of minutes connected to databases.

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



NJ EDUCATIONAL MEDIA ASSOCIATION OF NEW JERSEY

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., published as *The Impact of Library Media Centers on Academic Achievement*. EMANJ believes that 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." (the report of the education technology task force on *Technology and New Jersey's Schools in the 21st Century*, March 6, 1996, p.9). If a school is beginning to implement technology, the logical place to start is the library media center because all students come to the library. As more funds are acquired, the network can web out from this hub to the classrooms.

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 [school library media specialist]."

[References:

Becker, Dale Eugene. *Social Studies Achievement of Pupils in Schools with Libraries and School Without Libraries*. Ed. D. Dissertation, University of Pennsylvania, 1970.

Callison, Helen Leppard. *The Impact of the School Library Media Specialist on Curriculum Design and Implementation*. Ph. D. Dissertation, University of South Carolina. 1979.

Hodson, Yvonne D. *Values and Functions of the School Media Center as Perceived by Fourth and Sixth Grade Students and their Teachers in Compared School Settings*. Ph. D. Dissertation. State University of New York at Buffalo, 1978.

Nolan, Joan Parmeter. *A Comparison of Two Methods of Instruction in Library Research Skills for Elementary School Students*. Ed. D. Dissertation. Temple University, 1989.

Smith, Jane Bandy. *An Exploratory Study of the Effectiveness of an Innovative Process Designed to Integrate Library Skills into the Curriculum*. Ph. D. Dissertation, George Peabody College for Teachers of Vanderbilt University, 1978.]

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 use of newspapers was significantly greater in schools with professional library media personnel.



EDUCATIONAL MEDIA ASSOCIATION OF NEW JERSEY

[References:

Didier, E. K. *Relationships Between Student Achievement in Reading and Library Media Programs and Personnel*. Ph. D. Dissertation, University of Michigan, 1982.

Loetscher, D., M. L. Ho, and M.M. Bowie. *Exemplary Elementary Schools and Their Library Media Centers: A Research Report*. *School Library Media Quarterly*, 15 (3), 147-153, 1987.

McMillen, R. D. *An Analysis of Library Programs and a Determination of the Educational Justification of These Programs in Selected Elementary Schools of Ohio*. Ph. D. Dissertation, Wayne State University, Detroit, Michigan. 1965]

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.

[Reference:

Krashen, Stephen. *The Power of Reading*. Englewood, CO: Libraries Unlimited, Inc., 1993.]

4. Higher educational gains in reading and library skills were achieved by elementary 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 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.

[Reference:

Gaver, Mary V. *Effectiveness of Centralized Library Service in Elementary Schools*, 2nd Ed. New Brunswick, NJ: Rutgers, 1963.]

Even though changes in teacher certification requirements may require the inclusion of technology training as a condition for certification, they do not require training in accessing, evaluating, selecting, assessing and using a multitude of appropriate technological resources. The library media specialist is trained and experienced in the application of technological resources. The library media specialist networks with administrators, supervisors, teachers, and other libraries not just in local districts but on statewide and national levels to provide the latest developments in educational trends and library curriculum.

In the latest form of the Core Curriculum Content Standards, the library media center (and instruction) is included in the progress indicators of a number of standards. For example, students in the 4th grade should know how to use a media center to obtain



NJ EDUCATIONAL MEDIA ASSOCIATION OF NEW JERSEY

information. In order for students to master the complex and sophisticated skills of information literacy, both print and technological, they must be taught by a certified library media specialist who has formal training and expertise in accessing and evaluating information.

The school library media center is and will continue to be the access point for all print and technological resources and is the facility in which the library media specialist provides the instruction necessary to interpret, evaluate, and apply the information obtained there.

I thank you for the opportunity to speak to this committee and to provide documentation that supports funding school library media centers and certified school library media specialists.

Thank you for the opportunity to give written testimony today regarding the proposed funding formula currently under consideration by our legislators. My name is Elizabeth Thompson and I am the current president of the Hanover Township Board of Education.

My fellow board members and I, as well as many of our parents are extremely concerned about the future of education in our Township should a formula, like the one being proposed, be passed and instituted. The funding formula would have devastating effects for our district because we have no place left to cut our costs, other than reducing staff. You might say that we saw this coming. We were one of the districts that was hit hard by the administrative penalty. The goal of our board was to reduce costs in the administrative area to get ourselves out of the "penalty box." To do this we were forced to cut a key administrative position, a position that was once held by two full time staff members. On top of that, we scrutinized our budget to look for cost savings line item by line item. We recently changed health plans because we realized a savings. We reduced positions and cut staffing for reasons of economy and efficiency, but we are fast approaching a time when we may have to consider program cuts. You see, even with all of the scrutiny and cost cutting measures that we have taken thus far, we are still well over what the proposed funding formula would allow per pupil.

After giving the comprehensive plan a good deal of thought, it occurred to me that we will never be a district within the allowable ranges of the proposed plan because the bulk of our costs are those which we have little or no control over. We can't find a way to make these costs go away.

Our first problem is the configuration of our district. We have 4 elementary schools. This was a decision that Hanover Township made decades ago. For better or worse, we are stuck with it. Sure, it would be more economical to have all of our students in one large building, but it can't be done. All of our buildings have certain fixed costs and we must live with them. After all, you can't teach children without lights and heat.

Our second problem is one that has been imposed on us by the legislature and our courts. Specifically I am referring to tenure, salary guides and the entire bargaining process. We, here in Morris County, live in one of the most expensive places in our nation. This is reflected in the salaries that we pay our teachers. Boards of Education are powerless to reduce these salaries because of protections written into the law. Salaries account for a good 80 percent of our budget. The only way to reduce this cost is to eliminate staff. Unfortunately, with tenure standing in the way, we must make our cuts from the bottom up. Instead of eliminating

the teacher who is being paid \$65,000. per year, we must cut the new hires who may only be making \$32,500. The end result is that twice as many staff members must go. As a board member, I am worried about what this will do to class sizes. The proposed plan would have us cut such a substantial portion of our budget that class sizes would have to double-- from 19 or 20 to 38 or 40. Our buildings would never support this many children in one room.

Something has to be done to help boards like mine to reduce the costs of salaries if a plan like the proposed one is going to be instituted. The salaries didn't get where they are overnight and can't be scaled back overnight assuming that the laws remain unchanged. The idea of a single number representing the cost of a thorough and efficient education according to core standards only makes sense if all labor costs are standardized through out the State. Right now, the cost of presenting a core curriculum is going to be much less in a district where the teachers are less experienced and making less money than in my district where we have a lot of experience and high salaries.

I have also given consideration to the idea that perhaps the people in Hanover Township would be supportive of the school budget and vote for spending over and above the per pupil level recognized by the plan. I suppose this is possible, but at what cost in the time and effort of campaigning? We'd end up as a town divided.

I am requesting that some consideration be given to the following ideas in finalizing a funding formula:

1. Every district has its own costs of staff contracts that by law, boards can't cut unilaterally. These contracted costs should be the starting point for the per pupil cost of a thorough and efficient education in each district.

2. On top of that fixed contracted costs should be allowances for transportation, programs, special education, etc.

3. There needs to be some recognition that the costs will always vary from district to district because of cost of living, number and age of buildings, transportation, and number of special needs children. To think that it can be averaged out across the state and work for every district is ridiculous.

4. If the thought persists that districts like mine are spending too much, give us an incentive to reduce our budgets.

5. Help us in the area of staffing costs. Take immediate action to abolish tenure. Void all existing contracts for staff by law and instead impose a State formulated salary guide for all employees.

Respectfully submitted

Elizabeth D. Thompson
ELIZABETH D. THOMPSON

14216YEC630

5-21-98 160265 MC



