
Public Hearing

before

SENATE EDUCATION COMMITTEE
and
ASSEMBLY EDUCATION COMMITTEE

SENATE BILL No. 40 AND ASSEMBLY BILL No. 20

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

LOCATION: Voorhees Middle School
Voorhees, New Jersey

DATE: July 29, 1996
2:00 p.m.

MEMBERS OF SENATE COMMITTEE PRESENT:

Senator John H. Ewing, Chairman
Senator Gordon A. MacInnes

MEMBERS OF ASSEMBLY COMMITTEE PRESENT:

Assemblyman John A. Rocco, Chairman
Assemblyman David W. Wolfe, Vice-Chairman
Assemblywoman Marion Crecco
Assemblywoman Barbara W. Wright
Assemblyman Craig A. Stanley

ALSO PRESENT:

Assemblyman Carmine DeSopo
District 7

Kathleen Fazzari
Office of Legislative Services
Aide, Assembly Education Committee



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

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ASSEMBLYMAN JOHN A. ROCCO (Chairman, Assembly Education Committee): Let's take our seats, please. Let's call the hearing to order.

I welcome everyone to the hearing today dealing with school funding. I would like to introduce the Chairman of the Senate Education Committee, Senator John Ewing.

Jack, do you want to say anything before we get started?

SENATOR JOHN H. EWING (Chairman, Senate Education Committee): Hello.

ASSEMBLYMAN ROCCO: Why don't we -- beginning on the right-hand side -- introduce ourselves, so that everyone will know who you are.

ASSEMBLYMAN CARMINE DeSOPO: I am Assemblyman DeSopo.

MR. RUSSO: I am Dave Russo, Budget Director, Senate Democratic Office.

MS. LANG: Wendy Lang, from the Senate Majority Office.

SENATOR EWING: Senator Ewing, District 16, Chairman of the Senate Education Committee.

ASSEMBLYMAN ROCCO: John Rocco.

MS. FAZZARI: Kathy Fazzari, Committee Aide, from Legislative Services.

ASSEMBLYMAN WOLFE: I am Dave Wolfe, Ocean and Monmouth Counties. I live two miles from the end of Route 70 -- at the other end, over there.

ASSEMBLYWOMAN CRECCO: Marion Crecco, Essex and Passaic Counties.

MR. HARRIS: John Harris for the Assembly Task Force on School Funding.

MR. TEELE: Jason Teele. I work for the Assembly Democratic staff in Trenton.

ASSEMBLYMAN ROCCO: Christine Costigan.

MS. COSTIGAN: Assembly Majority Office in Trenton.

ASSEMBLYMAN ROCCO: We have a number of speakers today, and we will try to get through as quickly as possible. I think Senator Ewing set the pace the other day when we went to the hearing in Trenton. Basically, you will have five minutes to make your presentation. With so many people, it would not be fair to those waiting. At the end of five minutes, we will notify you that your time is up. Then we will move on.

Members of the Committee, I am sorry to say that we will not have the time or the ability to do the type of questioning you might normally do. Once we get together and have all the data collected and all the input from those who would like to testify, then we can have our session where we can battle the issues.

I have to first make this announcement: In case of fire or emergency, please use the exits located to the left and rear of the seating area. Also, smoking is not permitted anywhere in the building.

Thank you.

SENATOR EWING: Is the bomb-sniffing dog here?

ASSEMBLYMAN ROCCO: What, Jack?

SENATOR EWING: The bomb-sniffing dog?

ASSEMBLYMAN ROCCO: No.

The other thing is, if you have written testimony that you would like to pass to the Committee, please come forward and provide us with it.

The first listed speaker will be Senator James McGreevey. Is the Senator here? Obviously, you are not Senator McGreevey.

C H R I S T O P H E R P A O E L L A: He always says that he looks young, though.

Unfortunately, Senator McGreevey is not able to be here today. He asked me to convey his best wishes. I have a statement from him to read to you. My name is Chris Paoella. I am with the Senator's office.

ASSEMBLYMAN ROCCO: Okay.

MR. PAOELLA: Governor Whitman's Comprehensive Plan for Educational Improvement and Financing, as enacted in Senate Bill No. 40, will do little to improve school financing in New Jersey. The administration's proposal perpetuates the greatest inequality in New Jersey's school financing -- the increasingly untenable dependence on the local property tax.

New Jersey currently has the second highest property tax in the nation. Residents now pay \$11.3 billion each year, nearly \$2 billion more than the combined revenue from the State's sales, income, and corporate taxes. Most of these property tax dollars go to fund our public school system.

The local tax burden is increasing. The Whitman administration, by cutting State aid to municipalities and school districts, has caused local property tax rates to skyrocket. Income tax reductions have been more than canceled out by property tax hikes. In the year after the Governor's first

income tax cut, the average home owner actually paid a net increase of \$126 in taxes. This disproportionate reliance on the property tax has created--

ASSEMBLYMAN ROCCO: This isn't political in any way, is it? This really deals with school funding, correct?

MR. PAOELLA: I think it will, as you will see, sir.

This disproportionate reliance on the property tax has created an uneven economic playing field which is chasing business out of New Jersey and literally forcing working middle-class families from their homes.

The Supreme Court's ruling in *Abbott v. Burke* offered a unique opportunity to reevaluate our reliance on the local property tax to fund education. The Governor has sadly missed this opportunity. Her Plan still relies on local property taxes to fund the vast majority of educational expenses, including much of the basic core curriculum expenditures and all spending above that State-set, bare-bones figure. The Governor's Plan would increase State funding of school budgets by only 0.4 percent, leaving the burden of educational funding squarely on the shoulders of local property taxpayers.

Working middle-class communities will be hardest hit. They face declining rates of State aid and an administration that is deaf to the problems of skyrocketing property tax rates. Indeed, under the Governor's Plan, almost one out of five districts, many of them in working middle-class communities, will actually see a drop in State aid.

Ironically, the Governor's Plan swims against the tide of real innovation that is sweeping across the nation. States like Michigan, under conservative Republican Governor John Engler, have implemented dramatic, successful reforms to introduce real equity into their school funding systems.

With overwhelming voter support, Michigan abolished its reliance on local property taxes and implemented a more equitable, statewide tax package to pay for public education. The share of school budgets funded by local property taxes dropped from over 60 percent to 32 percent in only one year.

Today, Michigan students enjoy a more responsive, more equitable school system. Michigan taxpayers enjoy a fairer tax system that does not unjustly burden the working middle class. Other states across the union are following Michigan's lead. Why is New Jersey lagging behind? When viewed against these truly innovative reforms, the latest proposal is nothing more than a retrenchment of the status quo. Changing the formulas without changing the system is not real reform. In fact, when they are held up to hard numbers, even the Governor's small promises of change fall flat.

Much of the \$235 million State aid increase promised by the Governor's Plan is actually nothing more than financial shifts and offsets. County special services districts have traditionally received aid directly from the State. Under the Plan, this same money will now be funneled through the student's home district and counted as additional aid. Aid to the State-run districts of Paterson and Jersey City has traditionally flowed from State to municipality to school district. Now the same money will go directly to the school district and the administration will claim it as a \$65 million increase in aid, although the districts will, in the end, receive no more than before. Real school finance reform cannot be built on such intellectual dishonesty.

The Plan also fails to cover future spending. Without \$235 million in additional State aid for Fiscal Year 1998, the administration's Plan cannot go forward as proposed. Unfortunately, the Governor has not yet

explained where, in a time of decreasing revenues and belt-tightening, these funds will come from. This figure of \$235 million does not include funding that will be necessary to cover pension costs. The price tag for teachers' pensions has increased fivefold over the past three years. Without a specified source of funding for these growing expenses, or a comprehensive reform of the State education tax structure, the Governor is simply mortgaging the State's financial future to cover the rhetoric of this so-called reform. In two or three years, will we see property taxes increase yet again to cover the multimillion-dollar gap that the Governor's Plan would create?

The long-term solution to New Jersey's school finance problem can only be achieved by ending reliance on the local property tax -- the source of fiscal inequities across school districts and across income groups. We must take a cue from Michigan and other progressive states and attack the problem at its core, not around its edges. It is time to abolish the local property tax and implement a more equitable, statewide tax package to finance our State educational system. We cannot afford to postpone true reform any longer.

Governor Whitman's school finance program changes the labels, but does not reform the fundamental inequity of the current system. Simply changing the name of foundation aid to core curriculum aid will not meet the Supreme Court's mandate. Simply shifting the terms of the State aid formula, while keeping the end figures the same, will not lift the property tax burden which is crushing working middle-class taxpayers. The citizens of New Jersey want real education reform and real property tax relief, not empty rhetoric and a return to the status quo.

Thank you. (applause)

ASSEMBLYMAN ROCCO: Thank you, and we thank Senator McGreevey for sending us the information.

We cannot have applause, because there is just too much to move ahead on. That is just time consuming.

Dr. Phil Esbrandt, Superintendent, Cherry Hill Public Schools.

PHILIP ESBRANDT, Ed.D.: Members of the Senate and the Assembly: On behalf of our host school district, Voorhees, I extend a thank you for your participation today on behalf of Ray Brosel. Ray could not be here today as the Superintendent. He had a death in the family.

What I would like to do today is just describe and react to some of the work that has been done by the Assembly Task Force. On behalf of the Camden County Association of School Administrators, it is a pleasure to address you to support some of the proposed improvements in the educational funding system for New Jersey public schools, and to suggest some other items for inclusion, hopefully in the legislation that will be passed this fall.

Earlier this month at the World Future Society Conference held in Washington, D.C., an announcement was made which most of us in education are aware of, but which our general society has not yet accepted, that is, that schools and school districts are very complicated systems. It was reported that the Burpee Seed Company CEO, after chairing a six-month study of public education by a number of corporate CEOs, stated that educational systems are far more complex than those encountered in the business world. One CEO marveled that any productive changes could take place in public education would be a surprise.

Today's forum marks another milestone in New Jersey's efforts to adjust the complex systems in education to produce a more responsive and effective educational system in New Jersey. New learning proficiencies were recently proposed with a new funding formula as outlined in the Comprehensive Plan. Modifications and improvements to that set of proficiencies were developed under the leadership of Dr. John Rocco. The Camden County Association of School Administrators was pleased to participate in that process and make several proposals included in those.

What I would like to do today is describe for you why I think the proposal the Task Force came up with to grandfather the current spending in each school district at the level currently spent, rather than the T&E spending level, is important. It is important for a couple of reasons:

It begins to create some trust and credibility between the State and local school district. It is also important for each of the funding savings plans to be incorporated through incentives or awards later to work.

Now, in the business world, downsizing produces a lot of fear in our economy -- the fear of what will support us as a family. In education, that same kind of fear exists, but the fear is expanded because the fear is related to our perception as parents and as employees in school districts as to what the future will hold in this country, if the promise of opportunity does not exist through public education. So it is a concern that if anything is labeled as unconstitutionally acceptable expenditures, or excessive expenditures wind up being placed before the voters, that that denies the fact that there are constituents with legitimate concerns for the needs and desires of programs and services currently in effect for students.

With many school districts since 1990 having already made a significant reduction in programs and services while having growing student populations, the possible expansion of those reductions by requiring local voter approval for expenditures above the State's definition of thorough and efficient produces a greater fear of loss and causes many to question our State officials' understanding of a complex system.

To continue to review the funding patterns of school districts up to this point prevents needed educational progress. Passing the grandfathering of current spending levels allows both State and district levels to focus on the question of cost-saving concepts. For instance, instead of recommending a reduction in aid for special education students when the State-imposed maximum of 10 percent of the district's students is exceeded, we suggest developing incentives to reduce the number of students classified as special education. Through a declassification of present special education students and a reduction in the number of future students classified, students' needs have to be met more effectively through local creativity requiring less State aid.

To accomplish this, the State should provide financial incentives to follow a declassified student for a minimum of three years at a rate lower than the special education reimbursement rate, and to discourage a reclassification followed by another round of declassifications. Reductions in the total classification rate of a district should be established and, if targets are achieved, the local district should receive a financial award to encourage future handling of potential special education students.

In the area of at-risk students: School districts should not be excluded from receiving aid for at-risk students only from a 0 to a 20 percent

rate, and only funding of the 20 percent or greater number of students in school districts.

Also, to encourage local districts to produce savings which reduce the burden on the State, there should be a safety net for school districts. If savings are created in any one year, the next year the T&E level should not be reduced by that savings amount. Any money coming to a local district on a proportionate basis should be continued as part of the cap of the T&E for that school district. If a district is penalized by losing State aid after having created a savings plan, it winds up discouraging districts to create future savings.

There are incentives we look for in the area of transportation. Ask parents for waivers -- or students and/or parents for waivers, allowing the district not to plan to have seats for those students, thereby consolidation of bus routes may take place over a period of time.

There are very specific items in the Task Force recommendations which I would like to reiterate and indicate our support for:

*School elections should remain in the spring for the election of school board members and for approval of the budgets when necessary. School districts are a separate form of State government designed to operate in a nonpartisan way. This tradition should be maintained.

*Many schools in the State are in a deplorable fiscal and financial condition. Many schools are in deplorable physical shape, while student enrollment is rapidly increasing in many areas. New facilities, replacement facilities, renovations, and upgrading of facilities are needed. Our organization supported the legislation that would have permitted the voters in November

to choose to increase taxes on cigarettes to pay for school facility construction. With this proposal seemingly dead, similar legislation should be considered.

Two other points:

We have a concern that the data used in calculating aid under the Quality Education Act was not trustworthy. The data is related to income of local areas, as well as enrollment data. So within each school year, it is recommended that there are two enrollment counts, one in October and one in February. This would encourage districts to continue to hold enrollment established in the fall, and to meet enrollment growth in those districts affected by growing student populations.

Due to zip codes overlapping school district boundaries and State income tax returns which do not reflect information about home districts, a fairer distribution would be created if we had the software and data required in the Department of the Treasury and the Department of Education to support the information in the funding formula.

In summary, the proposed legislation to fund public schools in New Jersey addresses many concerns.

ASSEMBLYMAN ROCCO: I have to ask you to wrap up, Dr. Esbrandt.

DR. ESBRANDT: With the improvements proposed in the final report and a few modifications which we have suggested, school systems and the State will forge partnerships which will lead to cost-saving efforts which flexibly meet the needs of all students in New Jersey.

ASSEMBLYMAN ROCCO: Thank you, Dr. Esbrandt.

Arthur Motz, Superintendent, Wildwood Public Schools.

ARTHUR MOTZ: Good afternoon. On behalf of the Wildwood public schools, I welcome the opportunity to interact, once again, with the Legislature as you continue to pursue the formidable task of equitably funding the schools of New Jersey. We have represented the concerns of our district with alarming frequency during the past five years. For the past two years, you have understood our problem and responded to our plight through special appropriations, and for this we sincerely wish to thank all concerned.

So now we hope to jointly cross a threshold to a new improved funding environment where Wildwood and its unique needs are adequately and routinely dealt with. Quite honestly, we all have more productive activities to deal with in the middle of the summer instead of you listening to me lament the status of Wildwood's funding under this current proposal. But we have serious problems.

I will start with the most evident and the most devastating area of the new formula as it impacts on Wildwood -- special education. Yes, I will admit that in Wildwood we do have a higher percentage of special education students than called for in the model. A great many of these students join us from other districts where they had already been classified, and we have assiduously complied with State mandates in special education in an attempt to conscientiously serve all of these children. Despite my perceived basic understanding of the cap on aid to districts such as us who, by chance, attract a high percentage of families having children with special needs, I am still shocked every time I look at the projected aid printout for the county which indicates that one of our sending districts with fewer than half our student population gets nearly twice as many special education dollars. And to this

time, my requests for an explanation have yielded nothing but shared incredulity and the realization that this is a built-in budget shortfall for the Wildwood School District of \$300,000.

Added to this financial blow will be the effect of the elimination of all State aid to our exemplary Cape May County Special Services School District. The reality of this concept will cost the Wildwood School District an additional \$324,000, with a resulting 5.65 percent increase in local taxes. To put it plainly, the net effect of the proposed special education funding alone will result in the continuation of the financial devastation of the Wildwood School District.

I will now turn to a seemingly brighter side of the proposed funding picture, the Early Childhood Program. Proposed aid figures reveal that Wildwood will receive more aid here than in any other Cape May County school district, except for one that is substantially larger. Thus, our unique clientele and the extensive needs of our district are at last recognized and compensated for, but only up to first grade. I wish to add here that full-day kindergarten has always been the norm in Wildwood until financial necessity caused it to be swept away three years ago.

We have not yet analyzed the actual application of this funding largesse, but we know that acquisition of these funds will hinge upon us being able to acquire space in which the expanded program can operate. Attacking potential learning difficulties as early as possible is a proven strategy for educational improvement. This aspect of S-40 is refreshingly forward facing.

While we are encouraged to see that our needs were perceived and addressed in the early childhood component, we find the persisting shortfall

in the former Foundation Aid category to be only slightly ameliorated by the new core curriculum aid. Certainly, against the backdrop of the financial holocaust stemming from the special education funding plan, the Wildwood schools will be less financially secure than under the remnants of the infamous QEA.

This is particularly devastating because of the cumulative erosion of programs, morale, and support that the district has undergone during the time of the QEA. Our community is at a crucial financial crossroads with the highest taxes in the county, the lowest per capita income, and sinking property values. Local citizens are openly rebelling against all governmental agencies' requests for support. Therefore, any aspect of the school budget that may require public approval will not survive in this climate.

I ask you to please scrutinize this proposal against the background I have presented to you.

I thank you very much for hearing me.

ASSEMBLYMAN ROCCO: Thank you, Mr. Motz.

Dr. Walter Krug, Superintendent, Absecon Public Schools.

WALTER F. KRUG, Ed.D.: Good afternoon, ladies and gentlemen. I am Walter Krug, Superintendent of the Absecon Schools in Atlantic County. Our K-8 school district of about 1000 students is a member of the Garden State Coalition of Schools, an organization that is committed to quality education for all children in New Jersey.

If the proposed legislation is enacted with its current language, it will devastate many school districts and Absecon could be considered a preview of coming attractions for the children of New Jersey. In the past six years, our

school district has been slowly dismantled due to reductions in State funding, voter reactions to local tax increases, and negative statements about public education made by our State educational and governmental leaders.

In the late 1980s, the Board of Education and citizens of Absecon were proud of their school district. Of particular importance were full-day kindergarten, small class sizes, a broad program of studies, and low per-pupil spending. Today, we no longer have a full-day kindergarten, class size at most levels has grown by more than one-third, and programs have been eliminated. We can, however, state that our spending continues to be very low, a fact that may not be in the best interests of our children or our community.

According to the State Comparative Guide on School Spending, Absecon is fifth lowest in spending among 85 comparable school districts. This is over \$1000 per student below the minimum T&E spending called for in this bill.

Although Absecon is not confronted with the issue of spending over the maximum T&E budget, the proposed funding Plan must be restructured to permit districts to maintain their spending levels without penalty. If they are forced to seek voter approval for those expenses which are above the T&E maximum, I confidently predict that many high-achieving school districts will face the same fate as Absecon has over the past few years. The objective of developing world-class schools will never be achieved.

A listing of the many programs and services which have been reduced or eliminated for the children of Absecon is attached for your review. In addition to the changes stated earlier, we have reduced library services, decreased the services of the teacher of gifted and talented, eliminated

instrumental and classroom music in grades 6-8, eliminated class trips, and the list goes on.

When budgets are cut, most school districts focus on administrative and support personnel, and repair and maintenance of facilities. Many of these reductions may be penny wise and pound foolish. In Absecon, the first position eliminated in 1991 was a curriculum coordinator. A skeptical Board of Education established this position in 1989, and after only two years saw the value of such a person.

New Jersey is in the process of establishing core curriculum content standards in all areas. If key planning positions such as curriculum and staff development leaders are eliminated, it will reduce significantly the ability of the district to address program improvements. In the case of a district such as Absecon, the curriculum responsibilities fall on the shoulders of the superintendent and two principals. As a practical matter, the people in these positions focus on the daily needs of students and staff and are unable to devote time on planning program improvements, a critical missing ingredient in our school district.

Several of the proposed components of the Senate bill require comments:

- 1) In special education, the arbitrary cap is unfair. Children are not classified so districts will receive additional State aid. In fact, the aid per child does not cover the costs of their education.

Funding for special services school districts must be included in any plan. Ironically, while the State is promoting regionalization and

consolidation of services, it proposes reducing funds for one of the most cost-effective and beneficial services -- the special services districts.

2) A second area involves at-risk aid. These funds must follow the children and not be confined to districts in which a high percentage of students are in poverty.

3) School elections need to remain in April. Absecon's Board is an apolitical group. To move the elections to November will increase the likelihood that candidates will present a political agenda and not focus on the educational needs of children.

4) The proposed transportation funding also needs to be reexamined. Under the proposal, too high an emphasis is placed on efficiencies in busing.

5) The stabilization of increases noted in the bill should be modified to allow significant changes in the first year and cap those increases in future years. The Absecon schools are entitled to twice as much aid in 1997-1998 under the prelimit calculation -- about \$900,000 over the current level -- but will be limited to a mere \$25,000 increase, or 3 percent of its entitlement, under this provision. This is wrong.

We support several areas of the Plan:

1) The Plan remedies an injustice for districts that financed new school construction through lease purchase.

2) The Plan also addresses the catastrophic expenses for out-of-district placements.

I urge you to modify the proposed legislation and provide the needed funds which will enable all our schools to become world-class schools for the 21st century.

Thank you.

ASSEMBLYMAN ROCCO: Dr. Krug, would you just stay for a moment? This is not a questioning process, but I think Senator MacInnes does have an interesting issue to bring forward.

SENATOR MacINNES: Dr. Krug, could you clarify your statement, under point 4, that too much emphasis is placed on efficiencies in busing?

DR. KRUG: Yes. My understanding of the bill in my reading of it is that the capacity of the bus and the efficiency of making sure that the bus is at complete capacity, or at high capacity levels, is emphasized. I think that is unfair, for example, in rural districts where providing maximum utilization of that bus, in other words, 95 percent to 100 percent efficiency, is going to be unfair to the children. Some of them may have to ride for longer periods of time, whereas the current levels of busing may provide shorter distances of travel.

Also, for example, a high school district, where students are permitted to drive to school-- They may have to reserve a spot on the bus for students who may, on occasion, ride that bus, where, in practice, they drive to school every day. Those are the kinds of efficiencies.

My understanding is that the top 10 percent will receive the most aid. The top 10 percent in terms of efficiencies, the highest capacities on the

bus, will receive a high percentage of aid. The lowest 10 percent will only receive 50 percent of that, with a graded portion in between.

Does that answer your question, sir?

SENATOR MacINNES: Yes. Thank you.

ASSEMBLYMAN ROCCO: I think, to follow up, there have been several suggestions at the previous hearing with regard to more efficiency in busing. This Committee, I can guarantee you, both on the Assembly and the Senate sides-- Nothing is etched in stone at this point. We are always looking for recommendations. You have given us some, and maybe transportation is one you might want to come back to us with.

Thank you.

James Murphy, Executive Director, New Jersey Association of School Administrators. Mr. Murphy, who brought his trusted companion, Joe, along.

J A M E S H. M U R P H Y: Good afternoon. I am Jim Murphy, Executive Director of the New Jersey Association of School Administrators. My testimony today will reflect the collective opinions of all types of school districts in New Jersey.

NJASA believes that the State Plan -- as introduced -- under consideration by the Legislature, is unworkable, and that many changes must be made. We also believe that the core curriculum content standards, the Comprehensive Plan for Educational Improvement and Financing, introduced by the Department of Education, and the legislative bills are not connected to each other, although we have heard a lot that they are.

The assumptions made by the Department of Education to determine per-pupil costs we do not believe are valid, and the models created as hypothetical school districts are not the real world. We have been attempting to receive information to get at the assumptions made in the formulation of this Plan, and we have been rebuffed. Recently, we received some partial information, which we are now analyzing. This made it very difficult on the education community to really get to the bottom, as I like to say, of the devils and the details of this Plan.

We believe that the per-pupil amounts used are arbitrary, low, and budget driven and must be revised to reflect the actual costs. We also believe that every type of school district is adversely affected.

Some examples:

Under parity, this Plan cements expenditures for the special needs districts approximately \$1000 below the *Abbott* decree. We believe that the I&J districts are also being arbitrarily leveled down in an attempt to achieve parity. We believe that this approach serves neither the children in wealthy communities nor in the poor. We believe that it also pits one community against the other.

With reference to special ed funding, we disagree with the idea of the cap. Special education support should not be capped. The State's attempt to do this, we believe, discriminates against the disabled population.

The State Plan is also providing significantly less funding than it would have in the past. Since 1992-1993, special ed aid in this State has been frozen flat. Since 1992-1993, three years at \$582 million. If you just took the increase in the enrollment and modest inflation, we should be spending about

\$725 million. This proposal would spend about \$525 million less than was spent in 1992-1993, with the result that that is passed on to the local districts and picked up by the local taxpayers with their bills.

We also believe that progress can be made, and we are working with the New Jersey School Boards Association, other organizations, and disability groups to formulate a system that addresses real costs, is fair, and provides a simplified classification and reimbursement system.

You heard previously about the special services districts. I would like to reiterate that. We believe that is unworkable. The State Department is saying that you have \$42 million that used to go to the special services districts, but now it is going to the local districts. But our analysis says that only \$22 million is going to the local districts, which means that that money is going to have to be made up at the local district level in the form of additional property taxes. We believe that this scheme should be rejected, and that a comprehensive study should be done on how to deliver regional services, whether they be special services, educational commissions, or jointure services.

Transportation aid -- and I heard the previous testimony-- We are very concerned about the efficiency factor also. We believe that it penalizes school districts based on the factor. If you provide courtesy busing in this State -- which is really hazardous busing -- this efficiency rating will be adversely affected, and you could lose up to 50 percent of your aid. Therefore, districts are looking at the amount they are getting in transportation, but it is not going to happen because of the efficiency factor. That is what I call the devils and the details.

The regional high schools: We believe there should be a self-harmless clause for them because of the fact that our analysis shows that they would have to go out with \$40 million to the voters for money they are spending now, with no increase. We feel there should be a self-harmless clause and, also, we believe there should be something in the formula to speak to the regional factor costs.

At-risk programs: Our main complaint here-- Some progress has been made in the early childhood programs, but that 20 percent trigger should be rejected. We believe that if a child is at risk, regardless of what community, they should be served. We also believe that the districts are going to have a hard time with the early childhood programs because of the lack of facilities.

I am not going to go through the examples other than to say that you have to take a close look at the public/nonpublic per-pupil allocations. As I outline it here in my written statement, whether it be ESL, speech services, or compensatory education, the State has taken the amounts of money and reduced them, but for some reason, the amounts given to the public school students have been reduced more than the parochial students. We want to know why. We believe the public school allocations should be raised to equal the nonpublic allocations.

As far as the funding concepts, all categories of school districts believe -- and we go back to the commission in 1994 -- that the State must reduce its own reliance on local property taxes and craft a high foundation formula with annual adjustments for cost-of-living increases, providing us enough flexibility under the cap. Also, fund mandated programs, such as bilingual education and transportation. Special education should be

dependable and based on actual costs, and also current enrollments. We do not believe that any category of school district should be leveled down in this process. The State should continue to fully fund the pension and Social Security costs.

The budget appeal process should also be looked at. It should be amended. It should continue to have the Commissioner as the final authority. To leave the decisions to local elected officials will increase the incidents of political decisions dictating educational policy and ignoring constitutional requirements.

In summary, NJASA asks that the legislative Committees insist that the Department of Education explain, in detail, the formulas and concepts they used to craft a very complicated and untested Plan.

Essentially, the DOE is saying, "Trust us." Based upon the testimony from educational professionals, parents, and school board members, the proposed funding formula is unworkable and should not be trusted.

NJASA is prepared to work with your staffs to craft a fair and equitable funding solution within the concepts previously stated.

I wish to thank you for the opportunity to be here today. We will be looking forward to working with you in the months to come. Thank you very much.

ASSEMBLYMAN ROCCO: Thank you, Jim. Thank you for your work with the core proficiencies as well. It was very helpful.

The next group is a group from the Cape May County Special Services School District. Is that group here? (affirmative response from audience) Are you by yourself? There seems to be a number of names here.

G. LOY EHLERS: I have three parents with me.

ASSEMBLYMAN ROCCO: You're Michael Palombo?

MR. EHLERS: No, I am Loy Ehlers, the Superintendent of the Special Services School District.

Would you like them to come down, or just to wait a minute?

ASSEMBLYMAN ROCCO: If you would like them to come down with you-- Five minutes supplies them all, so if they want to come down, they can.

MR. EHLERS: Not five minutes apiece? Five minutes for the entire--

ASSEMBLYMAN ROCCO: Right, five minutes for Cape May County Special Services School District.

MR. EHLERS: Then I would rather have the parents from Cape May County present.

ASSEMBLYMAN ROCCO: Sure. Would they please come forward?

MR. EHLERS: This is Michael Palombo.

ASSEMBLYMAN ROCCO: Welcome, Michael.

MICHAEL T. PALOMBO: Okay. I will try to truncate this a little bit. We have five minutes for the entire group, I understand.

That was my wife and son who were here earlier, my son who was doing the laps around. I apologize for the interruption.

ASSEMBLYMAN ROCCO: No, we are happy to have him. That is what it is all about.

MR. PALOMBO: I thought it was important for me to join us. My wife would have been standing here with me. We have gone through a long endeavor. We want to thank you for the opportunity to testify here this afternoon.

We are proud to introduce our son who was doing the laps here. Mikey is a happy, energetic boy who has all the looks and qualities of an average five year old, with the exception of his mental development. If you were to meet Mikey for the first time, you might ask him how old he is, or ask him his name, or if the little girl next to him in the stroller is his baby sister. The response you might get is a smile and a puzzled look, rather than what we would normally get from a five year old, because, you see, Mikey is a handicapped child masqueraded by his healthy, normal appearance.

By a recently submitted Child Study Team evaluation, he is at a developmental level of a 22-month-old child. His speech and his current learning ability impede him from going to what we would consider kindergarten level in our township school district.

Mikey, although seemingly normal at birth, simply did not advance the way most infants and toddlers do. At the age of 18 months, we began a multitude of tests based on the fact that he was not walking. Tests ranged from Magnetic Resonance Imaging to Fragile X Chromosome Presence and, most recently, an Electro Encephlograph. The results so far with each test have puzzled all concerned, as there has not been any physiological abnormalities determined.

He began walking at the age of three, but his motor skills were lacking and his learning development is far behind normalcy. He currently is

still wearing diapers, and must be attended to at all times. Let me emphasize that we are encouraged. Mikey has advanced so much in the past year and continues to do so. We are grateful to those who have tirelessly and lovingly helped him to continue with his handicap.

At the age of 18 months, we were without the answers, but we were destined to do everything we could to ensure a normal and fruitful life for him. We enrolled him in what my wife and I consider one of Cape May County's most precious assets for parents like us: Cape May County Schools for Special Services. From the Early Intervention Program through Ocean Academy, in the past three years our son has had what we are so happy to say were specialized teaching professionals and aides from the occupational, speech, and physical therapy disciplines. He has been provided with both individual and classroom intervention.

The handicaps of some of Mikey's schoolmates range from CP to heart transplant to dwarfism, and many others, some that require constant care, such as feeding and suctioning. The facilities at special schools are designed for optimized utilization to ensure that the students have the best opportunity to grow.

Both Eileen and I believe that rather than a burden, we have been blessed with a special needs child, a child that deserves every right that a normal student in the mainstream deserves.

At a time when it is not only prudent to be fiscally responsible in the educational budgeting process but politically correct, we must not forget that there are ramifications to any changes, both good and bad. With regard

to the mainstreaming of children on a county and statewide basis, we have to look at the damage and hurt that can be done.

Sometimes in life things are simply too important to overlook. The quality of life and the education of our children are certainly tantamount. We live in the greatest country in the world. Its future belongs to our children.

We implore you, as our elected officials, to find a better way. While there are many beneficial attributes in the Comprehensive Educational Improvement and Financing Act of 1996, the shortcomings are profound. We must address these issues together and form legislation that makes all around sense and is best for our most precious asset as human beings, our children.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Mr. Palombo.

Do you want to make one last comment, Superintendent? (no response) Your five minutes are up for the group, you know, but we will have the next parent say a few words.

MARGARET A. CLARK: I registered separately, but I did ride up with them, so we are really not sure what procedure you want to follow here.

ASSEMBLYMAN ROCCO: You are all on the same sheet, so, you know-- We have 50 people to testify, so we have to move ahead.

Tell us from your heart how you feel.

MS. CLARK; Simply what I wanted to state -- it is here in writing so I can pass it to you -- is that my son is 25 years old, and he came through special services. We moved him into the Wildwood School District. We did that with great regret. We have suffered a lot with him. He has cerebral palsy.

Right now, he basically has no marketable skills. He does not have a job. He is subjected to just staying home and watching TV and listening to music. I implore you, because right now the Special Services School District, especially in Cape May County -- which we are familiar with -- has done a wonderful job. They have an excellent program where some of the students are now into the culinary arts.

One of the ways that I feel really bad for my son, Steven, is that he has always said he would love to open a restaurant. I feel now that had it stayed with special services, he may even have gained the knowledge and the talent to run a restaurant. But at this point, he has not had the opportunity to do that, because we decided to go with mainstreaming, as was the case back then. You know, it was get back into the local school district, but the local school districts are not -- they are not in any way prepared to handle the needs of special children.

ASSEMBLYMAN ROCCO: Thank you.

MS. CLARK: Thank you.

ASSEMBLYMAN ROCCO: Do you want to have your last parent make a brief comment, since they traveled all the way from Cape May?

MR. EHLERS: Yes.

JOAN THOMAS: My name is Joan Thomas. I have two children in the Cape May County Special Services School District.

As far as I am concerned, this school district is a blessing. Bryan is mentally and emotionally handicapped. Without the school, he would be nowhere. Barry was thrown out, literally, from Cape May Regional because of

his outbursts. He has really come far now, and I do not want to see him lose it.

I think what they are doing is wrong. I think special services should stay put, and they should find the funding elsewhere to balance the budgets.

ASSEMBLYMAN ROCCO: Thank you very much. We appreciate those comments.

Superintendent?

MR. EHLERS: My apologies, Assemblyman Rocco. I did not understand that it was five minutes for an entire group. Our assumption was that it was five minutes for each presentation.

ASSEMBLYMAN ROCCO: Even with groups like these and the administrators, five minutes is-- You have already had significantly more time than that.

However, if you want to summarize, please do so quickly.

MR. EHLERS: I won't summarize. I just want to point out one thing, I guess. You have a copy of my testimony and there is quite a bit of information there for you. If you look just at Enclosure 2, some people say that people are being dumped into special services, people are being placed there, and they are not. That is a copy of the MIS form from the Department of Education that is used to place-- Any student who is placed out of any school district, this form has to be filled out and approved by the Department of Education.

If you look at number *B*, on the left-hand side, they are all the options that school districts have in terms of placing children. Unfortunately,

in Cape May County, there is only one option, and that is the County Special Services School District. There are no private schools. There are no regional day schools. There are no jointures. There are no residential placements. So for any of those types of placements, a student from Cape May County would have to be placed outside.

On the back of that is the checklist for submitting that request. You can see section *B* again there where it is talking about, “Why is this the least-restrictive environment? What efforts have been made to place within the district?” And the criteria is listed for students to return to the district.

I have also put in some information about the tax impact to the local communities.

Thank you, again, for your time and for the extra time.

ASSEMBLYMAN ROCCO: We appreciate it, and we appreciate your bringing the parents down from the district.

Art Ball, United Cerebral Palsy Associations of New Jersey, Inc.

A R T H U R J. B A L L: Good afternoon, Chairman Ewing, Chairman Rocco, and members of the Senate and Assembly Education Committees. My name is Art Ball, and I speak to you today-- I would like to thank you, on behalf of United Cerebral Palsy Associations of New Jersey, for the opportunity to appear in front of you today to make some comments on S-40.

The UCPA of New Jersey represents the interests of thousands of children with disabilities, not just those with cerebral palsy, but those with numerous other physical and mental disabilities. One special person for whom I speak today is my eight-year-old daughter who is classified as multiply handicapped and who was just promoted to the second grade after having a

very productive and successful year in first grade in a regular education classroom.

The State code governing special education services currently requires that a full continuum of placement options shall be available to meet the needs of pupils with educational disabilities. The code goes on to specify the wide range of program options that must make up that continuum. With that in mind, UCPA/NJ strongly supports two specific provisions contained in S-40:

The first is the fact that special education categorical aid would be placement neutral, that is, no one placement would generate more aid than any other.

The second is the decision to send all special education categorical aid directly to the school district of residence.

These two changes to the current method of funding special education would ensure that placement decisions are not made for financial reasons, but are made according to what constitutes the most appropriate setting for each particular classified child. These changes would make the system fairer, because they would take away the preferential financial reimbursement now enjoyed by special services school districts, and would allow all placement options to compete on an equal financial footing. In addition, by giving the aid directly to the local districts, it would put the decision making exactly where it belongs, in the hands of parents and local school district personnel.

I know that this issue has been widely debated, especially in the press, and has been characterized as an attempt to do away with the special

services school districts. I assure you that UCPA/NJ has no real desire to see that happen. We want the special services to be there. They should continue to be one of the placement options available on the continuum of services for those parents who feel it is the most appropriate placement for their children. We simply ask, however, that they play by the same rules as all of the other possible placements that must be considered for each child.

Currently, special services districts get special preference in State funding because, unlike any other special education setting, they receive Foundation Aid, Transition Aid, and Categorical Aid directly from the State. That allows them to set tuition rates that are approximately one-quarter of what similar settings charge, and I submit that this funding preference does have tremendous potential to influence placement decisions. Under the funding stream proposed in S-40, that potential would no longer exist.

I have heard some of the testimony that was offered at previous hearings by other groups regarding special education, and I was struck by the number of points on which we agree. The NJEA says that inclusive education is most successful where there is proper training, collaboration, and support in the regular education classroom provided for the regular education teacher by a qualified special education teacher. We completely agree with that statement, because it forms the basis of what we properly call “fully supported inclusive education.”

Unfortunately, because the present method of distributing special education Categorical Aid in our State is linked to placement and not to the degree of disability or the services required by that child, being included in the regular education classroom is not a reimbursable option for any district.

Despite this funding barrier, however, almost 3000 children with a variety of classifications are currently being educated in inclusive settings in districts all across the State because, in the opinion of the parents and the professionals there, the regular classroom is the most appropriate placement for those children. We offer our strong support for the provisions in S-40 that would, for the first time, make the regular education classroom a reimbursable special education placement for classified children.

We share the concern that was raised by representatives of the special services school districts in Trenton last week about the single dollar amount flat grant of Categorical Aid that would be generated for each classified child, regardless of the nature or severity of that student's disability. We are concerned because we feel that this single dollar amount could more adversely effect placements than any of the other changes that are being considered.

ASSEMBLYMAN ROCCO: Do you want to start wrapping up, Art?

MR. BALL: Yes, sir.

Like special services districts, we would support a formula that replaces the single amount with a multilevel system of funding based on the length of time and intensity of services needed by each particular child. It could be three tiered, such as support or intervention services, more intensive with part-time special education, or it could be for full-time special education, depending, again, on the length of time required.

We believe that this system of funding would better ensure that districts receive the amount of State aid necessary to provide the appropriate services for the children in that district.

Thank you very much.

ASSEMBLYMAN ROCCO: Thank you very much, Mr. Ball, from United Cerebral Palsy.

Rich Ebinger, New Jersey Coalition for Inclusive Education.

R I C H A R D E B I N G E R: Good afternoon. I would like to thank Chairman Ewing and Chairman Rocco for allowing me the time to offer testimony concerning S-40, the Comprehensive Educational Improvement and Financing Act of 1996.

My name is Rick Ebinger, and I am the President of the New Jersey Coalition for Inclusive Education. The New Jersey Coalition for Inclusive Education is an organization of parents and professionals, whose mission is to share and disseminate information on inclusive education to those throughout the State who are working to facilitate inclusive placements. In addition, I am the parent of a nine-year-old son with Down's syndrome, who is successfully receiving his education in an inclusive setting in our home district of Washington Township, Gloucester County.

There are three areas about which we would like to share our views. The first concerns the proposed changes to allow the use of categorical State aid to pay for supports for children with disabilities who are being educated in the regular classroom. The New Jersey Coalition for Inclusive Education supports steps taken in this direction. The least-restrictive environment mandate of the Individuals with Disabilities Education Act and the least-restrictive environment policy memorandum of August 1, 1995, issued by the New Jersey Office of Special Education Programs, requires that

regular classroom be an available placement option. In fact, this should be the first option considered.

Current funding formulas do not allow local districts the flexibility to use State aid to support regular classroom placements. This creates a disincentive to place a child in the regular class with supports as is required. We support placement neutral funding. The proposed changes would allow aid to be used in the regular class, and we urge you to retain this section.

The second area that I would like to speak about concerns the single dollar amount of categorical State aid. While we strongly endorse the idea of placement neutral funding, the single dollar amount is problematic. Children with more significant needs between the proposed single dollar amount and the amount where the review board would step in, might not have their needs addressed if local districts feel the cost is beyond the amount of State aid. This happens even at the present time. Revisions to the funding formula should seek to rectify this situation.

The New Jersey Coalition for Inclusive Education supports the concept of a three-tiered funding system, which is based on the level of services a child receives and requires, and not their placement. The more needs a particular child has, the more funding that would be available to local districts.

The third area that I would like to speak about concerns the proposed changes that would send all categorical State aid directly to the child's district of residence. The New Jersey Coalition for Inclusive Education strongly supports this section of the bill.

Currently, much State aid is sent directly to special services school districts, depending on how many children are placed there. These districts are

also funded approximately 15 percent by the counties in which they are located. The effect of this mechanism is to enable special services school districts to charge local districts an artificially low tuition rate, which does not reflect their actual costs. While it costs approximately \$22,000 per year to educate a student in special services school districts, because of State aid, they are able to charge about \$5000 of that cost to local districts. This, in turn, has had the effect of placement decisions being based on cost, rather than the needs of the child.

Contrary to what has been said recently, this bill will not cause children to lose services. Local planning teams of school district personnel, and parents, will still be able to choose special services school district programs for their children. Special services school districts will have to charge a more realistic tuition that reflects their true total costs. The only difference is that local districts, which will directly receive all State funds available for a child, will pay an accurate tuition rate.

If, in fact, a special services school district cannot meet the needs of a particular child, then it is not an appropriate placement for that child in the first place. Placement decisions should never be made based on funding availability. They should be made based on the needs of the child, starting with local district programs. That is the intent of the LRE mandate.

Finally, I would like to remark that this bill, if law seven years ago, would have helped my family. School districts in New Jersey resist families, for many reasons, when they choose the option of inclusive placements for their child. One reason is the perception of lack of support. A former director of student personnel services in our district claimed that the State offered no

support to local districts. This was a reason for not attempting an inclusive placement. He was talking financial and technical support. We had to argue, convince, and educate the educators about inclusion. We could not help them with the financial aspects. Passage of this bill will provide more support in this area for those choosing this option.

Again, I thank you on behalf of the New Jersey Coalition for Inclusive Education, and myself, for allowing me the time to speak this afternoon.

ASSEMBLYMAN ROCCO: Thank you, Mr. Ebinger.

I see we have our colleague with us, Assemblyman Greenwald.

Assemblyman, would you like to make a few comments?

A S S E M B L Y M A N L O U I S D. G R E E N W A L D: Thank you.

Good afternoon, ladies and gentlemen, and welcome to Voorhees.

I appreciate this opportunity not only to address the Committee on such an important subject, but also to listen to the many comments of those present. We have before us today two legislative proposals -- Senate Bill No. 40 and Assembly Bill No. 20 -- which together are known more commonly as the Comprehensive Educational Improvement and Financing Act of 1996.

The two bills are designed to address deficiencies in New Jersey's school finance and delivery system and, except in a few differences, they are very similar in content and scope. Some of the distinct differences, however, between the Senate and the Assembly proposals are the following:

*The definition of the *Abbott* Supreme Court decision in the Assembly version has a broader spectrum than that defined by the Senate proposal.

*Early childhood program aid involving prekindergarten would be provided to districts that have a 5 percent or higher concentration of low-income pupils through the Assembly bill, whereas the Senate bill only offers this aid to those districts which have a concentration between the ranges of 20 percent and 40 percent.

*This involves county vocational schools, which would not be subject to the proposed arbitrary cap of 14.25 percent on special education funding, as proposed by the Assembly bill.

*The demonstrably effective program aid regarding health and social services, which helps to negate the effects of poverty, would be provided to those districts which, again according to the Assembly bill, have a 5 percent or higher concentration of low-income pupils, or, as compared to the Senate proposal, which would benefit only those that fall in that 20 percent to 40 percent range.

Although the Assembly bill appears to assist districts by providing a broader spectrum of eligibility, I find this proposal somewhat insufficient in fulfilling the Supreme Court ruling, that is, to equalize funding between the richest and poorest districts. In my estimation, there are two questions which we must keep in mind throughout our deliberations on this very important legislation.

The first is: Does the proposal sufficiently address known problems, without sacrificing the quality of education available in our highest

performing schools? That is a concern amongst many of the schools and towns in my district.

The second is: Does that proposal treat students and taxpayers equally and equitably? I will address the later question first, since it only requires a brief explanation.

Education is often described as a zero sum game. For one district to win, another must lose. What is often overlooked is the zero sum relationship between students and property taxpayers. It was often the case in the reforms of the past quarter century that our schools won additional dollars at the expense of our property taxpayers.

We must move past the zero sum attitude if we are ever to achieve a high-class school system at a price we can all afford. We must explore methods of leveling the playing field so that the students and the taxpayers benefit equally. Leveling the playing field will require us to explore alternatives to the property tax, easing the burden on local property owners and spreading the responsibility where it belongs, evenly throughout the State.

Our reliance on this tax is second only to New Hampshire's. The Senate proposal would move us in the wrong direction toward an even greater reliance on the property tax to fund items that may be vital to an educational program, but fall outside the State's narrow definition of thorough and efficient; whereas the Assembly version allows the districts to continue at the spending level they currently have, even if they are currently over the proposed thorough and efficient level of spending. The Assembly proposal is broader. I still question its impact on local property taxes.

With regard to my first question about whether the proposal sufficiently addresses known deficiencies, I must express my disappointment. Although we are only under court order to eliminate expenditure disparities, the proposal defines and attempts to solve other significant issues. The proposal fails on all counts. Three specific items stand out:

*Expenditure disparities will likely continue, as districts will be permitted to spend, at local option, any desired amount.

*The nexus between dollars and academic standards could not be less clear. We have not been provided with any evidence that the core curriculum standards will produce the desired results, or that the formulas contained in the proposal will provide enough funds for districts to implement the standards.

*Educationally critical, yet academically peripheral issues are not completely addressed. For example, the arbitrary cap on special education funding. The legislation would fund special education services for those districts that have up to 10 percent of enrolled classified students. Classifications between 10 percent and 14.25 percent are funded at a progressively lower amount, an amount which has not yet been stipulated.

The Department of Education never provided quantitative evidence which would provide that the 10 percent cap is the most effective classification rate. The narrow margins which focus on the financial needs, rather than the needs of the students, greatly disturb me. I strongly believe that these arbitrary caps will severely limit the provisions of services to these classified children.

Another significant issue concerns the at-risk provision. The proposal there was to provide a menu of proven programs that districts may implement, and it merely leaves it to them to determine what has worked. Under the Supreme Court ruling, the State is to identify and implement additional programs and services that are specifically intended to identify with the needs and special needs students.

In the weeks and months ahead, there will be many opportunities for the public to address this topic. I felt it was important to submit my initial comments for the record, and I urge all citizens to be active participants aware of this continuing debate. Together we must reach one of the most important decisions our State has ever had to face. This is the future of our children and the future of their children. Collectively, let us end this crisis and strive to enhance an educational system that builds the foundation of our communities, our homes, our lives, and our children.

I certainly do not envy the work that lies ahead for this Committee, but I commend you for taking the time to listen to the concerns and opinions of all of those present today, including myself.

Thank you very much for this opportunity.

ASSEMBLYMAN ROCCO: Thank you, Assemblyman.

Barry Ersek, Superintendent of Schools, Haddonfield.

B A R R Y R. E R S E K, Ed.D.: Good afternoon. My name is Barry Ersek. I am the Chairman of the Camden County Association of School Administrators' Legislative Committee; Trustee and Special Education Committee Chair for the Garden State Coalition of Schools; New Jersey

Association of School Administrators' School Finance Committee Representative, and Superintendent of the Haddonfield Public Schools.

I thank you for the opportunity to present testimony on the Comprehensive Plan for Educational Improvement and Financing. There are many positive recommendations that have recently emerged through the Report of the Assembly Task Force on the Funding of Education. However, I will focus my testimony on improving the funding of programs for special education children only.

The report's recommendation number 9 provides additional aid for high-cost placements by reducing the threshold for additional State aid when a child's program costs exceed \$30,000, instead of \$50,000, which was originally incorporated in the Plan. This will help districts with a high incidence of children requiring full-time, high-cost special education programs. Children with autism, neurological impairment, and multiple handicaps will be helped by this change. We certainly support that recommendation in the report.

There are three additional areas of the Comprehensive Plan that also require improvement. The first area that requires revision is the proposed reduction in State aid for districts with more than 10 percent classified special education pupils. This part of the Comprehensive Plan should be completely revised to provide full funding of each pupil's special education costs, as required by the IEP. The proposed reduction in State aid for districts with more than 10 percent of their pupils being classified is designed to restrict the number of classified pupils. This objective is based on the false assumption that districts are classifying pupils to gain State and Federal aid. The facts are:

1) Special education costs and enrollments have increased more than regular education.

2) State and Federal special education aid has not increased with the increased cost of programs, needs of children, or enrollments.

3) The Center for Special Education Research in Palo Alto, California, reports the rate of increase in special education enrollments is three and a half times the rate of general education enrollments since 1987 nationwide.

4) State aid for special education has been virtually frozen since 1992, while enrollments and program costs have increased. Consequently, local property taxes have been used to make up for the underfunding.

5) In Camden County, the local property taxpayers' percentage of these increased costs has increased 47.5 percent from 1993-1994 to 1995-1996. That totals more than \$15 million in a study of just 29 of the 37 Camden County districts.

6) Societal factors, including drug abuse, births to teenage mothers, environmental conditions, and medical help for high-risk infants have increased the need for special education services.

Consequently, research does not support the assumption that New Jersey's school districts are classifying children for financial gain. It is really quite the opposite, that the costs of providing programs far exceed any State aid that is received. The needs of children, State and Federal mandates, private school tuition rates, and aggressive litigation have increased the cost for local property taxpayers, while State aid has remained frozen.

The proposed reduction in State aid for special education pupils above the 10 percent limit would result in even more of the costs being forced on the local property taxpayer.

The second area that requires revision is the single cost factor proposal. This approach is oversimplification in the extreme and cannot adequately provide State support for the wide range of programming needs of special education children. Simplification of the funding formula can be achieved based on a system that provides at least four levels of cost reimbursement based on the programming needs of children. This could achieve a more simplified program-driven funding system, which would be much more appropriate than that proposed in the Comprehensive Plan.

The third area that requires improvement is the proposal to include speech correction services in regular education programming costs. Most districts only qualify for partial core curriculum aid, with 100 districts receiving little or no core curriculum aid. Consequently, the net result of transferring speech to regular education would be to reduce the amount of State aid for speech correction services. Speech correction, by its very nature, is a special education program and should continue to be funded based on the number of children actually receiving the service.

Many districts across the State are receiving less than 50 percent of the costs of providing special education programs that are mandated by Federal and State law. The trend of transferring an increasing amount of the cost of special education programs to the local property taxpayer is unfair.

We welcome the opportunity to work with you in the mutual goal of improving school funding. We hope that together we can reverse the trend of underfunding special education mandates.

Thank you for this opportunity to present these remarks.

ASSEMBLYMAN ROCCO: Thank you, Dr. Ersek.

We will now have the Ocean Township School District in Ocean County: E. Stephen Seeley, Superintendent, and Rita Sweeney, Board President.

E. STEPHEN SEELEY: Thank you, Chairman Rocco.

We will also try to speed along. Ms. Sweeney would like to comment, but we will keep our comments to under five minutes.

Ocean Township is a very small school district located in Waretown, New Jersey, that sends its students 7-12 grades to the Southern Regional High School District. It is a unique school district to which the rhetoric about budgetary waste and economic failure does not apply. The district faces annual budget difficulties when it must budget for tuition costs for its middle and high school students who attend Southern Regional. Tuition costs, over which the Board has no control and which represent 49 percent of its budget, are always more than the State budget cap allowed. For example, the budget cap figure for Ocean Township for 1996-1997 was 4.2 percent, yet the percentage increase from Southern Regional for tuition for the same year was 10 percent.

In the three-year period from 1992-1993 through 1994-1995, the average budget cap permitted spending was 5.3 percent, yet the average percent increase for the tuition to Southern Regional was 13 percent.

Southern Regional then takes a large portion of its fund balance and applies it to their budget, giving some help to those taxpayers in the constituent districts. We believe that some of that fund balance belongs to the sending districts. In addition to the runaway tuition charges, the Board is also facing repayment of tuition adjustments from previous years 1990-1991 and 1992-1993 to the tune of \$956,000. As a result -- as you have heard from Absecon -- the Board in Ocean Township is cutting programs and services to its K-6 portion. I know language in the bill does address this and it is good, but it is a four-year phase-in, I understand. Ocean Township has been getting pounded for 20 years, and we are looking for immediate relief. Our district is in dire need of help.

We have made an effort to improve our tuition situation. We tried to become a constituent member of Southern Regional, but we were rejected. We were also rejected by Barnegat Township in a venture for regionalization. If the State is serious about consolidation, it must repeal those laws which make it almost impossible to accomplish regionalization. At least that is the case in our effort. We tried to regionalize, but we can't.

The problem of funding schools certainly has more to do with the source of funds than anything else, and the current tax rate in our district, as in many, is grossly unfair. Some towns do not have ratables as others do, and they find it more difficult to support our schools. Ocean Township has lost \$83 million in ratables in the last five years, yet Southern Regional has gained \$43 million in ratables. So other methods of taxation -- other than property tax -- are certainly something that we would be interested in.

The regional tax levy is a better arrangement. In spite of deep budget cuts of the K-6 system, the school tax rate in Ocean Township jumped last year from \$1.47 to \$2.11, a 64-cent increase in one year.

Thank you.

Ms. Sweeney?

RITA M. SWEENEY: Thank you.

Good afternoon.

ASSEMBLYMAN ROCCO: Good afternoon.

MS. SWEENEY: Thank you for allowing us to speak today.

ASSEMBLYMAN ROCCO: There are a few minutes left over of the five.

MS. SWEENEY: I will speak fast. My name is Rita Sweeney, and I am President of the Ocean Township Board of Education. I introduce you to Ocean Township, or what is commonly known as Waretown. We have about 5000 residents, 1000 of whom are students. The small shore village has the distinction of having the highest school tax rate of \$2.11 and the highest property tax rate in Ocean County, probably one of the highest in the State.

Our tax rate is \$3.18 per hundred. For some strange and unknown reason, our State aid percentage was frozen at a ridiculously low rate of 38 percent in 1992. As a result, the burden of the school funding since that time has fallen on the taxpayer in the form of property tax.

We are a sending district to Southern Regional and are always at their mercy for grades 7-12 students. About half of our budget goes to Southern Regional in the form of tuition, and the rest goes to transportation, State-mandated special needs programs, and, finally, to the K-6 program. We

have constantly petitioned the State to examine the antiquated formula for sending districts. We have also, many times, asked for help in the form of State aid for our T&E needs. We have asked for audits for guidance, as suggested by Governor Christine Whitman, and have written letters, all to no avail. No one will listen.

I am asking you now to please listen to our request. We are on the brink of bankruptcy. In June, as President of the Board, I borrowed \$720,000 to pay our bills to July 1, 1996. This will cost us an extra \$7000 in interest. I think the fact that we had to make a bank loan is evidence to warrant an emergency evaluation of our State aid and to warrant an immediate audit.

We need help now, and I am asking for this today. We have read many reports in recent months concerning the new funding Plan. We have been promised that something will be done to help us, but now a new Act has been created called the Comprehensive Educational Improvement and Financing Act of 1996. This Act is not an educational improvement. The valedictorian from the 1996 graduating class at Southern Regional was from Waretown and will be a freshman at Princeton University. Educationally speaking, we are doing our job to educate our children, in spite of all our State mandates. This funding Act does not address our needs as a sending district, and we will again be faced with trying to educate our children on a very limited budget.

I believe the foundation in education lies on the elementary level. This level is beginning to suffer in our district. Waretown cannot exist when the Town Committee is operating on surplus money, the MUA on surplus money, and a School Board on anticipated revenue.

ASSEMBLYMAN ROCCO: Rita, would you start to bring it to a conclusion, please?

MS. SWEENEY: Yes.

As a result, the citizens are talking tax revolt. I am asking you today to please consider and act on the following:

- 1) The State should immediately look into our State aid formula and change this percentage now.
- 2) The State should fully address sending districts in the new funding Plan with realistic goals.
- 3) The State should investigate and financially help us with a building program to keep our 7th and 8th grade students in-house.
- 4) The State should give us guidance as a sending district to either regionalize or become a constituent with another district to ease the enormous burden of our cost per pupil.

As Board of Education President, I sincerely ask you to consider my plea to help Waretown to remain a respectable and stable community.

Thank you very much.

ASSEMBLYMAN ROCCO: Thank you very much, Ms. Sweeney.

Dr. William Adams, New Jersey Council of County Vocational Schools.

WILLIAM H. ADAMS, Ed.D.: Thank you for the opportunity to speak on behalf of New Jersey's county vocational schools on the impact of S-40 and A-20 on our ability to deliver quality vocational-technical programs in order to prepare our students for employment and for further education.

I point out that in the simulation that was provided by the Department of Education regarding the impact in particular of S-40 for 1997-1998, that 14 of our 21 county vocational schools will lose State aid, and that 11 of these schools will lose the maximum of 10 percent.

We believe there are three issues that need to be addressed by you, the Legislature. If addressed, two of these issues could reverse this loss of aid which will have a significant impact on our ability to deliver programs and services to the pupils and counties we serve. We believe that the funding proposals, in their form at this point, would negatively affect our ability to prepare the emerging -- the current workforce and those people who desire to reenter the workforce for the balance of this century and into the next century.

The three basic concerns are as follows:

There is no indication as to how the funding proposals will impact on schools and counties beyond 1997-1998. We believe that, at the very least, there should be figures to project out for 1998-1999 and beyond.

The second piece, which has been addressed in A-20: On average, county vocational schools have at least 35 percent of our student body made up of classified students. These students are identified and classified by their local districts, and the role that we, as county vocational schools, play basically is to provide a meaningful educational program.

We know that this issue was addressed in A-20, and we certainly appreciate, Assemblyman Rocco, the recommendations that were made by the committee that Gary Stuhltrager chaired in responding to this. We would certainly hope that S-40 would also reflect this change.

The third issue is the postsecondary workforce preparation that we do in county vocational schools. Neither A-20 nor S-40 addresses this issue, although the Commissioner did, in the simulation, apply \$25 million to this and the adult high school issue, which I am sure you have heard other presenters speak to.

In addressing the first issue, I would like to just say that although there was a modest increase of \$3 million, that reflects an enrollment increase between 1991 and the present. Again, I repeat that 14 of our 21 county vocational schools will lose aid. We really believe that something needs to be done to address those 11 schools, though, that will lose the 10 percent, and there needs to be more explanation as to that stabilization aid and what is going to happen beyond year one.

On the second issue, we believe that because of the nature of our hands-on applied programs and learning activities, that we are able to meet the needs of many classified students. We believe that we provide an ideal educational alternative for these students. Again, I would just encourage you to consider having S-40 reflect what has already been addressed in A-20.

The third concern is probably the most complex, and that is the funding of the 6900-plus full-time, postsecondary students that are served through workforce preparation programs at our county vocational-technical schools.

Currently, county vocational schools receive about \$21.2 million in foundation and categorical aid to serve the students. If this aid were to be totally eliminated, this burden would fall directly on the taxpayers of our local

counties and the freeholders. In many cases, especially in our poorer counties, this could be addressed.

If you look at Cumberland, Gloucester, and Salem Counties alone, we would lose \$2.2 million in State aid in 1997-1998 if the postsecondary funding were not restored. In the actual testimony, the specifics as far as the populations are actually given, but what I would like to do is focus on a solution.

We believe that if you look at the Commissioner's \$25 million which is in the simulation, but not in S-40, if you look at the 60 schools that provide adult high school training, some of which are county vocational schools, to almost 10,000 adult high school students, plus the 6900 postsecondary students, you can see that there is almost \$41 million in Foundation Aid going to those 60 districts that receive adult high schools funding, and, well, \$21 million to go to county vocational schools for the postsecondary piece. That is \$62 million in 1996-1997, but only \$25 million in the Commissioner's simulation to address those adult students.

In the Commissioner's simulation, the postsecondary student funding would drop for county vocational schools from an average of \$3222 to \$1469 per student. In the proposal -- or in the simulation, no distinction is made between postsecondary full-time vocational students and adult high school students. The Commissioner has instituted a study of postsecondary program costs, so that the costs can be tied to funding in 1998-1999 and beyond. We think this is a step in the right direction. We would encourage the same thing to occur for adult high schools. But what needs to be done

immediately is some recognition that the \$25 million is far short of the present \$62 million that is appropriated for this purpose.

ASSEMBLYMAN ROCCO: Dr. Adams, will you please start wrapping up?

DR. ADAMS: Yes.

We have a specific proposal. We would suggest in that proposal that there is a definition which would limit the amount of funding for postsecondary occupational students. We recommend a per-pupil grant of \$3222 equal to the \$21 million currently. We also recommend adjustments every two years, as per both S-40 and A-20. We recommend for severely impacted districts a phase-in. Middlesex County, for example, would lose \$1 million in the first year, Ocean County, almost a half a million. We think that a phase-in would be one way to address this.

Thank you for the opportunity.

ASSEMBLYMAN ROCCO: Thank you, Dr. Adams.

We will now turn to the arts. Eleanor Poplar, New Jersey School of the Arts.

E L E A N O R P O P L A R: Good afternoon. I am Eleanor Poplar, Chairperson of the Board of Trustees, New Jersey School of the Arts.

ASSEMBLYMAN ROCCO: Please speak into the mike so that everyone can hear.

MS. POPLAR: Thank you for the opportunity to testify before you today.

The New Jersey School of the Arts, part of the Office of Direct Services, in the Division of Field Services within the Department of Education,

provides intensive preprofessional courses, workshops, and career day events in the arts for secondary school students. NJSA has been functioning since its inception as a school without walls. The extended day, weekend, and summer arts programs led by professional artists/teachers have provided enhanced arts learning experiences throughout the State. During Fiscal Year 1996, we served approximately 3000 students in all 21 counties of New Jersey. I have prepared a brief report which I will present to you as an addendum to my presentation today. This report will provide an overview of the services provided by the NJSA.

In April 1992, Deborah Allen, then Chairperson of the Board, gave public testimony to the State Appropriations Committee. The focus of her talk was the importance of the arts in the education of our children. Too often, the arts are considered a frill and not important to the fundamental education of our children. In the new core curriculum content standards for the Visual and Performing Arts, however, the Department of Education has clearly recognized that -- and I will quote from that document:

“An education in the arts is an essential part of the academic curriculum for the achievement of human, social, and economic growth. The education of our students in the disciplines of dance, music, theater, and visual arts is critical to the success of New Jersey and the nation as we move into the 21st century. Our economic well-being and ability to compete and cooperate in the global marketplace require that our students learn to develop original ideas, increase their ability to solve problems, show motivation, and interact in partnerships -- skills inherently learned through participation in the arts.”

Working with local school districts and teachers, the NJSA provides programs in dance, drama, visual arts, creative writing, and music, which not only augment the high school arts offerings, but also aid the achievement of students in the core curriculum content standards in the arts. Programs for 1995-1996 included eight summer programs in: Bergen, Essex, Hudson, Middlesex, Morris, Sussex, and Warren Counties. Fall and winter programs were held in: Atlantic, Burlington, Cape May, Cumberland, Essex, Gloucester, Hunterdon, Mercer, Middlesex, Ocean, Salem, and Sussex Counties. Twelve spring programs were provided in: Atlantic, Bergen, Burlington, Camden, Essex, Gloucester, Hudson, Mercer, Middlesex, Somerset, Sussex, and Warren Counties.

Through surveys of students and suggestions from art educators in various districts, the NJSA is able to adapt its offerings to the needs of a particular school. Often we provide courses which are not available or not accessible to students in certain regions. The fact that NJSA has a multiplicity of sites allows for accessibility for exceptional facilities and equipment which are available at college campuses and state-of-the-art high schools. We are able to render these services at minimal cost to students and school districts.

NJSA works, whenever possible, with the cultural community of New Jersey. For instance, the Vineland High School oil painting class visited the Stedman Art Gallery at Rutgers University in Camden, Trenton Central High School students held classes at the Princeton University Art Museum, and in the Lenape Regional School District, students were invited to attend a special performance at McCarter Theater. The 1996 Montclair summer program was designed to include attendance at the Shakespeare Festival at

Drew University, Summerfest at Rutgers University in New Brunswick, and visits to the Metropolitan Museum of Art.

The merit of these programs cannot be overstated. I recently received a letter from Deborah DeLuca of Parsippany, whose son, Aaron, was awarded a full-tuition electronic filmmaking and digital video design scholarship from Fairleigh Dickinson University. Aaron was enrolled in the NJSA summer Computer Imaging Class at Montclair and credits the program for helping him to develop the skills which led to this honor.

Another of our students is currently an art major at Syracuse University. Her mother writes that through the encouragement and support of her high school, she was able to enroll in art classes which were not available to her within the regular curriculum. The added instruction she received through the NJSA enabled her to compile a formidable portfolio which she feels has contributed to her success. I have attached both of these letters.

I know that this Committee is aware of the benefit of an art-infused curriculum. Assemblyman Rocco, Chairman of this Committee, along with Assemblyman Lance and Assemblyman Romano, have introduced legislation to establish ACES -- Arts Create Excellent Schools -- an Act establishing an arts-based curriculum pilot program in the Department of Education. The Director of our school, Laura Fattal, was part of the coalition of national educational agencies which helped to develop this program. We believe that the NJSA can play a part in helping to achieve the goals of the ACES initiative, the core curriculum content standards, and the Goals 2000: Educate America Act, from the fall of 1994, a Federal initiative which views the transformation of teaching and learning as the most significant contribution

of the arts to education. Indeed, unique teaching styles and learning experiences are a hallmark of NJSA programming.

It is my hope, in speaking here today, that the Education Committees will take a long, close look at the NJSA and the role it can play in the reform efforts of the Department of Education. All budgets of fee-based programs in the Division of Field Services for the coming year have been severely slashed. The funding we receive from the Department of Education is used entirely for salaries of full-time staff, of which there are three. Should this cut not be reinstated, the position of the Director could be terminated, thereby curtailing substantially the activities of the school and eliminating the Director's involvement in the administration of the ACES program.

We applaud the efforts of the Department of Education in developing the new core curriculum content standards which acknowledge the importance of the arts in education, but in order to implement these standards this Committee should also recognize the need for programs such as those provided by the NJSA.

ASSEMBLYMAN ROCCO: Eleanor, will you please close now?

MS. POPLAR: The budget for the upcoming year is already in place, but we are all aware that in just five months the budget process will begin once again. We make our plea that the arts be included in their entirety.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Eleanor.

Lydia Akin, Chairperson for Arc of New Jersey.

LYDIA AKIN: Good afternoon. My name is Lydia Akin. I am the Chairperson for The Arc of New Jersey's -- formerly known as the Association

for Retarded Citizens -- Education Committee. I am also the parent of a 15-year-old son who receives special education services, and a 5-year-old daughter who will start kindergarten in September.

The Arc of New Jersey believes that all students with disabilities have the inherent right to be fully included in all aspects of community life. We believe that students with disabilities have the right to attend the same neighborhood schools, classrooms, and extracurricular activities they would attend if they did not have a disability. There is a need to create options for children that allow for this inclusion.

In New Jersey, we created strong financial incentives that negated support for inclusive placements. Districts which support children in inclusive settings bear the full excess cost necessary to make the placement work. Currently, the system provides State, categorical, and foundation aid directly to the eight county-based special services school districts, bypassing the child's local school district. In addition, 15 percent of the tuition of a child who attends a special services school has that tuition covered directly by county taxes. Because of the direct funding and the county taxes, sending districts pay only \$5000 directly. This artificially low rate creates a financial incentive to send children into these segregated programs.

We support the legislation that allows special education aid to be available to the school districts for all placements, including the regular classroom. This will give children and parents the option of an inclusive program, while still allowing for placement in a special services school or other school if the child's needs dictate that placement.

In 1987 -- or actually in 1989 -- before the Winchell School and the Helmbold School in Atlantic County were designated as the Atlantic County Special Services School District, local school districts sent the children that needed to be educated in this type of specialized setting there, and they paid the tuition costs. If this legislation is passed, local school districts will continue to utilize special services schools when appropriate.

While we strongly support funding local school districts directly, there are two parts of the legislation that deal with special education that we have strong concerns about.

Of these, our first concern is the flat rate that all children with special needs generate. What this says is that we will pay the same rate for a child who has dyslexia that we will for a child who has autism and severe mental retardation. Our recommendation is that we look at a three-tier system. Children with mild disabilities, for example, children with perceptual impairment, receive one rate. Children with moderate disabilities, for example, children with educable mental retardation, receive a middle rate. Children with severe disabilities, such as children who in the past were classified as day training eligible, would receive a higher rate. This would be fairer to districts which may have more children in the middle to severe range than the norm.

We are also concerned with the 10 percent classification rate. Until we eliminate poverty, lead poisoning, child abuse -- among other environmental concerns -- we will continue to cause children to have learning disabilities. While we believe that the classification rate is high, it is because regular education and support services are not readily available for many children who experience learning problems, and thus the children are classified

so that they can receive the appropriate supports and services. Resource center support is not available to children who are not classified. If this type of support were available to nonclassified students, we would see the classification rate drop. Just by using an arbitrary number to fund classification rates without modifications in the regular education system will not make learning difficulties and disabilities go away.

On behalf of The Arc of New Jersey's Education Committee and as a parent, I appreciate having the opportunity to speak to you today. Thank you for your concern for our New Jersey students who receive special education.

ASSEMBLYMAN ROCCO: Thank you, Lydia.

Dolores Smith, Hawthorne School PTA? Is Dolores here? (no response)

Lisa Greene, Parents Education Network of Newark.

Welcome, Lisa. You had a long trip.

L I S A G R E E N E: Yes, we did. There are a few of us here.

Good afternoon.

ASSEMBLYMAN ROCCO: Good afternoon, and thank you for coming.

MS. GREENE: I just have a brief statement, but I do not have copies.

I appreciate all of you having us here. My name is Lisa Greene. I am with the Parents Education Network of Newark. We are an organization through the Urban League. We are also part of the New Jersey Coalition for

a True Thorough and Efficient Education. I am here speaking on behalf of parents, on my own, not part of either. My comments are as follows:

We are not willing to forfeit our children's future by supporting the Governor's education funding Plan. Our children are being denied a true thorough and efficient education through this Plan, which is in direct violation of the Supreme Court decision in *Abbott v. Burke*.

Public schooling for poor children is the only option. One cannot deny the need to implement programmatic components that enable each school community to reach or attain high standards for achievement. As it presently stands, high achievement in poorly operated school districts -- such as Newark, Jersey City, Paterson -- is basic skills for higher, wealthier districts.

I believe our children need and deserve the right to parity in education. The special needs districts -- such as Newark, Jersey City, Paterson -- cannot afford yet another blow to an already inadequate budget.

We support the high standards set in districts such as Voorhees, Parsippany, and wealthier communities. We do not want them to lower their standards. Instead, we want ours raised. The negative impact on all 30 needs districts is enormous.

I would like to submit a budget to you all at a later date. I would also like to find out if you, in fact, will reset a hearing in August -- I believe for August 14 -- which I believe all of you have been invited to? I would like to know-- We have many parents in Newark, Essex County, and other districts, who are interested in being able to bring testimony before you. I am extending you an invitation on behalf of the New Jersey Coalition for a True Thorough

and Efficient Education. I would like to know if you all would be able to come to hear our concerns?

ASSEMBLYMAN ROCCO: You may certainly invite the members of the Committees on both the Senate and the Assembly sides, and they can individually let you know if they can make it.

MS. GREENE: The Committees themselves, would they be willing to do that? Is there any way to have the Committees--

ASSEMBLYMAN ROCCO: We have had a number of hearings already on the Comprehensive Plan and school funding.

MS. GREENE: We participated in them.

ASSEMBLYMAN ROCCO: What we are going to do at this stage is, just after the hearing, we are going to begin to collect the data and refine our legislation. Then work together, the Senate and the Assembly, to come up with legislation that we can agree upon. From that point, I guess, each House will have to make a determination as to whether or not they want to vote for it.

So there is a long process ahead of us, not to mention the fact that it still has to go to the Governor. There is a way to go yet.

MS. GREENE: I understand the process. Newark is the largest school district in the State of New Jersey. You know, we are quite a distance from Parsippany. We went to Parsippany, where our people were unable to testify. We already had a hearing planned prior to that. We also have quite a few other districts. I mean, Jersey City is also nearby. That is why the invitation was extended.

As individuals, are you interested in coming to hear us?

ASSEMBLYMAN ROCCO: You can notify them, and each can respond individually. I think probably that is the best thing to do.

SENATOR MacINNES: It would be efficient if she could just tell us if there is a time and a place that have been set for the 14th.

ASSEMBLYMAN ROCCO: Yes. If you have a date already, as Senator MacInnes has indicated, you can give us that again so that the members can make note of it.

MS. GREENE: It is August 14.

ASSEMBLYMAN STANLEY: It is August 14, Mr. Chairman. It will be at the Bethany Baptist Church, which is on West Market Street, in Newark.

SENATOR MacINNES: What time are you going to start?

ASSEMBLYMAN STANLEY: It will start at 6:00.

SENATOR MacINNES: Is that a.m.?

ASSEMBLYMAN STANLEY: No, p.m., Senator.

MS. GREENE: No, we are working folks -- p.m.

ASSEMBLYMAN ROCCO: Craig, I did not see you come in. Welcome. It is a long trip.

Also, Assemblywoman Wright is with us, also from a long distance.

ASSEMBLYMAN STANLEY: Thank you, Mr. Chairman.

ASSEMBLYMAN ROCCO: Senator MacInnes as well. I failed to mention Senator MacInnes. He was not here at the start.

ASSEMBLYMAN STANLEY: I would also like to just mention, in the same vein, that they are requesting that we convene a hearing in Newark. Perhaps if maybe the Chairman can at least ask, or perhaps get us

OLS support, so that the testimony can be transcribed -- so we can get valid transcription of the testimony, and that type of thing, even if the Joint Committee--

ASSEMBLYMAN ROCCO: We will take it under consideration, Craig. As I have indicated, we have just tons and tons of testimony, some of it from Newark and some of it from Jersey City and others. But we will certainly take it into consideration.

ASSEMBLYMAN STANLEY: Just to add: In Newark, a lot of the people who would be willing to testify -- and from the surrounding areas -- do not really have access to the means to get out to Parsippany and some of the other places where we have had hearings.

ASSEMBLYMAN ROCCO: Thank you, Craig.
Assemblywoman Wright?

ASSEMBLYWOMAN WRIGHT: Mr. Chairman, am I correct that the public record is open for written testimony to be submitted?

ASSEMBLYMAN ROCCO: Oh, yes, absolutely.

ASSEMBLYWOMAN WRIGHT: Maybe we could make that announcement again, so that at least the people who can't even get to the Newark hearing -- make the announcement that the record is open and the testimony will be compiled as part of the record.

ASSEMBLYMAN ROCCO: Assemblywoman Wright is absolutely correct. As I said, this is not finalized in any way, shape, or form. All ideas are welcome. We are happy to hear from any group or individual.

Thank you, Lisa.

Frank Hicks or Dennis Riley, Burlington County State Funding Study Committee. I thought we were going to have my friend, Dennis Riley, again -- the Assemblyman -- but it is a different Dennis Riley.

DENNIS RILEY: Good afternoon, and thank you for this opportunity to address the proposed Comprehensive Educational Improvement and Financing Act of 1996.

My name is Dennis Riley, and I am Chairperson of the Mount Laurel Board of Education's Finance Committee. I speak today on behalf of the Burlington County State Funding Study Committee, a group formed by initiative of a countywide superintendent's roundtable to study the implications of this legislation. As I am sure you are aware, there are 42 school districts within Burlington County. Our study considered the varied funding mechanisms of each of those systems, ranging from our Urban Aid districts to those designated as Transition Aid or "property wealthy" schools.

Our research has been extremely thorough based on all data available. However, we, like other school officials across the State, have not been provided with all of the information necessary to create the local funding model for each district. That information includes such critical data as: the property wealth figure used to calculate local fair share; the income level figure used to calculate local fair share; and the enrollment projection used to calculate individual T&E budgets.

In fact, nowhere in the Act, or in supporting documentation provided by the New Jersey Department of Education, can we find the means by which to calculate each of our districts' maximum T&E budgets. Statewide projections of the number of districts which will exceed the allowable T&E

threshold have been disseminated publicly even by your own Office of Legislative Services. Clearly, the data is available to some, and we believe it should be available foremost to those who will be directly impacted by the final legislation.

Likewise, we have been unable to assess the Act's implications without benefit of the research data to support the demonstrably effective program aid, and establishing the link between core curriculum content standards and the model school district upon which funding is presumably based.

During our study, we identified several concerns which are shared by school districts across our county, regardless of their current State aid designation. One of those is in the area of special education. Each school district in this State is bound by both Federal and State regulations in the area of special education, yet the Act does not correlate with those mandates. While establishing a level of funding for special education which appears to be based on an indiscriminate percentage of overall student population, it does not allow for the many variations of need which are consistently demonstrated from one community to the next.

We are also concerned that the lack of funding for special services school districts will prove to be very costly for most of the local school districts in Burlington County and throughout the State where special services schools now exist.

The stabilization growth formula proposed in the Act is another area of concern. It facilitates inequities not only from one district to the next, but also between the 1996-1997 level of State aid and the proposed funding

for 1997-1998 in some individual districts. Since the Act provides no factual basis for these inequities, we can only conclude that some areas of “aid subject to limitation” have been arbitrarily struck.

Similarly, the Act fails to address other areas critical to school district programming. They include:

- *the funding of prekindergarten classes in nonspecial needs districts;

- *the definition of items which are to be considered as not falling within the definition of thorough and efficient for purposes of calculating the T&E budget.

As written today, the Act does not consider the appropriation of free balance, or surplus funds, as part of the local fair share. In essence, it proposes to penalize districts that manage to save money in one funding year to help offset costs in the next. It also reduces the limit imposed upon free balance from 7.5 percent to 6 percent without benefit of formula or rationale, putting school districts closer to a dangerously low threshold for unanticipated expenditures.

It is our belief that this proposal does a great disservice to receiving districts in that it prohibits them from including the amount subject to voter approval in their tuition charges. That condition will prohibit those systems from recovering the actual cost of operation from sending districts. Regional school districts, in the Act before you, are also subject to a selective formula for tax distribution. While current distribution is based on such factors as enrollment and per capita income, the Act’s provisions delete those individual community factors in regional districts.

And, finally, we have discovered through our study that the proposed Comprehensive Educational Improvement and Financing Act of 1996 makes no provision for the transportation of children who live within the State's established mileage limits, but are bused due to hazardous roadway conditions. In a State which currently ranks fourth in the nation for pedestrian fatalities, we find this omission unconscionable.

Before you consider one more formula -- or calculate one more fair share -- we urge you to right a statewide wrong by banishing the term "courtesy busing" from our educational vocabulary in this legislation. While there is much to applaud in this first attempt at defining a system of thorough and efficient education for the children of New Jersey, it is frankly not worth the paper it is printed on, ladies and gentlemen, if those children fail to reach the school doors.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Dennis.

Frank Densevich and Jeannie Villar -- I probably did not pronounce Frank's name correctly -- Vineland Adult Education. Densevich -- is that better?

FRANK DENSEVICH: It's Densevich, but that's okay.

Before I introduce my guest, Jeannie Villar, a high school graduate from the Vineland Adult High School, I would like to preface her remarks with a few of my own.

We thank you and we commend you for your intention to continue support for adult high schools as part of the educational mission of New Jersey. We know the feeling in New Jersey in 1996 is to reduce the size

of government, and we further know that we are going to have to take a hit in the form of reduced funding.

Please be aware that we have already eliminated many of the frills of education such as: transportation, child study teams, small classes for adult education students, trips to France and Spain, sports, extracurricular activities, free lunches and breakfasts, baby-sitting services, trips to the zoo, and even physical education.

We have a pretty efficient way of delivering an education to the students of the State of New Jersey. Everything is done according to the laws and codes of the State. We are being moved from foundation funding to categorical aid, which means that the dollars we receive are subject to the whim of the administration in power at the time of the funding.

Many people picture nonhigh school graduates, or dropouts, as young people hanging on the corner with a cigarette hanging out of their mouth, with their pants hanging down, listening to loud music, being disrespectful and surly and arrogant, filthy dirty, not caring for themselves or anyone else, using foul language, creating unsanitary conditions, having tattoos of some lewd bird or chicken, sucking off the taxpayers or their friends or their parents for their every decadent whim. This may happen more often than we care to think about, but we know that in many cases high school dropouts have problems they cannot handle and they do not have the family support system to help them to continue.

One such example of the other end of the spectrum is the fine young woman I have brought with me today. She is everything good you would want in a student or a neighbor or taxpayer or high school graduate. For

the rest of our five minutes, I would like to introduce Jeannie Villar, an adult high school graduate from Vineland.

JEANNIE VILLAR: Good afternoon. My name is Jeannie Villar. I have always been a good student. I have passed such courses in high school as: chemistry, physics, algebra 2 and trigonometry, French, and applied law.

I have never failed a course and scored over 400 in each of the HSPT tests, with 300 as passing. I have a full-time job with Prudential Insurance as a document specialist. I pay taxes and I am self sufficient. I have recently completed a year of college at Stockton State, with a major in architecture.

I am also a high school graduate from the Vineland Adult High School with credits from Millville High School and Vineland High School.

When I was in high school in 1993, I had problems with my stepmother and had to move in with my mom and my stepfather. While in Vineland High School in 1994, I had problems with my stepfather and ended up living with my best friend and my cousin, and finally my aunt. I missed a lot of days of school and had to make up more policy time than I could handle. I was in danger of failing my senior year.

My aunt suggested that I attend the Vineland Adult High School. At the age of 17, I registered in a school that asked me to be proficient in my studies and not just spend time in a seat. I worked very hard, got my life back together, and graduated in June 1995 with a total of 122 credits.

I have a new life growing within me now and my child will know his mom is a high school graduate and maybe someday even a college graduate.

I thank you for funding the adult high school in the past, and implore you to do the same in the future.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Jeannie, for sharing that with us.

Al White? Is Al White here? (no response)

John Jones, parent, Atlantic County. Joan Jones. You are certainly not John, right, Joan?

JOAN JONES: Thank you so much for having me here.

I have a son who went to a special services school. It started out to be Winchell years ago. He was in the school for 20 years. I know he never would have made it in a regular school. He was very ill. He was in a wheelchair. He was very bright, but he could not have come along in a regular school. He was in and out of the hospital. There was no-- He did not have to worry about his marks or catching up if he missed a few days. It is a marvelous, marvelous school. I cannot say enough about it. I just can't even imagine anyone thinking of getting rid of these schools.

The teachers, the aides, the therapists who work there are so caring, and the programs that they set up are just marvelous. I work now as a secretary there. My son passed away about three months after he graduated. Again, as I said, he never would have lived that long if he had been in a regular school.

We have such a caring staff. I see so much as I sit at my desk. I see these wonderful people who work there, physical therapists trying to teach a blind child to just feel with a stick as he walks along, to help to make

themselves self sufficient. I see children who cannot speak. They come to the office and they learn on a touch talker to point to words and they come out. They can say thank you and bring messages to an office and learn just by being part of young people who work together, and who are always the same. If they would be out in the world, there is so much competition today. Here as they are in these schools, they don't think anything wrong with each other. They work together and play together. They think they are normal, which is a wonderful thing to see. They fight all their lives to keep up with each other. I think here at our school they--

ASSEMBLYMAN ROCCO: Joan, are you talking about the Atlantic County Special Services School District?

MS. JONES: Yes, Atlantic County Special Services. I'm sorry.

It is a wonderful place. I just feel that we have a great place in our area. I think we should keep it. I just can't say enough about it. There is a wonderful administration, and just everyone who is a part of it.

I thank you for having us here today. We certainly appreciate all of your care and helping us to try to make the right decisions along this line. Thank you.

ASSEMBLYMAN ROCCO: We thank you for your testimony. It will certainly be taken into consideration.

Mr. Ronald J. Ianoale, Delran Board of Education.

R O N A L D J. I A N O A L E, E S Q.: Good afternoon.

ASSEMBLYMAN ROCCO: Good afternoon.

MR. IANOALE: Assemblyman Rocco and Senator Ewing, thank you for allowing me to testify on behalf of Delran Board of Education. I want

to applaud you for your efforts today, and ongoing, with a very difficult task trying to come to a conclusion on this issue.

For those of you who do not know where Delran is, it is a suburban community located in western Burlington County. The township population consists of approximately 13,200 people. It is a bedroom community to Philadelphia, consisting of median priced homes of approximately \$120,000. The township does not have a sizable commercial property base. The Delran School District operates a K-12 school district, with one high school, one middle school, and two elementary schools. The total student enrollment is 2220 students.

It is not in the written material, but you should know that the per-pupil costs for Delran are below the State average for the 1996 compiled numbers by the Department of Education. So we are not talking about a wealthy school district.

The reason for Delran's appearance today is narrow in scope: It is to demonstrate how efficiency in local government is penalized by Senate Bill No. 40, known as the Comprehensive Educational Improvement and Financing Act of 1996. Specifically, Section 5.b of the Comprehensive Plan states that -- and I quote: "For 1997-1998, the budgeted local share for the prebudget year 1996-1997 shall not include miscellaneous revenues and general fund balance." It is this transition language from the existing school funding formula to the formula under the Act that results in Delran losing more than \$368,000 of core curriculum standards aid. The calculation of this loss is illustrated in Exhibit A which is attached to my statement. I welcomed Mr. Harris' input on that, because I know he is the expert in this area.

We do not believe that the Comprehensive Plan intends to penalize school districts like Delran, especially in light of Governor Whitman and Commissioner Klagholz urging school districts to become more efficient. And more recently, the Final Report of the Assembly Task Force on the Funding of Education, chaired by Assemblyman Gary W. Stuhltrager, dated July 1996, acknowledged the goal of Governor Whitman and the New Jersey Department of Education in promoting efficiency in local school districts. The Assembly Task Force recommended that -- and I quote: "Local districts should keep a percentage of any money it saves by sharing services or other local initiatives."

Despite Delran's efforts to do more with less, it will lose a total of \$676,000 of State aid, a reduction of 9.5 percent of its State aid from the previous year, of which more than \$368,000 represents the core curriculum standards aid amount. This is a significant reduction in school aid assistance for a community that is not considered wealthy under any criteria established by the State. We attribute the bulk of the decline in State aid to the provisions of Section 5.b of the Comprehensive Plan, which sets forth each school district's local share requirement. This section of the Comprehensive Plan eliminates both miscellaneous revenue and General Fund balance from the 1996-1997 net budget when calculating the core curriculum standard aid amount under the Comprehensive Plan.

What I am trying to say is that Delran budgeted, this year, the 1996-1997 budget, over \$1 million of its miscellaneous revenue and surplus. For that, we believe they are being penalized as a result of Section 5.b of the Comprehensive Plan. Now, how that surplus evolves in Delran is as a result

of hard work, primarily by its school administration's Board of Education. It has contracted all of its support services. Its school lunch, its pupil transportation services, its custodial and ground-keeping services are all contracted out in order to assure to the taxpayers that these functions are being provided in a cost-effective manner, without jeopardizing the quality of these services. Costs comparisons conducted by Delran school officials have demonstrated that the school district has saved many thousands of dollars each year.

In a related economy measure, Delran also purchases its natural gas from a third-party provider other than its investor-owned utility company. In this case, it is Public Service Electric and Gas. We believe we save about 13 percent of our natural gas costs each year by doing this.

Delran has also implemented an effective cash management program. It has a structured portfolio program that invests its money long term in U.S. Treasury securities and short term in the New Jersey Cash Management Fund, very aggressive, very unique.

The Delran Superintendent of Schools is very aggressive in the way he manages the budget. There is no attitude that-- The attitude in Delran is that if it is budgeted, then let's spend it. It simply does not happen. As a result of the management of the revenue and the management of the appropriations sides, typically Delran is able to run up a surplus and guard it carefully, and then devote it to its following year budget to keep its taxes down. We think Section 5.b of the Comprehensive Plan is resulting in a general loss in comprehensive aid -- in core curriculum standard aid in the school district, and we would ask that that one sentence in the Act be eliminated.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Mr. Ianoale. Thank you for bringing that to our attention.

Dr. William A. Caldwell, Superintendent, North Warren Regional School District.

W I L L I A M A. C A L D W E L L, Ed.D.: Good afternoon, distinguished legislators. Thank you for the opportunity to testify regarding the school funding bill.

My name is William Caldwell. I am Superintendent of the North Warren Regional School District.

Having sat for many hours in the Parsippany Hills auditorium on July 17, I will endeavor to be succinct and to the point, and I will summarize my written report.

I speak today on behalf of the North Warren Regional School District located in Blairstown, Warren County. Our regional high school is one of those districts that always has very good HSPT scores and sends about 80 percent of our students to college each year. Yet, in a quiet way, we do control costs, as evidenced by the New Jersey Department of Education's School Report Card and comparative spending guides. Attachments to my written report will verify in hard copy.

Regarding Senate Bill No. 40, I wish to point out five areas in which I have concern:

1) Statewide, and certainly in the Skylands area, the regional high schools are among the best performing districts in the State. The proposed

T&E cap would dramatically impact our district, and we definitely are not among the big spenders.

2) Having served as Superintendent in both North Jersey and South Jersey, there is a distinct difference in the cost of education in the various geographic sectors of New Jersey. Senate Bill No. 40 establishes an unrealistic per-pupil average cost for all of New Jersey.

3) The weighted grade level spending ratios proposed in Senate Bill No. 40 are not realistic. Nowhere can I find research that verifies that middle school education costs are only 12 percent more than elementary, or that high school costs are only 20 percent more than elementary.

4) The projected categorical allowance for student activities -- extracurricular, cocurricular, and interscholastic athletics -- is nowhere near enough.

5) Finally, if a district successfully acquires the public's approval to spend above the T&E cap, that approved amount should be the annual threshold, rather than requiring a district to go back to the public each year for approval. Going back each year will result in too many variations, all of which will ultimately impact students in a negative manner.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Dr. Caldwell.

Patti Pawling, Barrington Board of Education.

P A T T I J. P A W L I N G: Good afternoon, Senator Ewing, Assemblyman Rocco, and Committee members. I am Patti Pawling, a member of the Barrington Board of Education. I am former President of the Camden

County School Boards Association, and currently serve as Vice President for Legislation of the New Jersey School Boards Association.

I think all board of education members in New Jersey appreciate the task before the Legislature. In trying to develop the elements of a thorough and efficient education, we must take many factors into consideration.

For example, in any one community, students come to school with varying educational needs. Economic and social factors play a role in how well developed and prepared our children are for the educational experience. And these factors have a major impact on the types and the cost of programming.

Everyone will be starting off from a different point as they move toward meeting the new statewide curriculum standards. Each school district will have a different experience as it strives toward that goal. Compiling data district by district -- on student achievement, on curriculum, on enrollment -- will determine the resources individual school districts need to attain statewide educational goals. This will take time.

The services that are necessary for the children in my district of Barrington may be totally unnecessary in another community. And unfortunately, the innovative programs being established in other communities may be financially impossible in a community like Barrington. During my last 10 years on my local School Board, the dollars provided by the State and Federal governments have decreased steadily, and increasingly, we have had to use local tax dollars to support our basic education program.

In 1989-1990, Barrington received \$2,341,440 in State aid to education. But eight years later -- in the 1997-1998 school year -- we will receive \$1,945,000 according to the legislation before you. That is a reduction

of \$396,440. And when you account for inflation, it represents a gap of close to a million dollars.

A goal of our new educational system should be parity in spending and programming. This does not come cheap. We will not achieve it by reducing programming in high-quality school districts. And we cannot achieve it unless New Jersey ends its overreliance on the local property tax to support schools.

The *Asbury Park Press* and *The Home News & Tribune* recently conducted a survey that indicated the majority of New Jerseyans believe State government should shoulder a larger share of the cost of public education. That will not happen under the legislation before you today. Until we look seriously at the issue of State versus local support for public education, many of our communities will be punished by rising property taxes.

Many of Barrington's residents are senior citizens who have not benefited from the recent income tax cuts. Their property taxes continue to increase, while their incomes stay at a fixed level.

The administration has told New Jerseyans that property tax rates are not the State's responsibility; they are the result of local decisions. I disagree. State revenue policy has a very real and very direct impact on how communities must tax themselves for schools and other services.

New Jersey has one of the highest per capita property tax rates in the United States. The major cause is the fact that the State pays only 38.5 percent of the total cost of education. On the average, other states pay close to 55 percent.

We can meet the challenge of program and funding equity, but to do so we need a revenue system that reduces the reliance on property taxes and results in State payment of at least 50 percent of the cost of public education statewide. This is a concept supported by the New Jersey School Boards Association and other responsible organizations.

The legislation before you is also silent on the issue of funding for school facilities. A comprehensive plan to address school funding and improvement must also address funding for facilities. We urge you to initiate a statewide program to address our State's multibillion-dollar school construction needs.

I also have a practical question related to capital spending:

The legislation requires school districts to present voters with budget items that are outside its definition of a thorough and efficient education. Considering that provision, will debt service on previously approved bonds and lease purchase payments have to be submitted to the voters each year? Furthermore, if voters turn down these items, what will be the mechanism for appeal? Remember, school boards have no choice about paying these bills.

One final point I want to address is the legislation's special education provisions. I urge you to eliminate the artificial 10 percent limit on full special education funding. It will hurt kids. As an alternative, please consider the New Jersey School Boards Association's proposed special education funding plan. This proposal is focused on students' educational needs, and it would not penalize districts that have higher numbers of students truly in need of special education services.

Thank you very much for giving the public this additional opportunity to comment on school finance. Thank you.

ASSEMBLYMAN ROCCO: Thank you, Ms. Pawling, for representing Camden County as well.

Alene Ammond is with us now, a former State Senator, from the Public Policy Research Project.

Senator Ammond?

A L E N E S. A M M O N D: Thank you.

Gentlemen, Assemblymen, Senators: We thank you so much for holding a hearing down here in South Jersey, where we often feel forgotten.

I am Director of the Public Policy Research Project, a resident of Cherry Hill. I have a son in the Haddonfield school system, and two daughters who graduated the Cherry Hill school system, who also graduated college.

I am here to endorse Senate Bill No. 40 as drafted by Senators Martin and Ewing, and here is why:

During the past one and a half years, with the help of four members of the Cherry Hill School Board and CPA Brian Greenberg, our organization was able to uncover what we consider problems with the manner in which school finances were handled in this particular district. During our repeated attempts to secure information, we encountered an inbred system of secrecy, an institutionalized form of stonewalling, a failure to pursue value managing strategies, and politicizing of policy which ultimately impacted on the quality of education.

Board majorities, from the past and the present, have always been too eager to rubber-stamp administrative policies, overlooking careful scrutiny

of board policy, even though they have a proclivity toward fitting numbers into a precalculated agenda. These boards are not much different today throughout the State of New Jersey, with parents all over the State telling us that they have no control over their children's education or the financing of the education, mostly because of the failure of administrations to provide the documents necessary to them to help them to know how the dollars are really spent.

However, the Department of Education, Division of Compliance, under the direction of Tom King, is currently in the process of looking into the research that our organization did and conducting an investigation. Unfortunately, school superintendents and administrators have become gatekeepers of the status quo, often pressured heavily by the NJEA and/or the local teachers' unions which view our budgets as theirs to have. I am not tarring all teachers with the same brush. There are some magnificently talented teachers and educators. However, as a group and in a union, the lines between the improvement of education and salaries blur, with salaries and benefits the big winner.

Under these conditions, no vision for the future of our educational needs will evolve until we can get a grip on fiscal realities, and until our right to challenge and address educational issues is accepted by local superintendents without rancor. We can no longer allow an inelastic bureaucracy to stunt the growth of fiscal and educational integrity.

Local parents must have local control over their children's education and financing. However, in Assembly Bill No. 20, the bill grandfathers in current spending levels and eliminates voter approval of stable budgets adjusted for inflation. The outer districts identified in S-40 contain

the original districts identified by the Court, but aspects of the Rocco bill considerably raise the stakes over the Martin/Ewing bill, increasing amounts for early childhood education, as well as special ed and vo-tech substantially, known as the Bagger amendments. The Garden State Coalition of Schools, a special interest group consisting of superintendents and other special interests, notes in their flyer that they were advised by Assemblyman Bagger, on July 10, 1996, that their group had set the agenda for funding. Bagger's proposals grandfathered in current school budgets as the baseline for their future, and that is a problem.

We cannot allow current budgets to be used as a baseline for future funding. There is simply no current process which allows fact-finding regarding the integrity of numbers offered by too many school administrators in this State. We found, often, that the budget itself was like a holograph -- surplus often hidden, disguised in a myriad of accounts. For example, a former financial administrator among several who developed a lucrative golden retirement parachute for themselves of \$450 a day for the first 100 unused sick days, and \$40 for every day thereafter, some accumulating as high as 1100 unused sick days. Miraculously, the administrator retired and was reincarnated as a consultant. The point is, he knew where the moneys were, but nobody else did.

Parents and taxpayers have a chance now under this bill, even though it is not perfect and needs revising, work, and cooperation from everybody to transform the culture of education in this State and create empowering alternatives to the current system, but only when we are forced to seek creative solutions to our problems -- necessity truly is the mother of

invention -- and only when superintendents and boards can open themselves up to new concepts without feeling that they are being threatened. Philosopher Arthur Schopenhauer said: "All truth goes through three stages. The first is ridicule. The second is violent opposition. And, finally, it is accepted as self evident."

The changes we face now are in that second stage of violent opposition. I hope we can make it to the third stage where these changes are truths which are self evident. Senate Bill No. 40 is a beginning toward that end. Although imperfect, it begins the process of all moving together toward the Court mandate.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Senator Ammond.

Valerie Smith. She will be speaking for herself, and she also serves on the Cherry Hill Board of Education.

VALERIE SMITH: Thank you, John.

Thank you, Senators and Assemblymen, for this South Jersey opportunity to speak on the Comprehensive Educational Improvement and Financing Act of 1996.

Since the New Jersey Supreme Court finding that our educational system does not meet the State's constitutional mandate of a thorough and efficient education for all students, the school community has put forth and argued many ideas and theories on how to meet this legal requirement. It is not easy.

A few years ago, some legislators even gave thought to amending the T&E section of the State's Constitution in order to simplify the decision

making. That did not meet public acceptance, and statewide education laws since the Court ruling have proved to be inadequate.

At this time, we need to build a firm foundation on which to build a new system, a system that will provide equity, while maintaining our neighborhood school systems, one that will allow community ownership and responsibility. I believe that Senate Bill No. 40, sponsored by Senators Martin and Ewing, meets those needs, in addition to withstanding a strong constitutional challenge.

I also believe that there are some areas that must be revisited. I believe that the core curriculum standards should be elevated. Courtesy busing needs to be readdressed, and certainly our special needs students need more attention. Nevertheless, S-40 makes a practical foundation on which to build.

Senate Bill No. 40 gives voters final say in educational outcome. It takes the State bureaucracy out of local decision making. It provides residents with choices as to what is needed and what is affordable in their communities. Results of education will be scrutinized by outcome on a multiple poll of grade levels by test results. There is a movement to take away community responsibility and possibly our neighborhood school system by disenfranchising voters from the local school budget process. Taking away local ownership is contrary to growth. It has been proven time and time again that people respect and are more accountable for what they own and what they work for, rather than what they are given.

This is true for our school system. It is absolutely essential to include the community as much as possible in the education and finance process. Local ownership will provide community responsibility, respect, and

accountability. Unfortunately, there is a contingency that promotes a fallacy that groups can be stereotyped as being antieducation. I know this is not true from the many residents I have met through my position on the Cherry Hill School Board. Constituents do not want an illiterate America. They want a productive New Jersey.

When constituents read in *The Philadelphia Inquirer* that New Jersey is 1st in spending per pupil, but 49th in money back to the classroom, they know there is something very wrong. In light of this well-known fact, the taking away of local voter approval of school budgets will only result in distrust, resentment, and, in the long run, an inferior school system. It has been my experience that oversight of district budgets is needed and absolutely necessary.

Many of us here today have heard the African proverb, "It takes a village to raise a child." Senate Bill No. 40 provides for that by removing the State bureaucracy, giving ownership to the local community, and, most importantly, keeping the decisions of education at a local level.

Currently, and for the last 25 years, education has been at a stalemate as a result of the New Jersey Supreme Court decisions. We must move on for the benefit of the hundreds of thousands of students who are depending on us to help to shape their future. Parochial arguing and special interest points must be put aside for the good of the real constituency of our society, our future, our students,

Again, I ask that S-40 be given the chance to become our foundation to build. Let's end the stalemate now and work together for a better educational system.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Valerie.

Marete Wester, Alliance for Arts Education/New Jersey.

MARETE WESTER: Good afternoon. My name is Marete Wester. I am the Executive Director of the Alliance for Arts Education/New Jersey. I am happy to provide a truncated version of my written testimony to you today.

In thinking through today's testimony, I decided to bring you something regarding the proposed school funding formula that you might not have heard before, so I decided to lead with something positive, what the arts community is doing to help to address the very real issues in education reform.

We have three positive initiatives we can point to as substantive in that direction:

- 1) We are working more collaboratively together as a field with our schools, with our artists, with our arts organizations, no better exemplified by the Arts Create Excellent Schools -- the ACES consortium -- which worked together to bring the concept of pilot arts-infused schools to fruition -- we do thank Senator Ewing and Assemblyman Rocco for helping us to realize that vision -- as well as the private funding sources who are joining us at the table.

- 2) We are better utilizing technology to achieve our goals. We are working on a project with our national and State partners to bring a pilot site-distance learning project to New Jersey, coming this October. This project is funded by the Dodge Foundation.

- 3) We are using our resources to help the arts prepare to fully function in this era of education reform through professional development and

technical assistance that is dealing with the core curriculum standards and other education initiatives.

So I actually come to the issue of school funding full of optimism about what I know can be achieved in reform through the arts, based on what is happening in our field now. But my mood turns somewhat somber when I contemplate the impact of what the proposed school funding formula will do to the positive change efforts that are taking place.

I emphasize our real concern over the effects the school funding debate is already having on school districts whose school boards are threatening to eliminate arts programs based solely on issues of funding, and we heard that this afternoon. We have expressed to you before our concern that the proposed models articulated in the Comprehensive Plan do not adequately provide for quality and effective delivery of arts education.

I do not envy the decisions you have to make, because I know that you know there is so much at stake. We in the arts education community are working hard to make a difference in the quality of education we deliver, and we are building momentum through partnerships and collaborations. This cannot be sustained if basic support becomes inadequate and schools are forced to pull back from these efforts.

I just spent the past 10 days at the Arts/Teacher Institute, which is our cosponsor professional development institute for teachers that we cosponsor with the State Arts Council. With that in mind, I am closing with a lesson from the Arts/Teacher Institute. We explored, in very concrete terms, how to implement the standards and to begin to develop with teachers ways that we can address them. This small book -- and I have to admit that if I

knew I would be playing to a large audience, I would have brought a bigger prop -- is actually the result of a collaborative project between the bookmaking class and the poetry class.

The assignment was to address the sixth standard, which deals with the design and planning of form and function. The bookmaker's created the structure, the poets created the content. You will note that this structure is small, compact, and, one might even say, economical, but as you open it up, the inside structure reveals not only the beauty and form, but also the economy of space.

I would like to read an excerpt from a poem contained therein written by Chris Parker, who is an artist in the school, and who is also one of our participants. Chris writes:

Tips: When walking on the frozen lake to fish
read municipal, geological maps
so as not to catch your hook
forever on garbage from the past
like the car that should not have
come onto frozen Lake Hopatcong,
or the tree, carelessly cut,
that floated on our surface
until it was permanent
on the water's floor.

The school funding formula needs to be designed well. In this debate, it may well be that the tree carelessly cut will be arts education, not because the ideas or the will were not present, but because the funds weren't. There is a flaw in any design that weakens the integrity of that which it presumes to fortify. That would, indeed, be a tragic legacy to leave behind.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Marete.

Let's go to Maryanne Niethold.

MARYANNE NIETHOLD: Good afternoon. My name is Maryanne Niethold, and I am the President of the Atlantic County Learning Disabilities Association. But, more importantly, I am the parent of a handicapped child. I would like to share my son's story with you in the hope that you will understand why children such as mine will be seriously compromised by the plan for educational improvement.

Ten years ago, my son, Gregory, was born. As does every mother, I gave thanks when he was healthy. It never even occurred to me that things could change, but change they did. At about the time he was two, Greg contracted a virus which caused him to develop the most serious type of seizures. As a result, we were told that he had irreversible brain damage and that because of this he probably would not even live. His brain was seizing constantly. He was having hundreds of seizures a day.

By the time he was three, Greg had no language, had developed attention deficit disorder, and was diagnosed as mentally retarded. His behavior was out of control. Our lives, to say the least, were a nightmare. Did you know that 95 percent of the parents of handicapped children eventually divorce?

At this point, we were urged by one of the doctors to contact our school district about a preschool program. My district, however, did not have one. So one month after Greg suffered his last seizure, I put him on a bus for a 30 special services. That was the hardest thing I ever had to do, but I knew that it was his only chance. I followed the bus that day with my binoculars,

even though an aide had been provided on the bus for him. Upon my arrival, the superintendent himself welcomed and reassured me. This is just one example of the kindness and competency of special services.

Greg made wonderful progress. After five years, I was anxious for him to be in our neighborhood school, but our district still did not have a suitable class. I was also not willing to sacrifice the educational gains he was making and take him out of special services, where they so clearly knew what they were doing. Atlantic County Special Services, however, was flexible and responsive enough to open a satellite class in our own local school. Greg continues to receive the individualized teaching and therapies that he needs, while at the same time he has the opportunity to be with regular children and develop socially. For him it is the perfect solution -- the best of both worlds.

I know that there exists on the part of some people a concern that there are children who are placed in special services school districts who do not really need to be there, that they are too high functioning. Every child who is placed there is approved by the State Department of Education, as you know. The County Superintendent himself signs off on each placement. If you believe there is a problem, then it is at this level that it exists, not with the schools themselves. I never forget for a minute that it is only because of the years my son spent at special services that he is now able to be in a regular school. Because of them, he has the chance at some type of normal life, and not to be institutionalized or cared for as we once feared. In a time when there is so much discussion about regionalization for cost-cutting purposes, special services schools are regionalization at its best.

According to this Plan, children such as mine would also be affected by the single cost factor for all disabled children, no matter how severe their disability might be. I can only assume that legislators must think that this would make things more equitable. I would like to remind you, though, of the very definition of fair. It does not mean that everyone receives the same, but that everyone gets what they need. Some children simply need more than others because of the nature of their disability. This Plan is not fair to them. Don't you want to be?

Direct State funding has been eliminated in this Plan. How can the districts be expected to operate efficiently and plan programs for our children?

Full funding will be limited to 10 percent of a district's enrollment. In Atlantic County alone, where I live, the classification rate is 14 percent. What would make anyone assume that disabled students are distributed equally? This limit on funding will force districts to limit classifying students because of a cap.

Districts would also be limited in the number of out-of-district placements they are allowed. In some cases, it is very difficult financially, medically, and from an educational standpoint to meet the needs of a child. An out-of-district placement, such as our experience at special services, is more cost efficient, as well as more effective. The savings to local districts might look good on paper, but only for a short time. It will cost districts, and eventually taxpayers, far more in the long run to take these children back.

Finally, I would like to leave you with this last thought: It has been said that a society can be judged by the way it treats its children. I

wonder then, how will New Jersey be judged if we treat our disabled children the way Commissioner Klagholz proposes? Furthermore, from a public relations standpoint, it is beyond me why any politician would even want to be associated with this Plan. Who would want to be remembered by their constituents as someone who turned their back on handicapped children? I appeal to Governor Whitman to do the moral and ethical thing.

Thank you for your time.

SENATOR EWING: Thank you.

Carol Choye, Superintendent, Scotch Plains-Fanwood Public Schools.

C A R O L B. C H O Y E, Ed.D.: Good afternoon.

Senator Ewing, Assemblyman Rocco, members of the Committee: I am Carol Choye, Superintendent of the Scotch Plains-Fanwood Public Schools. I am also a member of the Board of Trustees of the Garden State Coalition of Schools.

I have had the privilege of serving as a public school educator for 36 years, the last 10 as Superintendent in New Jersey. As I have worked through the QEA and now this Plan, I have a feeling of déjà vu. I come from San Francisco, Serrano Priest, and Proposition 13. My last job in San Francisco was as Associate Superintendent for Integration. In that job, San Francisco was codefendant with the State of California, in fact, sued by the NAACP. We closed the seven schools in the Hunters Point area. Hunters Point was filled with families that lived in the old housing left over from the World War II workers. It was the poorest community in San Francisco.

Our job was to make those schools really thorough and efficient for the children who lived there. We closed those seven schools, completely emptied them, and reopened them clean and shining with absolutely new administrators who had the right and the privilege of selecting staff. Those seven schools became the magnet, and for many years were the focus of a very fine educational program funded by the state.

I have been there before. I know that it can work. Our State Department of Education should focus on supporting the special needs districts. Many of the superintendents in those districts are ready to make those changes. They need support from the State, not more paperwork. Those children are as important as any children anywhere.

My 36 years, I feel, are a commitment to the public school children of this country, specifically now Scotch Plains-Fanwood. I ask you to redirect the State Department's efforts to those areas that are well needed.

I looked at *Abbott v. Burke* and have studied it over the last 10 years that I have been here-- I have looked at how the realities of our world have changed. No longer are we talking about only nuclear families. I look at my community, and I see grandparents who now have their grandchildren domiciled with them so that they can have a second chance at public education. They come from Newark; they come from Plainfield; they come from districts around us. No longer is there a clear dichotomy between very rich and very poor districts. I sat here and listened to very rich districts, and I think of Scotch Plains-Fanwood, which is a district rich in many ways: parents who support their children's education, a staff that believes in what it is doing. But I look at our parents who have been downsized from J&J and

downsized from AT&T, and I say to myself, “How can they feel that they are a rich district in the dollar ways that are referred to in this Plan?”

We know that urban flight has taken place over the last 20 years. Our reality in Scotch Plains-Fanwood is that we have a diversity of students who have come from all over -- from New York, from Pennsylvania, from California. They have chosen the Scotch Plains-Fanwood schools. They have made that choice. So I say to the Department, “Put your energy and your time behind the special needs districts.” Urban flight -- a reality of our world. Our parents, members of our Board have come from other communities. They have chosen to be in a very diverse Scotch Plains-Fanwood. So I say to the Commissioner, “Add a diversity factor, not a percentage. Don’t say to us, ‘Twenty percent of your children need to be at risk before we will help you.’ Say to us, ‘You have a very diverse student body. Make it happen, the education, for each and every one of the children.’”

I heard many of the speakers today talk about special education, and I add my voice to that with another reality. What has happened is that the wonderful medical advances that have occurred have enabled many more youngsters to live to the time they come into our schools. It is not unusual to have a child come into the prekindergarten program, or the first grade program, on a gurney with a nurse, with all kinds of medical attachments. That does not mean that that child doesn’t deserve the best education possible.

We are very fortunate. We have a very fine special education program that meets the needs of many of our children. But let me tell you, our funding under this Plan will be \$1.9 million. That is the cost of out-of-district placement for our 52 out-of-district children. That does not include the costs

for providing in-district support for the 475 other children who are special ed children in Scotch Plains-Fanwood, including 15 inclusion students, who I could also tell you wonderful stories about as they are learning and contributing to their classmates.

Senator MacInnes, I heard you ask about the busing assumption. I, too, consider it a faulty assumption. We had the privilege of meeting with Commissioner Klagholz. What we found out was that our efficiency in buying a 24-passenger special ed bus that can accommodate three wheelchairs, or a 20-passenger bus that can accommodate two wheelchairs, was not really considered efficient from their point of view. They do not know the reality of our world. Our world says, "Our special ed children need to be bused to school as quickly as possible." They cannot afford to sit an hour or two hours on a bus to fill up every one of those 20 seats, or the 24 seats.

There is efficiency and there is effectiveness. We have tried very hard to run an efficient school district with effective programs for children. The proof of that has been that in the last three years, we have had very low increases in the tax rate. In fact, none for one of those three years. We have cut some programs. We have cinched in the belts. We have a good program. The State Department does not take into consideration those kinds of issues.

You have heard about speech specialists. You know that the State and the Feds require that we provide that service, and yet we will not be able to fund that out of any funds from the State. Our special ed costs picked up by our local taxpayers are about 70 percent of the costs, or \$4 million, and they have continued to pick that up because our community feels that all of

our children -- regular or special ed, low income or high income -- deserve the best education possible.

We have had, over the last three years, an increase in enrollment. We have looked carefully at our facilities. We have eight buildings. We are using every space and, in fact, we will be adding portables to accommodate the increase in enrollment. So when I look at the Commissioner's Plan, I say, "What is the reality of that?"

ASSEMBLYMAN ROCCO: Do you want to bring it to a close, please, Doctor?

DR. CHOYE: Yes, I shall.

I urge you to continue to support A-20. I believe it acknowledges voter approval. I am very appreciative of the Assembly's work in accepting the fact that our voters have supported our budget in the last couple of years. I am very grateful to Assemblyman Bagger for his work there.

I urge you to return the elections to April, and I will give you some fiscal considerations: We budget \$4000 for the election. It cost us \$16,000 -- the cost of the municipal running of the budget.

I would also ask that you rethink the funding options. I have with me a study that Steve Sokolow, the Superintendent of the Freehold District, wrote to the Burstein Commission. I think that, the SLURP report, and other kinds of funding options should be reviewed.

My last two comments are: The regional cost differences are important. But if you look at the Plan, it comes under core curriculum aid. Well, you heard, I believe, Barry Ersek say that 100 districts do not get core

curriculum aid. So how does supporting regional differences under core curriculum aid help those 100 districts that do not get that funding?

Also, Jim Murphy talked about the funding that goes to private and parochial schools. I will give you a specific example: Scotch Plains-Fanwood gets \$1.49 per child which we can use for nurses or textbooks. The private and parochial schools get \$105. By the way, the funding disappeared as of June 30.

Thank you.

ASSEMBLYMAN ROCCO: Thank you very much.

Craig, I know you have someone you want to introduce.

ASSEMBLYMAN STANLEY: Yes. I just want to introduce and recognize my mentee from Central High School, who will be a junior this year in the Newark school system. His name is Walter Vertil (phonetic spelling). I just want him to stand up. He came down here, made this long journey with me, and now he is about to fall asleep. I just wanted to recognize him, Mr. Chairman. (applause) Actually, I have to get him back to Newark, or else I will be under some type of indictment, I'm sure.

Thank you, Mr. Chairman.

ASSEMBLYMAN ROCCO: Thank you, Craig. We are certainly happy to have anyone here who can learn a little bit more about our government and how it works.

Now we will go to Karen Powers, Brenda Maltman, and Terri Probasco, Salem County Special Services School District.

TERRI PROBASCO: Due to the five-minute time limit, we said that Karen had to stay back.

BRENDA MALTMAN: Hello. My name is Brenda Maltman. I reside in Salem County. I am an employee of the Salem County Special Services School District but, more importantly, I am the mother of a multiply handicapped child.

My son, Zachary, is nine years old, is neurologically impaired, and has mild physical handicaps. He has attended the local school for five years. Zack is in a self-contained PI classroom with approximately 10 other children ranging from grades kindergarten to fifth. There is a teacher and one classroom aide. He has made very limited progress during these five years. Zack receives physical, occupational, and speech therapies two times a week, and adaptive physical education once weekly. These services are outstanding, and I am sure very costly.

This past May at Zack's IEP meeting, it was recommended that he be placed in an out-of-district program. His father and I were very much against this recommendation for two reasons: The first reason was that we did not believe that his home district had even tried to meet his needs. For example, when asked what learning strategies had been researched and tried with Zack, outside of what was already available at the school, the Child Study Team could not think of any offhand. When asked to go back and check their documentation, they replied that they did not have any. This told us that no extra effort had been put forth to educate a child who was only capable of learning slowly and in certain ways.

Although multiply handicapped, Zack is not severely disabled. How would a district handle severely disabled and mentally disturbed students? I am not against inclusion. I realize that inclusion might be the

answer for some disabled children, but I do not believe it is right for the majority of them. Many school districts are not properly educated nor willing to make the effort to help them learn or succeed in life. Many teachers in a regular district do not like to teach life skills nor take the time to write special lesson plans for these children. Also, many of them feel that it disrupts the schedule of the so-called normal children in the classroom.

Our second reason against placing Zachary out of the district was that we did not feel there was an appropriate placement available for him. Some of the programs in our county were just starting up this past year, and there wasn't anything to base their performance on. Private schools were just too far away for a nine-year-old child. Salem County Special Services had a program with an excellent teacher for Zack. Because of the controversy about funding, the district's future is very uncertain. I will not send my child to a program that might not be available the following year. Handicapped children have enough problems without being bounced from program to program every year.

My other concern was for the teachers. Zack would have had an excellent teacher, but would she still be there next year? Teachers are like everyone else. They need job security. When they receive RIF notices every year, they will begin applying to other districts. I do not want my son to have a new teacher every year. He needs consistency. For this reason, Zachary will remain at the same school with a one-on-one aide and a very closely monitored program. I am not sure that this is for the best, but until this direct funding issue is resolved it will have to do.

The point I am trying to make is, if the issue of direct funding is passed, the quality of special education will be severely lessened. Let's not go backward. Let's go forward. I have spoken to many parents of disabled children and they share my views. This issue must not be taken lightly. The future of my son, and many other people's children, depends on the outcome.

Thank you.

ASSEMBLYMAN ROCCO: Thank you.

MS. PROBASCO: My name is Terri Probasco, and I am a school social worker extraordinaire for the Salem County Special Services School District. I say extraordinaire because I began with the district six years ago. We are starting our seventh year. As you know, we are also the seventh special services district formed. So we are babies, but we have come a long way.

I have been with the district, obviously, since the beginning when we were a one-drawer file cabinet. That is from scratch. I have been very proud to be a part of the district's growth. However, I have much concern over this Plan. We are from the real South Jersey, a little further south than Cherry Hill, in Salem County. Maybe some of you folks, as you are driving to the Delaware Memorial Bridge, or going past the nation's oldest active rodeo, have been through our county before. But we are South Jersey also, and we appreciate your coming down here, a little further south, to us.

Anyway, I think the number seven could be a jinx for us, because as we approach our seventh year and with this funding proposal, and with the smallness of our district and our county, I think it might be the last year. This is very upsetting for me.

This district was formed by Freeholders, both Republican and Democrat. They were the highest caliber there then, and are now. They are our finding fathers and mothers in the educational field. They all surveyed the needs of our county. They decided that there was a need for special services in the County of Salem. That was seven years ago. That need still exists today. Again, we have small numbers, but we are still a very important population.

The majority of our student population are emotionally disturbed kids, and we really haven't touched upon that today.

ASSEMBLYMAN ROCCO: Ms. Probasco, do you want to bring it to a conclusion?

MS. PROBASCO: Yes.

The emotionally disturbed students are throwaway kids. That is basically what they are. The local public schools have thrown them out, and they are not going to take them back. What are we going to do with the throwaway kids, because they can't be recycled?

Thank you.

ASSEMBLYMAN ROCCO: Thank you very much.

Of course, that is the home of the Speaker, who one day, serving as Mayor, ran the State from Elk Township. That may be a first in the State.

Kathy Howard, former member of the Cherry Hill Board of Education.

KATHY HOWARD: Thank you.

My name is Kathy Howard. I am a resident of Cherry Hill and a former member of the Cherry Hill Board of Education. I thank you for the

opportunity to address the Joint Education Committee, and I truly believe that almost everyone here in the room is here for the same reason -- the issue of fairness in educational funding for all the children in New Jersey.

But in order to go forward in our quest, we must look back over what has happened during the last six years and the heavy price that many districts have paid while we have studied educational funding. We could equate what is happening in New Jersey to a pyramid, which was originally 600 levels high and was built by more than 600 different villages. Over time, many of those levels have become different from each other, not because it was initially designed that way, but simply because other factors had come into play over the years.

Finally, though, six years ago, someone decided it was time to look at that pyramid. But instead of evaluating the overall strengths and concentrating on the good points, analyzing what was special, and seeing what could be preserved and developed further to make that pyramid beneficial for everyone, the decision was made to broaden the base, to make it more uniform. The very blocks which reflected the most innovative and far-reaching labor of the pyramid builders were removed and, in the end, they had succeeded. They did, indeed, have a broad base, but that was all, because the pyramid was gone.

Just like the pyramid, we have come dangerously close to dismantling all of our districts in our quest for equity, including many of the very special needs districts which were targeted for extra help. We have done this by constant State decreases and program decreases, while we expect more and more from our schools. We in Cherry Hill are no different. We have lost half of our school funding over the last six years. We have 10,000-plus

students. We have special education children, alternative schooling needs children, preschool children who need and deserve intervention, basic skills needs, and the list goes on and on.

Like many other districts, we have no money for all-day kindergarten. In fact, we have never had all-day kindergarten. Our preschool programs had to be limited, and much of our curriculum innovations and computer technology has had to be put on hold.

Like other districts, we have had to continually spend our money on replacement roofs, which are leaking and collapsing, walls which are crumbling and must be rebuilt, underground storage tanks which have to be dug up and converted, and now we are left with antiquated and obsolete science labs in buildings that are, at the minimum, 30 years and 45 years plus, textbooks which need replacing, and overcrowded classrooms -- and we have no money.

The priority for all children in New Jersey must be equal educational opportunities for everyone at every level. The issue of funding must not continue to pit one district against another and, certainly, should not pit one child against another. Whatever our children's needs are for their future, they must be given them, whether it is calculators, computers, or wheelchairs. No child deserves less consideration than his neighbor, but special consideration, where necessary, must be maintained.

You must become the bipartisan force that enacts the solution to this unresolvable problem of equal educational opportunity, and you must find a realistic way to pay for it, for as long as funding for education is tied to property taxes, we will continue to have these problems throughout the State.

I also ask you to ensure that whatever the outcome for educational funding when it is put into place in New Jersey, that it have a leveling up philosophy, and not a leveling down of education, which has happened in many districts since the QEA. Time is almost out. Do not let this important issue of safeguarding all of our children in New Jersey become another example of one where everybody thought that anybody could solve it, so therefore they were sure that somebody would solve it. But in the end, nobody really did solve it, so the children, again, became the losers.

Thank you.

ASSEMBLYMAN ROCCO: Thank you very much, Kathy. We thank all of the board members for their work with our children. We all appreciate it.

Dr. Erna Pagenkopf. I am sure I didn't pronounce that correctly, Doctor. How about if I call you Dr. Erna? Is that all right?

ERNA R. PAGENKOPF, D.C.: Everybody else does.

ASSEMBLYMAN ROCCO: Is that Pagenkopf?

DR. PAGENKOPF: Pagenkopf. (correcting pronunciation)

ASSEMBLYMAN ROCCO: Oh, Pagenkopf.

DR. PAGENKOPF: I am not used to talking into a mike.

Good day, ladies and gentlemen.

Saving money is a problem in education. The Comprehensive Education Plan is not the solution. It is a political response to a cutthroat agenda. Cut money at all costs. Cut special education. Cut where no one cares.

Well, I am here to tell you, here and now, the disabled count. All of us here, plus many, many others, do care. We want our children to receive the best and most appropriate education for them. Parity in State dollars per child cannot effectively provide for the needs of every child, especially those with special needs.

Who makes up the money denied by State aid? The people who keep you in office, your constituents. When they find out, they're not going to be happy.

Absecon, just one city in New Jersey, is expected to pay \$75,000 in additional tuition in the year 1997-1998, due to reduced State funding to Atlantic County Special Services School District. Due to stabilization provisions in funding, special education aid for Absecon will be reduced from \$599,000 to \$285,000, a loss of \$314,000. That money funded programs and therapies for the most vulnerable in our population.

Education is the core of our country. The Comprehensive Education Plan will have us believe that the perceptually impaired child is currently inappropriately placed and should be mainstreamed. Speech therapy can be taught by regular teachers, instead of trained speech pathologists.

These moves would save school districts money short term, but what will we have instead? Picture the perceptually impaired child who often learns one to two levels below their classmates in the mainstream classroom. This child may act out as a bully or jokester to draw attention away from his true problems. Or, the child with a speech dysfluency too shy to speak becomes the brunt of jokes and withdraws.

Now add the fact that most teachers do not have the training to handle these children, even with aides. With classes already very large, chaos ensues and ultimately the learning capacity disintegrates for all children. Tell me you can look into the eyes of these children and say you can't help. It is the responsibility of every adult to ensure that every child receives an appropriate education.

It is ironic that the Atlantic County Special Services School District was awarded \$25,000 by Governor Whitman for being streamlined, and yet at the same time seeks to close it down. Look at this idea: Atlantic County Special Services School District closes down. All these children get resorbed by their districts from the mildly disabled to the severely disabled -- all 500-plus students. Now the individual districts have to accommodate these children. Some districts have programs in place. The more fragile have to rely on extraordinary costs. According to the Comprehensive Plan, a panel, appointed by the Commissioner, would determine if the district receives all or some of the additional program costs. With this Comprehensive Education Plan in place, we would also have a 10 percent cap. When these fragile children fall over the 10 percent cap, the current Plan threshold of \$50,000 is easily crossed.

If the taxpayers have to pick up the tab and they refuse to pay, will these children have to stay at home? Please hear this: A two-parent-working household now has to become a one-parent-working household, while the other parent cares for their child at home -- while they have a home. With only one parent working, first they lose their home, and what is the next step -- welfare?

We are transferring the monetary burdens from one department to another. Who, indeed, is being helped by the current Comprehensive Education Plan?

Special services schools were created with the idea that some children not only learn differently, they also need extra supports to make it. The Comprehensive Plan is stripping away the pillars of special education that so many parents fought to put into place. Are there things wrong with the current educational system? Yes, there are. Are there many things right with the educational system? Yes, there are. Are we going to be responsible for throwing out a successful, already regionalized, streamlined system?

Don't throw the baby out with the bathwater. Fix the system, don't buy a new one.

Mark Stanwood is Atlantic County Special Services School District's Superintendent. A finer superintendent would be hard to find. Because of his many capabilities, Atlantic County Special Services School District achieved that \$25,000 award for being streamlined. Mark Stanwood, and people like him, are dedicated, caring, and willing to go beyond themselves to get the job done. This has made Atlantic County Special Services School District and the many graduates successful, independent, and assets to society. We need this school. We need these people.

Can a disabled child succeed if you take away his tools of success? No. For many children, taking away the Atlantic County Special Services School District equals taking away their tools for success.

Common sense prevails. The Comprehensive Education Plan will ultimately cost government and the taxpayers a lot of money. If the

government wants to save money, do not adopt this current Comprehensive Education Plan.

May I make a personal note, please?

ASSEMBLYMAN ROCCO: Yes, but your time is up now.

DR. PAGENKOPF: Very quickly. I have a disabled daughter. I have been listening to the comments here throughout the afternoon, and what I find interesting is that all disabled children are kind of being lumped together. Every disabled child is different, just like every human being is different. Their needs cannot be met by one concept.

It would be nice, in a wonderful fantasy world, if all our children could be accommodated in the same way. It just can't be. Some kids are accepted in the mainstream system; some kids are not and they are not capable of that.

My daughter is one of those who would be lost in the mainstream system. I just wanted to bring that up.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Doctor.

Ruth Ann Dublin? Is she here? (no response)

How about Dick Fopeano?

R I C H A R D F O P E A N O, Ph.D.: Someday I am going to have a name like Rocco, and I'll be real happy.

ASSEMBLYMAN ROCCO: It's easy.

SENATOR EWING: Not with that vowel, please.

ASSEMBLYMAN ROCCO: But then again-- No, I won't say it.

DR. FOPEANO: My name is Richard Fopeano. I am an Assistant Professor at Rowan with John. I am also President-elect of NJAHPERD. NJAHPERD, first of all, is the New Jersey Association for Health, Physical Education, Recreation, and Dance.

In your comment earlier, it was interesting to the members in the audience here that it was nice that someone could sit and learn from the process. I am sitting here thinking as a parent. I have two young daughters, one in first grade and one in third grade. One of my daughters came home with a President's Council of Physical Fitness Award. My daughters are not handicapped. My daughters are healthy, and my wife and I are extremely happy, pleased, and thankful. At the same time, I am listening and I am being very moved by many of the comments that have been made. I am also appreciative of the issue you folks have when you have a limited amount of money as to where the need is. Well, the need is certainly all over, and the need has been very well expressed here by the special services districts, as well as many of the other districts.

So this is not to belittle any one particular point or one particular group. At the same time, the problem is that we have many, many students in the State with many, many particular needs. One of the first things the State Department of Education has to do, as part of their job, is to support the overall health of all students. Special needs students have special health issues and certainly need to be considered. But at the same time, not wanting to throw out the baby with the bathwater, there are many other students who have many health issues that can be addressed in the classroom, in the physical

education rooms, in the gyms, in the fields, which maybe at some point, at this particular time, are not being adequately addressed, that could be done better.

Representing the State Association of over 2000 teachers of health and physical education, we have an issue that is currently at hand. The core curriculum standards that have been worked upon are minimal at best. At the same time, our Association supports the issue and the efforts to bring all the students and the State districts up to snuff, to support a comprehensive school health education, and a comprehensive physical education, and this is certainly a necessary part of all education. We certainly represent and support the fact that it should not be the only thing. It has to work, as we say in our profession, as a balance. We have to have a balance with the cognitive, the effective, and the psychomotor and a cognitive balance with health education, physical education, and with all the other mandated subjects. This is extremely necessary.

The point, though, of this presentation is that there are more and more national studies being done that promote daily physical activity. The latest one was done by the U.S. Surgeon General, as well as reports from the CDC and Prevention, out of Atlanta, the President's Council of Physical Fitness and Sport, the American College of Sports Medicine, and the National Center of Chronic Disease Prevention and Health Promotion in the U.S. Department of Health and Human Services. All of these support the idea of active participation to balance off what we are doing in our other cognitive areas in schools for all students.

Currently, New Jersey has a mandate for 150 minutes of instruction on a weekly basis for all students. At best, this is being adequately

addressed, but at the same time, there are many, many more things that could be done. What I would encourage this special panel to focus on is, instead of just basing their issues on the minimum standards, trying to encourage students and districts to meet not only the minimum standards, but to excel in the areas that they can.

We feel that currently the program needs to be supported to keep daily health and physical education instruction in front of our students at all times, for all students, and to work as a counterbalance with the overall educational efforts of our schools and our districts.

Quite often, I think, from a prejudicial point of view, health and physical education are cast on the side, and are included in when it is appropriate or when there is time. What I would like to do is support the fact that this should be a mainstream component and main academic area, as well as the others. As it is currently addressed in the core curriculum standards, the new core content standards, this is welcomed. I would like to continue, though, the support and to encourage this panel to look at health/physical education as a solid, comparable subject and one that needs to be addressed adequately and aggressively.

One of the things I was writing down notes on while I was listening to my colleagues out here trying to argue their points-- One of the issues is, someone once told me, "Choose your battles wisely." I think it is extremely appropriate, at this point, to remember the big picture. One of the things we need to do is to keep a balance. I hope you choose your methods of funding the different districts wisely and support an overall balanced program approach.

Thank you for your time.

ASSEMBLYMAN ROCCO: Thank you, Dick, and thank you for your help with the core proficiencies.

Ronee Groff, a parent, and President of the Learning Disabilities Association of New Jersey.

R O N E E G R O F F: Good afternoon. My name is Ronee Groff. I am the President of the Learning Disabilities Association of New Jersey, which represents thousands of families in our State who are affected by learning disabilities. I am also the mother of two learning disabled children.

To that I would like to add -- which is not in my written statement -- that both of my sons are gifted learning disabled, which sounds like an oxymoron, but it is not. You can be gifted and you can be significantly learning disabled, which my sons are. Because of this, both boys were in failed mainstream settings. They were both placed out-of-state. Because of this, which was their least-restrictive environment and was appropriate, the oldest son is now a teacher and a businessman. The younger one just graduated high school. He is working and will enter college in the fall. Both, I am happy to say, are taxpayers.

I sit on the School Board of the Atlantic County Special Services School District, the New Jersey School Boards Association's Special Education Committee, and on the New Jersey Commission of Higher Education Disability Advisory.

Who likes this Plan other than Commissioner Klagholz and Governor Whitman? Administrators, school board members, union officials, parents, advocacy organizations, government officials at various levels of

authority, teachers, even children have argued or testified against this Plan. In seeking to create a prescription for all of New Jersey's education system, a formula has been calculated which may turn out to be bad medicine for all of the children in this State. Generations of our children could be casualties as a result of ivory-tower planning without practical considerations for consequences of what will happen in our State's classrooms.

This Plan jeopardizes the continuum. It takes an already regionalized and more than financially competitive system such as our special services schools and literally pulls the rug out from under them. Why and to what end? Superintendent Mark Stanwood, of the Atlantic County Special Services School District, has outlined for you the hard-core truthful facts and dollar-and-cents realities of the faulty figuring of this finance Plan. I will refer to his testimony -- presented in Trenton on July 25, 1996 -- and hope you will take it into serious consideration, as it is far more accurate than the Plan itself.

This Plan dumps 85 percent of the disabled students who are hidden handicapped learning disabled. The perceptually impaired, neurologically impaired, and speech impaired students are placed in direct harm's way as they have been written out of the Plan. This callous disregard of educationally disabled students is reprehensible and can, in turn, put all of the students in our mainstream classrooms at risk. Judith Heumann, Assistant Secretary of Special Education and Rehabilitation Services -- the Fed level -- is quoted as saying, "We're finding that teachers aren't necessarily prepared to effectively teach the disabled children assigned them." Nothing in this Plan will produce dollars for training or support and change this terrible truth.

This Plan lacks technology, and I do not just mean computers. To quote Professor Stanley Pogrow, University of Arizona, "Technology is not just equipment; it consists of highly specific, systematic, and structural methodologies with supporting materials of tremendously high quality -- in other words, the details for putting a theory into action and the means for doing so." These children will be in forced inclusion classrooms before readiness of their teachers or technology as a result of this Plan.

What a formula for failure. We are already seeing failure within our country's courts because of this kind of flawed education planning, such as the *Fort Zumwalt School District v. Missouri Board of Education* case, a waste of taxpayer dollars because of poor preparation and bad education planning. I would hate to see New Jersey hop on the bandwagon of states that seem more interested in walking to the beat of corporations, than to the heartbeat of its children.

Think about this: "More than one in six children will have problems reading in the first three grades," and, "If a child does not learn to read by third grade, he or she cannot keep up with class work and will fall behind, researchers warned. Many learning disabled children who fall behind become frustrated, fall further behind, and eventually drop out" -- National Center to Improve the Tools for Education. The statistics on juvenile delinquency and learning disabilities is frightening and unnecessary. I have attached a package of information on the LD/JD link for each of you. This Plan will contribute directly to an increase in these nightmarish statistics. You can count on it. The consequences of this dollar shifting will cost the taxpayers

of this State, long term, in health care, unemployment, mental health, juvenile care, welfare, prisons, and more.

No matter the politics of any politician, expedient short-term decisions made on the critical Plan could yield for the taxpayer long-term dollar devastation. It is common sense to attack a problem early, rather than to have it grow more complex, difficult, and expensive later. Somehow this Plan seems to defy common sense from the aspect of understanding human beings and their functioning. This Plan is about dollars, but it is clearly not about children. Thomas Hehir, Director of OSEP -- Office of Special Education Programs, Department of Education, again, Fed level -- said, "There's enormous diversity in every classroom. A one-size-fits-all curriculum and a one-size-fits-all methodology doesn't work." Shifting dollars away from certain populations of students and programs, and then thinking that you can underserve them in the regular classroom, can only devastate the entire system.

This Plan should be sent back to the drawing board or erased from the board altogether.

I thank you very much.

SENATOR EWING: Thank you, Ms. Groff.

Diane DeGiacomo, Superintendent, Florence Township School District. Following Dr. DeGiacomo will be Barbara Strickarz.

Superintendent?

DIANE DeGIACOMO, Ed.D.: Thank you for the opportunity to express my opinions and concerns regarding the Comprehensive Plan for Educational Improvement and Financing.

Since being appointed as Superintendent of Florence Township, a K-12 district in Burlington County, my time and energy have been devoted to preparing budgets, defending budgets, appealing budgets, negotiating budgets, and articulating budgets to newspaper reporters. I look forward to a system that will expediate the process.

The proposed funding formula dramatically increases State aid to Florence Township. Given the district's history of defeated budgets, the already overburdened taxpayers of our community will welcome this increase. Although not currently classified as a Special Needs District, Florence Township's poverty level, high tax rate, and large senior citizen population have created an atmosphere of animosity between the community and the school district. State aid for our district has been on a continual decline from the 1991-1992 budget year to present. Property owners need relief from the school district's reliance on property taxes. The school district needs assistance in maintaining a quality education where the per-pupil cost is already ranked 4th from last in comparison with 58 similar districts.

The importance of early intervention in preventing future failure is well documented and researched. Florence Township would greatly benefit from the \$745,000 in early childhood aid proposed in the Comprehensive Plan. Full-day kindergartens and preschool programs would enhance the educational experience of our four- and five-year-olds. Although the school personnel support this concept, implementing these programs causes some concern. The cost of additional staff and materials, although a financial burden, is manageable. The major financial impact comes in providing classroom space for the programs. Florence Township is presently utilizing all

of the available classroom space. Although two transitional first grade classes could be converted to full-day kindergarten classes, space for one additional full-day kindergarten and three preschool programs could result in major capital improvements. Given the community's history of resistance to bond referendums, the \$745,000 in State aid falls short of the funds necessary to implement the early childhood initiative.

The proposed funding formula eliminates the need for voter approval if a district spends within the T&E range, but below or at cap. This aspect of the Plan is most favorable for districts such as Florence Township. With a history of 10 defeated budgets in the last 11 years, school officials and the Board of Education would welcome a budget season without political rhetoric and inflammatory school bashing. Certainly, the students of Florence Township will benefit from a peaceful transition from one budget year to the next.

Courtesy busing is a misnomer for transporting students in Florence Township, as is the case in most districts in Burlington County. With a network of four-lane highways crisscrossing through the county, it seems incomprehensible for the State Department to expect elementary students to cross a highway such as Route 130. Districts that cover huge areas of varied landscapes with infrequent sidewalks could not, in good conscience, permit students to walk to school. These factors should be considered when determining the transportation aid a district receives.

Basing a State aid formula on core curriculum standards is a meritorious concept. The focus of a school system should be on the academic standards a student must attain. However, many of the life skills that create

a healthy, productive individual, occur when the final bell has rung. Sporting and extracurricular events create an atmosphere of community and cooperation. In some cases, cocurricular activities allow for the close interaction of students from numerous ethnic and religious backgrounds. The continuation of these opportunities is essential. A State aid formula that does not recognize the importance of extracurricular activities falls short in providing a thorough and efficient education.

To summarize, I see many positive aspects in the proposed funding formula. The caveats I propose in this position paper are based on experience and a practical knowledge of the daily issues faced in a school system. However, I certainly support an improvement to the current system so that I may devote a majority of my efforts and talents to curriculum, rather than to finance.

Thank you.

SENATOR EWING: Thank you very much, Diane.

Barbara Strickarz, to be followed by Dr. Larry Nespoli.

BARBARA STRICKARZ: Good afternoon, Senator Ewing. I am just thinking that the Olympics are no match for this hearing, both on the intensity of our testimony and the duration of time it takes to appear.

My name is Barbara Strickarz, and I thank you for allowing me to speak today about the special education funding and, in particular, Senate Bill No. 40, and also Senate Bill No. 1453.

I am the niece and legal guardian of a developmentally disabled senior citizen who did not have the benefit of an individual education plan, as currently guaranteed by IDEA. As a direct result, I believe, he spent his entire

adult life isolated from his home community living in a State psychiatric hospital.

As a resident and taxpayer of Burlington County who has spent over 30 years working with special needs children in both the public and the nonprofit sectors, I am currently the Director of High Point Schools in Monmouth County, a 1993 Blue-Ribbon National School of Excellence that provides special education programs for severely emotionally disturbed and multiply handicapped children. Our tuition base is per diem, which means that, like any small business, we can only collect a fee when a service is provided.

I am here to speak in support of Senate Bill No. 40 which would, as recommended in the Comprehensive Education Plan, finally allow placement neutral funding provisions for special education in New Jersey. The concept of placement neutral funding is consistent with the Federal Individuals with Disabilities Act -- IDEA -- which requires local districts to have an array of placement options for special education students. It should also be noted that IDEA reauthorization bills in Congress contain penalties for states that do not have placement neutral funding systems. 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 for educating each child with a disability and is the responsible party should a dispute arise regarding those services.

The current special education funding formula is a special deal for only one category of out-of-district placements, the special services districts, which are funded directly by the State at a percentage that is substantially

higher than the aid given for that category of disability in any other type of placement. In addition, county tax dollars and per diem Medicaid dollars are also available only to those special services districts. This means that special service districts could actually receive more State aid for classified pupils than local school districts do.

Assemblywoman Allen stated in the May 4, 1996 *Trenton Times* that the special services districts are fearful that a change in how special education money is made available to the local school districts will cause a financial hardship. We should be looking at children and services first, not at cash flow and job security for any one type of placement.

Assemblyman DeSopo, in the same article, you questioned the motivation of individual school districts and questioned if they would spend dollars on special children. My experiences are just the opposite. Child study teams and parents want appropriate services that a child's individual educational plan, or IEP, stipulates. If it can be provided in the local district with necessary aids and support, it should be. If it cannot, then, under IDEA, the continuum allows for placement out of district and local school districts make those placements.

The Legislature has always represented all disabled children. The proposed funding Plan would not prohibit placement out of district. It would mean that the current placement-driven funding system would be changed to a child-centered approach, where families and child study team members would have both the control and the fiscal backing for decisions on placement options.

Senate Bill No. 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, or other out-of-district placements. I fully support 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 or disincentives for specific placements. The bottom line is that the local school district has the legal responsibility and they should control those funding dollars.

Senate Bill No. 40 proposes a single flat grant dollar amount for all classified children, regardless of the nature or severity of their disability. Such a system assumes that all of New Jersey's 611 local school 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 that have needs that cost less than the flat grant. But what about the urban districts or a small suburban district with a very high number of classified children in need of a full array of specialized related services?

I believe that Senate Bill No. 40 can be improved by replacing the single flat grant with three levels of grants, as proposed in Senate Bill No. 1453, sponsored by Senator Palaia, each based on the duration and intensity of services required by the child. Special education aid and categorical aid could be provided as follows:

- *support services only, one rate;

- *part-time special education, another;

*full-time special education, another rate.

I believe there is great potential in Senate Bill No. 40 and the Comprehensive Education Plan, and I thank the sponsors, Senators Ewing and Martin, Commissioner Klagholz, and his staff, for their efforts to reform special education funding.

The issue today is one of fairness in allowing the parents and local school districts more power in deciding how they wish to spend the special education aid generated for a disabled child. The issue is also one of responsibility to provide for the special needs of children today, so that tomorrow they can join us as contributing adults.

Thank you for your time.

SENATOR EWING: Thank you very much, Barbara.

Dr. Nespoli.

LAWRENCE A. NESPOLI, Ed.D.: Senator Ewing, members of the Committee, and staff, good afternoon. I, too, was reminded of the Olympics, maybe the marathon--

SENATOR EWING: That's right.

DR. NESPOLI: --that we watched on Sunday morning. As you don't yet look as tired and out of sorts as some of those who finished, perhaps, who knows, by the time you cross your finish line in the fall you may.

SENATOR EWING: Maybe some of you can carry us out of here tonight, the way they did that poor girl.

DR. NESPOLI: I was looking for a boxing analogy, but I couldn't think of one.

Anyhow, some of you may be wondering why someone from New Jersey's higher education community would be testifying on a K-12 funding bill. The answer is that part of the bill speaks to postsecondary education, specifically community colleges, and New Jersey's higher education community generally has some concerns about the postsecondary programs offered by the county vocational schools.

In the interest of time, I am not going to read the testimony that is being distributed. Let me just emphasize one, and only one theme -- collaboration. We believe that the vo-tech postsecondary programs should be offered in collaboration with community colleges, and here is the important point, I guess; We think it is critical that State funding to the vo-techs for their postsecondary programs be done in a way that directly encourages collaboration.

With that in mind, we have drafted some amendments to Section 28, actually, of the bill. That is the section that the staff has indicated to us is designed to speak to this issue of postsecondary programs offered by the county vocational schools. We look forward to sharing those amendments with you and your staff. Without these amendments, we really fear that competition and unnecessary duplication between the vocational schools and the community colleges will likely continue. With these amendments we have drafted, we are hopeful that collaboration-- Really, collaboration is in everyone's interest -- yours, the community colleges, the vocational schools. We think the amendments we have in mind will further that kind of collaboration.

Thank you.

SENATOR EWING: Thank you very much.

D. C. Sanyika? (no response)

Jim Dougherty, Lindenwold School District, Board member? (no response)

Are you Jim Dougherty?

CATHY PETERKA MONCRIEF: No.

SENATOR EWING: Okay. Are you speaking for him?

MS. MONCRIEF: Well, Mr. Dougherty had to leave because we have a Board meeting this evening. He asked me if I would deliver his testimony. I am also President of the Lindenwold Board, so I would like to speak for our Board.

SENATOR EWING: Well, thank you very much. What is your name?

MS. MONCRIEF: My name is Cathy Peterka Moncrief, and I am President of the Lindenwold Board of Education.

SENATOR EWING: Slow down a minute.

MS. MONCRIEF: I was trying to rush, because I know you have been here so long.

SENATOR EWING: Is it on your testimony, your name in print?

MS. MONCRIEF: Yes, it is.

SENATOR EWING: Thank you.

Please start.

MS. MONCRIEF: Okay.

Since the Comprehensive Plan and the core content curriculum standards have been made public, I have had the honor to address the

Commissioner, the State Board of Education, and this Joint Committee of the Legislature. I have heard many changes suggested to refine the original concepts. It appears that some of these changes have been endorsed by the various entities and by the Task Force.

There are still, however, several areas of great concern. The quantity and quality of education will continue to vary greatly throughout the State. Wealthier districts, with affluent voters, will be able to garner support and funding for the components and programs that are not being funded by this Plan. Districts without the financial wherewithal to fund these areas will certainly suffer by comparison. For example, the entire Comprehensive Plan is said to be derived from the proposed core curriculum standards. However, there is absolutely no money provided in this Plan for curriculum or staff development. Both of these areas will prove to be essential with new standards in education, since actual curriculum development is left to each school district.

The at-risk dollars being allotted for special programs seem at first glance to be a good idea. However, more investigation shows that several of these programs require more space than many districts do not have. Even the proposed phase-in period will not serve to ameliorate our facility problems. To compound our concern, the Assembly failed to take action on the proposal to dedicate an increase in the cigarette tax to fund new construction and renovations in our schools. I agree with the Task Force's observation regarding existing debt service, but remain very concerned with the commitment of the State to fund new construction and renovations in our schools.

While the aforementioned areas are of great concern, special education remains our greatest challenge. It is beyond my comprehension that our leaders in the Legislature and the Department of Education continue to insist that our districts overclassify students. The implication is that this is done to gain additional State funding. This is particularly onerous when typically districts receive well less than half of the actual cost of educating these students. This report states that districts with excess placements that can be justified may appeal to a special panel for additional aid. This seems to me to be an assumption, again, that the extremely complicated State laws and classification designations are being ignored and students are classified for a district's benefit. If the State wants to modify some special education classifications, as suggested by the Commissioner, these alterations must be studied and enacted before these artificial limits are imposed. A better approach would be the plan endorsed by the NJSBA, because school districts cannot limit the numbers and needs of the students we serve. The percent of special education students in a district is greatly influenced by the socioeconomic status of our community and its transient rate. Most of the special education students in our district arrive already classified and we must provide appropriate services.

While I am in agreement with the Task Force suggestion to reduce the threshold for appealing for additional aid for high-cost special education placement, we need to be certain that the formula includes all costs such as transportation, tuition, and related services.

I thank you again for the opportunity to be heard on these issues, and I leave with a request that you give our concerns your utmost consideration.

ASSEMBLYWOMAN WRIGHT: Mr. Chairman, I am not asking a question. The testimony is inaccurate, and I think the record should show--

SENATOR EWING: Well, no, it was not the Assembly that held up the tax. It was the Senate that did not get it passed.

MS. MONCRIEF: I'm sorry. The information given to me by my district was incorrect. I beg your pardon.

ASSEMBLYWOMAN WRIGHT: I understand that.

SENATOR EWING: But we do have another bill in. There is one that I am sponsoring to deal with school construction. We have been working on it for over a year and a half, and we are still trying to get it refined. We hope to be getting it out in the fall.

MS. MONCRIEF: I am certainly happy to hear that, because any new program that we have to answer to that would require new space would really be a concern, not only to our district, but to many of the districts. We certainly would need extra help with the funding.

ASSEMBLYWOMAN WRIGHT: Mr. Chairman, I just want to call to your attention that in this testimony presented and that which has been handed in, it says that the Assembly failed. I feel the record should show that the Senate failed to take action.

SENATOR EWING: That is just what I said.

ASSEMBLYWOMAN WRIGHT: Well, in the additional testimony we were just presented with. There are two sets.

SENATOR EWING: Oh.

Muncie Buckalew, Executive Director of St. John of God Community Services in Westville Grove.

MUNCIE BUCKALEW: Good afternoon. As you said, my name is Muncie Buckalew, and I am Executive Director of St. John of God Community Services and Archbishop Damiano School in Westville Grove, New Jersey. I am here representing Region IV of ASAH, a professional organization serving New Jersey Department of Education-approved nonprofit private schools for pupils with severe disabilities from Burlington County to Cape May County.

ASAH, on a statewide basis, represents 92 approved nonprofit private schools in New Jersey serving 9000 young children and adults with severe disabilities. Region IV consists of 16 approved private schools serving over 3000 public school pupils, employing over 1700 individuals, and affecting the lives of 600,000 families and friends.

Six hundred thousand sounds a little high, but the reason I say that is because last year when I was, unfortunately, attending a funeral of a little boy who attended our services who was five years old, I was struck by the fact that even though he was so physically disabled and also did not have any speech -- he could not walk, he didn't have any limbs, he was G-tubed fed -- he just smiled and also would show his choice when given various options by smiling, by responding in that way. He was able to connect with so many people, so many people that, in fact, at his funeral service there were 200 people who attended.

So I said to my staff, during orientation, you would think as a classroom teacher that you maybe affect 12 families of the students you serve, when, in actuality, there are probably 200 families and friends who are attached to every individual you serve. In that case, at St. John of God, with 465 students, we are affecting about 92,000 lives a year. ASAH, then, is affecting almost a million other people within the State.

The population that the approved private schools serve are largely severely multiply disabled and/or autistic. The local school districts have determined that because many of these pupils require extensive therapies and services in order to benefit from an education, it would be appropriate to place them out-of-district. Furthermore, all of the services we provide are prescribed by the local school district through the individualized education program.

We thank and commend Senators Ewing and Martin for the many positive changes Senate Bill No. 40 would make to our State's special education funding system. We support a key component of this bill, namely, placement neutral funding.

Placement neutral funding is based on the costs and supports that a pupil needs no matter where he or she is placed. Currently, funding is determined and provided according to the pupil's special education placement. This system eliminates the funding of classified pupils in regular educational settings and provides financial incentives that may encourage districts to choose one placement over another.

A district may, therefore, select one placement over another because it is perceived to be less expensive, rather than choosing the placement because it provides the appropriate services to meet the pupil's educational

needs. I think there are some bad rumors about, in that I do not think the bill calls for a closing of special services, nor do I think it calls for mandatory inclusion. I think it provides more options that would help students and families to have more choices.

If the proposed legislation is approved, placement neutral funding will promote a healthy competition between the various out-of-district placements that will lead to more cost-efficient programs. This occurred in 1983-1984 when approved private schools implemented the State's true cost system. This system determines, through an independent audit, a private school's tuition based on allowable costs expended in the previous school year's audit.

Federal law, IDEA, as well as our State law and code require that pupils be provided programs and services according to their individual needs. Placement neutral funding will encourage greater implementation of these laws and regulations by basing the costs on individual needs, rather than placement. Furthermore, right now, IDEA is before the House and Senate for reauthorization, and contained within IDEA is proposed placement neutral funding, which is not opposed at the moment. So it is inevitable that placement neutral funding be a requirement for all states. If it is not passed now within this legislation, it is very possible that this will have to be revisited and revised in future legislation.

If we truly care about pupils with disabilities, our focus should be on providing funding directly to local school districts. Placement neutral funding will maintain local control, promote parental and individual choice,

and create additional placement options, without financial bias, serving the very individual and unique needs of this population in a cost-efficient manner.

Thank you.

SENATOR EWING: Thank you, Muncie.

Margaret Clark, Citizens from Wildwood, to be followed by Steven Napoliello, New Jersey Hands, Burlington County Chapter.

Margaret Clark? (no response)

Steven Napoliello, to be followed by Shirley Garth.

STEVEN M. NAPOLIELLO: Good afternoon, Senator Ewing and Assemblyman Rocco. I am Steven Napoliello, Coordinator of the Burlington County Hands, a chapter of New Jersey Hands '91. I appreciate getting this opportunity to comment in favor of Senate Bill No. 40, which addresses the funding of public education, albeit only a step in the right direction.

If money were the only problem, we would have the smartest students in the country, if not the world, here in New Jersey. We outspend all states in per-student costs, but product improvement has not substantially resulted in the past 25 to 30 years.

We have a growing social problem in New Jersey that sooner or later is going to explode. It has to do with young parents versus senior citizens over the contentious method of funding public schools.

This bill is disappointing, in that it does not address the shifting of public financial support from real estate to broad base taxing. It does not consider the plight of the lower-income and fixed-income residents who are

losing their homes to tax sales and who are leaving the State in ever-increasing numbers like rats from a sinking ship.

In my hometown of Cinnaminson, residents, primarily senior citizens, are having a difficult time keeping up with their ever-increasing real estate taxes. In the past four years, 255 properties, on a residential base of 5500, went up for tax sale. It is a tragedy that senior citizens, in their golden years, are placed under so much stress, after working and sacrificing for over 20 or 30 years to own their own homes, a paramount symbol of the American dream. So many in this State are real estate rich and income poor.

Granny does not want to move away from her children and grandchildren, and Gramps knows that they are going to have to, to survive. This is a scenario in our own tax group, and there are even impending divorce situations. There are many who must pay 20 percent to 30 percent of their income for education real estate, while many others pay less than 1 percent for the same tax. Another bill is needed to address this problem, if not this one.

Another area not addressed is ineffective managing of public education. No matter what is spent per pupil, there is never enough for the basics. You hear this story every year at the budget hearings. Pencils -- not enough pencils, short of pencils. Paper, workbooks, textbooks, leaking roofs, and parents even having to volunteer to paint the schools' interiors. This is show biz before the cameras.

There is layer upon layer of management, 611 school districts, plus 21 counties, resulting in about 1500 assorted types of superintendents, their assistants, and bureaucracies. With all these layers of management, what is the result? We are 1st in student cost. We rank 46th in proportion of education

dollars that actually reach the classroom. We ranked 39th in SAT scores, the last time I looked at those national figures. We rank 2nd in administrative costs. We rank 2nd in clinical and perceptually handicapped, behind Alaska, and Alaska has its own special problems. We have 611 public school districts, each with its own administrative empire. New Jersey is 2nd in real estate taxes, behind New Hampshire, which has no sales or income tax.

This bill lightly addresses the issue of regionalization, which I support as long as it preserves the integrity of viable neighborhood schools and concentrates on regionalizing administration, busing, professional services, etc.

This bill does offer an opportunity for more local control. For this reason, I support it.

Thank you very much.

SENATOR EWING: Thank you very much.

Shirley Garth? (no response)

Rick Smiley? (no response)

Patricia Bradford, Newark Branch NAACP? (no response)

Dan Martin, Winslow Township Board of Ed? (no response)

Judith Cambria, League of Women Voters of New Jersey, to be followed by Rosemary Marrandino.

J U D I T H C A M B R I A: Good evening. We are into the evening. Thank you for the opportunity to speak to you today.

I should tell you that my testimony is really divided into three parts. There is an oral part, which you do have a transcript of, and then there is a written part which focuses on specific aspects of the legislation where we have concerns. The third part is a repeat of some earlier testimony that we

gave on the Comprehensive Plan which we think is worth your looking at again, because it is very important.

SENATOR EWING: Remember, you have to do it within five minutes.

MS. CAMBRIA: Two of them are written, only one is oral. Okay?

The League of Women Voters of New Jersey asks the representatives of New Jersey citizens, our Senators and Assemblymen, to carefully consider the words of George Santayana before determining whether to support or oppose the new school funding system: “Those who cannot remember the past are doomed to repeat it.”

The past, in New Jersey, is three school funding systems found unconstitutional because they failed to provide poor children in urban districts with the quality of education found in wealthier districts with high academic achievement. The past is a continuing unwillingness of the Legislature to construct a school funding system which will provide similar financial resources to poor districts as are available to schools in upper-middle and high-income communities.

The past is 550,000 children, one-quarter of two generations of public school students, doomed to inferior education and the diminished lives that result from the inability to compete with their peers who received a more costly and far superior education under an inequitable funding system. The past is the cost to the State and its taxpayers for crime, welfare, unemployment and underemployment, health care, and prison costs generated by people who are not prepared for productive lives in a modern, technological society. The

past is an educational system which gives the most to those who have the most and the least to those with the least.

The League of Women Voters believes that if you pass the proposed new school funding system, you will have doomed the people of New Jersey to repeat this history, producing another failed educational funding system and another court judgment that it is unconstitutional. Even more frightening, the negative effects of this latest proposed school funding system will not be confined only to our poorer school districts and children, but will undermine the quality of education in all our schools serving all our children.

The genesis of the proposed Plan is the desire to avoid the Supreme Court's mandate that spending in poorer urban districts be raised to parity with per-pupil spending in the wealthier suburban districts. The basis for its development is the section of the *Abbott II* decision of 1990 that says: "The Legislature may devise any remedy, including one that completely revamps the present system, in terms of funding, organization, and management, so long as it achieves a thorough and efficient education as defined herein for poorer urban districts. It may choose, for instance, to equalize expenditures per pupil for all districts in the State at any level that it believes will achieve a thorough and efficient education, and that level need not necessarily be of today's average of the affluent suburban districts."

The key phrases in the Supreme Court's statement are: "equalize expenditures for all districts in the State," and, "at any level that the Legislature believes will achieve a thorough and efficient education."

So the questions are: Does this bill equalize expenditures for all districts in the State, and does this Legislature believe that the \$6720

foundation amount set by the CEIFA Plan will achieve a thorough and efficient education?

It really strains the limits of credibility to say the Plan equalizes expenditures for all districts. The legislation sets absolute limits on the per-pupil spending of the 28 *Abbott* districts and on all of the receiving districts, limits that do not allow them to increase their spending above the maximum T&E budget amount, but it allows all other districts to spend at any level they desire if they receive the approval of local voters. Rather than equal expenditures, the disparity in spending can range from hundreds to thousands of dollars per pupil. This legislates a two-tier system in which the poorer urban districts can never hope to achieve parity in spending.

The second part: Based on the words and actions of the legislators, it seems that they do not believe that the T&E amount is adequate for a thorough and efficient education in every district. If they did, we would not hear so many legislators speaking of their concerns that the quality of education in high-achieving districts would be reduced by this Plan. The Assembly Task Force would not have recommended allowing the 300 districts to spend above their present level. Assembly Bill No. 20 would not contain a grandfathering provision which is garnering widespread support from legislators in both parties.

The problems with the Comprehensive Educational Improvement and Financing Act of 1996 do not lie in its concepts. They lie in its failure to link the amount of funding to the actual educational programs and services needed to successfully and efficiently achieve high academic standards in varying types of school districts.

The League of Women Voters urges you to defeat this Plan and dedicate yourselves to the development of a workable funding system that is based on assuring that the educational programs and services of the highest achieving districts are available in every district. Not only will this assure equal educational opportunity and high quality education for all students, but it will clearly meet the Supreme Court's definition of a constitutionally acceptable education -- and that was the latest decision -- by providing "an education that is the substantial equivalent of that offered in the richer districts."

However, if you choose to approve this Plan, we urge you to adopt A-20, which includes the grandfather provision. We do this, even though we would prefer you not pass it at all. But if you do it, we feel we cannot afford the effects of the original bill, which would undermine our whole educational system.

Once again, though, if you choose that latter course and pass it, it will fulfill Santayana's prophecy, and New Jersey will be doomed to repeat its past. The League will then do what it has done in the past. We will become an amicus curiae in the next round of Court challenges to the fourth New Jersey funding system. We feel totally confident that the Supreme Court will, once again, uphold the constitutional rights of one-quarter of the children of this State to the same quality education as is provided their peers in more affluent communities.

Thank you.

ASSEMBLYMAN ROCCO: Thank you, Judith.

ROSEMARY MARRANDINO: Good evening. I am Rosemary Marradino. I am the parent of a learning disabled child. I am very deeply

concerned about the Department of Education's decision to discontinue State funding to special services school districts. I would like to know why this is being done and what the Department of Education's plan is to educate disabled children.

I am a parent of a child who is learning disabled. This child had stopped learning in the fourth grade. His educational program in a regular school setting was unable to meet this student's educational needs. I was informed that this child could only function at a very low level educationally. I requested that the child be placed under the auspices of the Atlantic County Special Services School District in a neighborhood school. This same child is on the honor roll and the merit roll.

I believe that had this special intervention not taken place within the Atlantic County Special Services School District, this child would have been an educational failure. Sadly, I believe there are other children in regular public schools with similar stories.

The staff at the Atlantic County Special Services School District facilities are especially trained to deal efficiently with all aspects of disabled students' education. The staff is dedicated to this, and they have chosen to work with disabled students.

I believe that at this point in time our regular public schools are not equipped to efficiently address the needs of most of the physically handicapped children. In addition, I believe that the educational needs of some learning disabled children cannot be met efficiently in a regular public school without the assistance of the special services school district's satellite

program. I propose to you that we increase these special services school districts' satellite programs.

My child has attention deficit hyperactivity disorder, in addition to a reading disability and auditory processing problems. All of this not only impacts his educational performance, but also his socialization skills and his self-concept. These children look like any other children, and, mistakenly, the same is expected. However, these children cannot perform as teachers and administrators in regular schools expect. These children require, by necessity of this disability, closer supervision and various teaching strategies.

In addition, these ADHD children have to be taught social cues repeatedly. This requires specially trained staff. The gifted students and the average students have the opportunity to succeed on their own. However, the physically disabled students and the educationally disabled students will not succeed without the intervention needed. It has been my experience that this cannot be accomplished effectively without the direction of the special services school districts. I would like to stress, again, we need more of the special services programs, not less. Children are being pushed through schools, and they cannot read and have poor socialization skills.

We cannot afford to ignore their plight. These children need all of the help they can get. Please continue to help fund the special services school districts. I believe that is in the best interest of the children.

As I told you, my child looks like any other child. But believe me, attention deficit hyperactivity disorder-- (witness speaking off mike as she shows photo to Committee members)

ASSEMBLYMAN ROCCO: They cannot get your testimony unless you use the microphone--

MS. MARRANDINO: Oh, I'm sorry.

ASSEMBLYMAN ROCCO: --although we appreciate your photo there.

MS. MARRANDINO: As I was saying, this child looks like any other child. There are many like him who have ADHD and like behaviors for various reasons. This child in a regular school was simply not accepted by his peers. He was the brunt of jokes. He was just like a plaything to be used and physically pushed around. They do not know social cues. They do not know how to approach other children. These are the ones who are constantly in trouble. These are the ones who don't even know what for. These are the ones that no one wants to listen to. No one wants to listen to their side of the story, because they are the troublemakers. The others, the bright students, and the ones who do not have the problem, are always right, in many cases.

This child ended up not being able to read. He was in a resource room, but then when these children come back from the resource room, another lesson is in progress. So the child looks at another child's work. Well, that child raises his hand and says, "This kid is bothering me." Okay? They get up out of their seats. They are active anyway. It is tough for the teachers; it is tough for the parents; but the toughest is on the child. They go to another child. They get up out of their seats, and now they are in trouble again. This carries over day to day.

Basically, there is more of a scenario with these children, but in brief, that's it. If I had not had the special services school district, I don't

know where this child would be. It took not the school to tell me there were other programs. I did not know. It took the child to tell me that he could not go to this school. His perception was, "They are killing me. They are going to kill me. Do you want to keep me in this school where I am going to be dead?" You have to look beyond those words, because I feel what the child actually meant was that he was simply not succeeding, and no one would listen to him.

I feel that I have to plead this case, not only on behalf of my child, but on behalf of children like him whose parents do not realize what is going on. The teachers have their hands full. They do not have the knowledge, the education to handle all of this within a classroom. Who suffers? The child.

Point in time: This is really my nephew. I say "my child," because I have raised him since he was born.

ASSEMBLYMAN ROCCO: We have to move on now, Ms. Marrandino.

MS. MARRANDINO: His mother had learning disabilities that were not picked up. She has never worked.

Thank you.

ASSEMBLYMAN ROCCO: Ms. Marrandino, we appreciate your insight and your sharing of that information with us. You are a very perceptive lady.

Della Womack, Jersey City Board of Ed? (no response)

William Coggins, Citizens for Quality and Efficiency in Education? (no response)

Mr. Knorr, Galloway Township Public Schools? (no response)

G A R Y R. B O W E N: I am Gary Bowen, Superintendent of Schools, Galloway Township.

ASSEMBLYMAN ROCCO: Mr. Bowen, right.

MR. BOWEN: I certainly appreciate being added to the list for testimony. There was no doubt a mix-up, and I am sure it was on my end.

ASSEMBLYMAN ROCCO: I believe -- before you get started, Mr. Bowen -- that that finishes the testimony for today. Is that correct? Is there anyone we missed? (indiscernible response from audience) You were in Trenton, right? You are certainly welcome to give testimony after Mr. Bowen.

Is there anyone else, or is that it? (no response)

Mr. Bowen, please continue.

MR. BOWEN: I appreciate the opportunity. In the interest of time, I will just give you the shortened version. I will not read my testimony.

I would like to point out, as you may well know, that Galloway Township is in Atlantic County. We are across the bay from Atlantic City, and certainly one of the special growth districts in New Jersey, certainly affected by the gaming industry.

We are in favor of regional economic growth, and we are impacted by the effects of the growth of the gaming industry, the growth spurts of student population, having doubled our population since 1987 from around 1800 to now where we are approaching 4000 students. We built three schools between the years 1988 and 1991. With an \$18 million referendum defeated this past October 3--

ASSEMBLYMAN ROCCO: Gary, you are right below Atlantic City, right?

MR. BOWEN: Yes, sir. We are right across -- adjacent to Absecon.

ASSEMBLYMAN ROCCO: So you have, what, four or five more casinos to deal with?

MR. BOWEN: Yes, sir. That is the issue we are facing with the investors in the gaming industry from Las Vegas and beyond, with the Governor speaking to the improvement to the roads leading to Atlantic City, the tunnel project, and so forth. We are on the verge of a cycle of expansion in Atlantic City that will certainly affect us directly, because when these 10,000 to 20,000 permanent employees come to the area, the first question they ask is: "Where are the good schools?" They look across the bay, see Galloway Township, and ask about its reputation, which is a fine one. They certainly seek to move to Galloway, Hamilton, and Egg Harbor Townships. There are developers prepared to put in thousands of new homes. They have the building permits as we speak, and they are prepared to do that.

So the biggest issue here, from our viewpoint, in relation to the Commissioner's Comprehensive Plan, is to do all we can to assure that we have a student-by-student formula for funding.

ASSEMBLYMAN ROCCO: Are you talking about currently or (indiscernible) once a year?

MR. BOWEN: That is exactly right, because with the freeze--

ASSEMBLYMAN ROCCO: We have that in the Assembly version.

MR. BOWEN: Yes, sir. With the freeze from 1991-- We certainly appreciate the increased 7.5 percent cap. We were well beyond that

7.5 percent cap. Also, the restoration of State aid for debt service is a crucial issue to Galloway, with the over \$22 million in debt that has been incurred. Again, support for the next phase of gaming industry expansion, as it will certainly and severely impact Galloway Township.

That is the essence of what we are about, and my support for the Commissioner's Comprehensive Plan, in that it will provide the student-by-student funding necessary to maintain the high quality of performance in teaching and learning.

Thank you very much.

ASSEMBLYMAN ROCCO: Thank you very much, Mr. Bowen.

I have forgotten your name, so if you will please give us your name, you may then address the Committee.

DOROTHY FOX: My name is Dorothy Fox, and I come from Mount Laurel. I am here because we have a very, very deep concern in Mount Laurel. There are many communities, adult communities, for senior citizens now. I hope the panel is aware of the fact that our neighbors -- Moorestown and our other neighbors -- are receiving 25 percent and over in school aid, and Mount Laurel is receiving 8 percent at the present time. We were getting 7.2 percent and it is up to 8 percent.

Right now, we are having a terrible problem, the senior citizens especially. People are finding it necessary, in our community, to sell their homes, because they cannot afford the taxes. The school taxes are very, very high. We are on fixed incomes. We just cannot afford it. We are losing our homes, losing our dignity. We have to go to areas that are less expensive to live in. We have to give up our families and our friends and our grandchildren.

We have worked hard. We have worked many, many long and hard years. All we want is a little peace. We are living in an adult community where we just want congeniality. We want companionship. We want to be near our children. We want to be able to enjoy whatever is left of our lives, and we cannot do that. We are under a lot of stress. We have just X amount of dollars to get along on, and everything is going up except our income -- our worries, our stress, everything.

Nobody is addressing our needs. Nobody is listening to us. Nobody is recognizing the fact that we are alive, we are still here. We need to live. We are human beings. We are appealing, we are imploring you to please examine the school aid that is being given to Mount Laurel. Do something about it. Please help us, because if you don't, we do not know where to turn. We have to give up our homes. We cannot do that. My husband is 79 years old. If anything happens to either one of us, we cannot keep our home. Where are we supposed to go? Can we become a burden to our children, who are barely making it on their own? My daughter is a widow with two small children. I feel useless that I can't do more to help her. We cannot do anything to help our children, although they need it, because we are being taxed and overtaxed. We are not getting our equal share. We are not getting fair equity school aid from Trenton.

Please look into this. We need your help. We implore you. We are very, very desperate. Just yesterday, a family in our community came to say farewell to us, because they have to move down to Florida. They had to give up their home here. They cannot afford \$3400 in land taxes -- most of it is school tax -- so they are going to Florida. Their children are not there, their

grandchildren are not there. This is merely because their taxes will be \$700 a year. They can live, possibly, like human beings in Florida.

We cannot live this way. I know there is a need. I know your budgets are tight. But please remember that we are people, too, and we need your help. Would you like your parents to live that way? We live in terror of what next week will bring, bills in the mail. It is very difficult. It is very, very difficult for us to live that way. We need your help. We need you to consider that we have expenses, too. We have needs, too. We have to live, too. Our land taxes have to be paid or our homes will be taken away from us. Water has gone up, everything has gone up.

We do not want the children to have a lesser education. We want them to have a good education. My husband worked three jobs so that our children could get a higher education, could go to college. Thankfully, we put our three children through school. Now is our time to be together, to relax a little bit, to have a little peace in our lives, and we don't. All we have is stress, and we are fearful. We are very, very fearful. We see it all around us. We live in a community right now where there are 1200 residents. The community right across from us has over 1000 residents. We have several more of those communities in Mount Laurel. We are not an affluent community. Why are we being penalized? Why are they discriminating against our community? Why are we getting that much less in school aid than any other community around us, than all of our neighbors?

There are a lot of whys. I have not received any answers. I was told that 10 years ago a census was taken and at that time Mount Laurel was considered an affluent community. We are not an affluent community. We

have loads and loads of senior citizens there who are on very fixed incomes. We have to get along on that. We have to make do. Believe me, we do an awful lot to cut our budgets. We need help. We need help on the school taxes, because our land taxes have gone out of sight, and we just can't handle them.

ASSEMBLYMAN ROCCO: Thank you, Ms. Fox.

MS. FOX: Thank you. I appreciate your giving me the time and listening to us. Thank you.

ASSEMBLYMAN ROCCO: Absolutely. Our Committee is here for that purpose. We appreciate your articulating your position so well.

That pretty much concludes the hearing.

I want to thank our legislators who have really put in a great deal of time. Marion Crecco came all the way down from North Jersey, Dave Wolfe came in from Ocean County, with Carmine coming all the way in from Burlington County.

UNIDENTIFIED SPEAKER FROM AUDIENCE: Excuse me. I would like to also just say thank you for listening to us today. I appreciate having a voice.

Have a good day.

ASSEMBLYMAN ROCCO: Thank you for that comment.

That concludes the hearing.

(HEARING CONCLUDED)

