

STATEMENT OF EDUCATION LAW CENTER  
ON  
GOVERNOR JON CORZINE'S PROPOSED SCHOOL FUNDING FORMULA

ASSEMBLY BUDGET AND EDUCATION COMMITTEES

DECEMBER 27, 2007

EDUCATION LAW CENTER (ELC) REPRESENTS THE PLAINTIFFS IN THE LANDMARK *ABBOTT V. BURKE* EDUCATION EQUITY LITIGATION: 320,000 MOSTLY POOR, AFRICAN-AMERICAN AND LATINO CHILDREN ATTENDING PRESCHOOLS AND SCHOOLS IN NEW JERSEY'S 31 HIGH POVERTY URBAN OR "ABBOTT" DISTRICTS. ELC ALSO SERVES DISADVANTAGED SCHOOL CHILDREN STATEWIDE, PARTICULARLY THOSE WITH SPECIAL NEEDS AND DISABILITIES. ELC SUBMITS THIS STATEMENT ON BEHALF OF ALL THESE CHILDREN.

WE STRONGLY OPPOSE THE GOVERNOR'S PROPOSED FUNDING FORMULA. WE URGE THAT YOU:

- TABLE ANY FURTHER ACTION ON THE PROPOSAL DURING THE LAME-DUCK SESSION;
- DIRECT COMMISSIONER OF EDUCATION LUCILLE DAVY TO RELEASE ALL THE INFORMATION NECESSARY TO FULLY ASSESS THE PROPOSAL, MUCH OF WHICH HAS BEEN WITHHELD TO DATE; AND
- RECOMMEND THAT THE NEW LEGISLATURE UNDERTAKE A DELIBERATIVE, OPEN AND TRANSPARENT PROCESS OF REVIEW, INCLUDING ALTERNATIVE PROPOSALS, TO ENSURE, AT THE VERY LEAST, AN EQUITABLE AND ADEQUATE ALLOCATION OF STATE AID FOR EDUCATION IN FY09.

AT THE OUTSET, WE GO ON RECORD AS STRENUOUSLY OBJECTING TO THE GOVERNOR'S OBVIOUS EFFORT TO "RAILROAD" THIS PROPOSAL THROUGH THE LEGISLATURE, WITHOUT OPPORTUNITY

FOR MEANINGFUL PUBLIC INPUT. FOR OVER A YEAR, THE COMMISSIONER HAS KEPT THE PROPOSAL SHROUDED IN SECRECY. IN THE LAST TWO WEEKS, WITH ALMOST NO TIME LEFT IN THE LAME-DUCK SESSION AND DURING THE HOLIDAY SEASON, THE COMMISSIONER HAS RELEASED SOME INFORMATION ON THE PROPOSED FORMULA: FY09 STATE AID FIGURES AND SO-CALLED "ADEQUACY BUDGETS," AND JUST LAST WEEK, DRAFT LEGISLATION.

BUT THE COMMISSIONER HAS WITHHELD CRITICAL INFORMATION ESSENTIAL TO UNDERSTANDING ALL OF THE ELEMENTS OF THE PROPOSAL AND, MOST IMPORTANTLY, THE INFORMATION NECESSARY TO ASSESS THE IMPACT ON DISTRICTS BEYOND THE FIRST YEAR. MANY LEGISLATORS HAVE BEEN ASKING FOR THIS INFORMATION, BUT TO NO AVAIL. WE CAN ONLY CONCLUDE THAT IT IS BEING DELIBERATELY WITHHELD--THE COMMISSIONER DOESN'T WANT YOU TO KNOW HOW THE FORMULA WILL IMPACT SCHOOL DISTRICTS NOT JUST NEXT YEAR, BUT FOR THE FIRST THREE YEARS OF SO-CALLED "HOLD HARMLESS" AND BEYOND. LIKE ANY GOOD CONSUMER, YOU SHOULD DEMAND FULL AND COMPLETE DISCLOSURE BEFORE YOU BUY.

AND, AS MORE INFORMATION TRICKLES OUT ABOUT THE PROPOSED FORMULA, IT LOOKS MORE AND MORE LIKE THE GOVERNOR AND COMMISSIONER ARE TRYING TO SELL YOU A "LEMON." WE ASK YOU NOT TO BUY WHAT THEY'RE SELLING, AND HERE ARE SOME OF THE REASONS WHY:

- ***THIS IS NOT A FORMULA, BUT AN AD-HOC, IRRATIONAL BUDGET***

THE RECENTLY RELEASED FY09 STATE AID FIGURES MAKE CLEAR THAT THE GOVERNOR IS NOT ASKING YOU TO ADOPT A FORMULA TO FUND OUR SCHOOLS, BUT RATHER A ONE-YEAR, AD HOC SCHOOL AID BUDGET. THE BUDGET IS COBBLED TOGETHER, LIKE THIS YEAR'S BUDGET, WITH A MIX OF FORMULA-DRIVEN AID AND ADDITIONAL FUNDING DESIGNED TO SECURE LEGISLATIVE APPROVAL. AND THE GOVERNOR PROMISES MORE OF THE SAME NEXT YEAR, AND THE NEXT, AND THE NEXT. AFTER THAT, IT'S ANYBODY'S GUESS.

PUT DIFFERENTLY, THE GOVERNOR IS PROPOSING A SCHOOL AID BUDGET FOR FY09, ONE PART CONSISTING OF AID DRIVEN BY SO-CALLED "ADEQUACY BUDGETS," THE OTHER PART CONSISTING OF A SUBSTANTIAL AMOUNT OF ONE-YEAR SO-CALLED "HOLD HARMLESS" OR "ADJUSTMENT" AID, LARDED ON TOP TO SECURE YOUR SUPPORT.

- ***THE PROPOSED EDUCATION COSTS ARE BUDGET DRIVEN AND INADEQUATE***

THIS PROPOSAL SUFFERS FROM THE SAME BASIC FLAW AS THE QEA AND CEIFA FORMULAS: EDUCATION COSTS THAT ARE BASED ON HYPOTHETICAL SCHOOL MODELS, DIVORCED FROM THE REALITY OF NEW JERSEY, AND MANIPULATED BY THE DOE BEHIND CLOSED DOORS TO MEET THE ADMINISTRATION'S SPENDING TARGETS. THE COSTS FOR REGULAR EDUCATION ARE SO LOW THAT THEY ARE BELOW THE CURRENT STATWIDE AVERAGE, AND FAR BELOW WHAT OUR SUCCESSFUL SUBURBAN DISTRICTS SPEND. EVEN WORSE, THE COST FACTORS WERE

DEVELOPED BY DOE OVER FIVE YEARS AGO, AND, DESPITE SOME EFFORTS TO ADJUST FOR COST-OF-LIVING INCREASES, ARE SO OUT OF DATE THEY VIOLATE THE PROPOSAL ITSELF, WHICH REQUIRES COST FACTORS TO BE REVISITED EVERY FIVE YEARS.

THE "ADEQUACY BUDGETS" BASED ON THESE COST FACTORS ARE SO LOW THAT THEY CANNOT BE CONSIDERED "ADEQUATE" TO SUPPORT A HIGH QUALITY PROGRAM UNDER THE STATE'S ACADEMIC AND PERFORMANCE STANDARDS. THE COSTS ARE PARTICULARLY INADEQUATE FOR SUBURBAN AND URBAN DISTRICTS. AND SINCE THESE COSTS REPRESENT WHAT NJDOE ASSERTS IS NECESSARY TO PROVIDE A THOROUGH AND EFFICIENT EDUCATION, THEY WILL HAVE THE EFFECT OF DRIVING DOWN EDUCATION BUDGETS ESPECIALLY IN THOSE DISTRICTS--THE BIG LOSERS UNDER THE GOVERNOR'S PROPOSAL.

- **STATE AID GOES DOWN UNDER THE FORMULA**

BECAUSE OF THE ARBITRARY AND INADEQUATE COSTS IN THE PROPOSAL, ONE-THIRD OF THE STATE'S DISTRICTS--SUBSTANTIALLY MORE THAN 200 SCHOOL DISTRICTS -- WOULD LOSE AID IF THE FORMULA WERE ACTUALLY USED IN FY09, AND THE LOSERS WOULD BE MOSTLY SUCCESSFUL SUBURBAN AND POOR URBAN ABBOTT DISTRICTS. INDEED, IF THE FORMULA WERE RUN STATEWIDE FOR FY09, STATE EDUCATION AID WOULD DROP BY \$320 MILLION BELOW THIS YEAR'S LEVEL. A REDUCTION OF THAT MAGNITUDE OR GREATER WOULD HURT

SO MANY DISTRICTS SO BADLY THAT OUR STATE'S PUBLIC EDUCATION WOULD EXPERIENCE A PRECIPITOUS DECLINE.

• ***THE FORMULA WILL NOT BE THE MECHANISM FOR FUNDING MANY DISTRICTS FOR AT LEAST THREE YEARS, AND PROBABLY LONGER***

BECAUSE OF THE LARGE REDUCTIONS IN STATE AID THAT WOULD RESULT FROM THE UNALLOYED USE OF THE FORMULA, THE GOVERNOR IS NOT ACTUALLY PROPOSING TO DISTRIBUTE STATE AID TO MANY DISTRICTS BASED ON THE FORMULA FOR YEARS. INSTEAD, TO MINIMIZE THE IMMEDIATE HARM, AND SPREAD OUT THE "EDUCATIONAL PAIN" OVER TIME, THE GOVERNOR PROPOSES AT LEAST THREE ONE-YEAR HOLD HARMLESS SCHOOL AID BUDGETS, WITH UNCERTAINTY ABOUT WHAT WILL HAPPEN AFTER THE THIRD YEAR. LANGUAGE IN THE DEPARTMENT'S PROPOSAL AND IN THE DRAFT LEGISLATION SEEMS TO INDICATE THAT ADJUSTMENT AID WILL CONTINUE INTO THE FORESEEABLE FUTURE FOR ALL DISTRICTS COVERED IN FY09 UNLESS THEY EXPERIENCE SUBSTANTIAL ENROLLMENT LOSSES. OF COURSE, NEW JERSEY'S WOEFUL RECORD OF FAILING TO FULLY FUND ITS SCHOOL AID FORMULAS, INCLUDING CEIFA OVER THE PAST SIX YEARS, SHOULD RAISE A BIG RED WARNING FLAG ABOUT HOW STRONGLY WE CAN RELY ON THIS ANNUAL HOLD-HARMLESS COMMITMENT.

LET'S BE CLEAR ABOUT THIS—THE ALMOST \$860 MILLION IN SO-CALLED "ADJUSTMENT AID" FOR FY09, AND COMPARABLY LARGE AMOUNTS PROMISED TO BE APPROPRIATED IN FUTURE YEARS, WILL

BE LOADED **ON TOP** OF THE FORMULA, OBSCURING THE FORMULA'S \$320 MILLION STATE AID REDUCTION AND INCLUDING OVER \$530 MILLION IN NEW AID FOR FY09. THIS "OFF-FORMULA" AID HAS ONE PURPOSE: TO LESSEN THE IMMEDIATE HARM TO CHILDREN AND SCHOOLS IN FY09 IN ORDER TO SECURE QUICK, LEGISLATIVE APPROVAL OF THE PROPOSAL.

BUT BEWARE--EVEN IF THE GOVERNOR'S "ADJUSTMENT AID" PROMISES FOR FY09, AND AT LEAST TWO FURTHER YEARS--FY10 AND FY11, ARE HONORED BY HIM AND BY THE LEGISLATURE, IT WILL NOT REALLY HOLD THE RECIPIENT DISTRICTS "HARMLESS." FOR FY09, ADJUSTMENT AID IS ARBITRARILY CAPPED TO PROVIDE NO MORE THAN A 2% INCREASE FOR MORE THAN 200 LOSER DISTRICTS, INCLUDING 22 ABBOTT DISTRICTS AND MANY SUBURBAN DISTRICTS. FOR FY10, FY11 AND YEARS BEYOND, THE GOVERNOR'S PROPOSAL IS FOR FLAT FUNDING WITH NO YEAR-TO-YEAR PERCENTAGE INCREASE. GIVEN ANNUAL COST INCREASES THAT HAVE BEEN WELL IN EXCESS OF 2%, EVERY YEAR OF "HOLD HARMLESS" WILL CAUSE SUBSTANTIAL EROSION IN THE REAL BUYING POWER OF STATE AID. DISTRICTS WILL HAVE TO EITHER CUT PROGRAMS AND SERVICES, RAISE LOCAL PROPERTY TAXES, OR DO BOTH.

• **ABBOTT DISTRICTS WILL BE FORCED TO MAKE HUGE CUTS**

THE BIGGEST LOSERS UNDER THE GOVERNOR'S PROPOSAL ARE THE URBAN ABBOTT DISTRICTS, GIVEN THE LARGE AMOUNTS OF STATE AID IN THEIR BUDGETS. ELC ESTIMATES THAT UNDER THE

FORMULA, ABBOTT DISTRICTS WOULD IMMEDIATELY LOSE \$605 MILLION IN STATE AID. THE AID LOSS IN MANY DISTRICTS IS STAGGERING: \$111M IN JERSEY CITY, \$48M IN CAMDEN, \$34 IN TRENTON, 87M IN NEWARK. (SEE ATTACHED CHART)

ALTHOUGH "ADJUSTMENT AID"/HOLD HARMLESS AID IS SUPPOSED TO LESSEN THE IMPACT OF THESE AID LOSSES, AS INDICATED, ITS ARBITRARY CAPPING AT 2% IN THE FIRST YEAR, AND FLAT-FUNDING IN YEARS TWO AND THREE AND BEYOND, WILL FORCE ABBOTT DISTRICTS TO MAKE HUGE CUTS OF PROGRAM AND STAFF TO MEET INCREASES IN FIXED, NON-DISCRETIONARY COSTS, MOST NOTABLY TEACHER/STAFF CONTRACTS, HEALTH BENEFITS AND ENERGY. THE COST-OF-LIVING PROBLEM IS COMPOUNDED IN ABBOTT DISTRICTS BECAUSE THEY ARE PROHIBITED FROM CARRYING ANY REAL FUND BALANCE (SURPLUS) AND FACE UNANTICIPATED COST INCREASES, SUCH AS OPENING AND MAINTAINING NEW SCHOOLS.

BASED ON PRIOR YEARS' EXPERIENCE, AND INFORMATION GATHERED BY ELC IN THE LAST TWO WEEKS, THE REAL COST-OF-LIVING INCREASES IN ABBOTT DISTRICTS WILL RANGE CONSERVATIVELY FROM 4% TO AS HIGH AS 8% OVER EACH OF THE NEXT SEVERAL YEARS.

ELC ESTIMATES THAT, EVEN WITH THE 2% "HOLD HARMLESS" INCREASE IN FY09, ABBOTT DISTRICTS WILL HAVE TO CUT BETWEEN \$30 AND \$109 MILLION, BASED ON A 4% OR 6% COST-OF-LIVING INCREASE. IN FY10, THE CUTS WILL RISE TO BETWEEN \$195 AND

\$363 MILLION, AND IN FY11, TO \$368 AND \$631 MILLION. THE CUMULATIVE CUTS OVER THE THREE-YEAR PERIOD WILL BE BETWEEN \$594 MILLION AND \$1.1 BILLION.

THE GOVERNOR'S PROPOSAL, THEREFORE, WILL FORCE ABBOTT DISTRICTS TO LITERALLY DISMANTLE PROGRAMS AND REFORMS SO CAREFULLY PUT IN PLACE OVER THE PAST DECADE TO ENSURE THAT URBAN SCHOOL CHILDREN HAVE A REAL OPPORTUNITY FOR A HIGH QUALITY EDUCATION. WITH THE SAFEGUARDS AFFORDED BY ABBOTT PARITY AND NEEDS-BASED FUNDING REMEDIES NO LONGER AVAILABLE, THESE DISTRICTS AND SCHOOLS WILL EXPERIENCE A STEADY AND QUICK DECLINE, BACK TO THEIR PRE-ABBOTT STATE OF DEEP INEQUALITY. REST ASSURED, THEY WILL REMAIN SEGREGATED, BUT THEY WILL ONCE AGAIN BECOME UNEQUAL.

• ***THE ABBOTT PRE-K PROGRAM IS THREATENED***

A STUDY RECENTLY RELEASED BY ELC SHOWS THAT THE GOVERNOR IS PROPOSING TO USE COSTS FOR FUNDING THE ABBOTT PRESCHOOL PROGRAM THAT ARE BELOW CURRENT LEVELS AND BELOW WHAT IS NEEDED TO BRING ALL PROGRAMS--IN-DISTRICT, COMMUNITY PROVIDER AND HEAD START--TO THE QUALITY LEVEL NECESSARY TO ENSURE SUCCESS. MOREOVER, THE GOVERNOR IS PROPOSING THAT INCREASES BE ARBITRARILY CAPPED AT CPI, BELOW WHAT IS NECESSARY TO MEET NON-DISCRETIONARY COST INCREASES. DISTRICTS WILL HAVE NO ALTERNATIVE BUT TO CUT

THEIR PRE-K BUDGETS, SINCE THEY WILL NO LONGER HAVE THE OPPORTUNITY FOR NEEDS-BASED FUNDING INCREASES.

THE ABBOTT PRE-K PROGRAM HAS BEEN SUCCESSFUL IN LARGE PART BECAUSE IT IS ADEQUATELY FUNDED, BASED ON PROGRAM NEED, FROM YEAR-TO-YEAR. THE GOVERNOR'S PROPOSAL IS A DIRECT THREAT TO THAT SUCCESS. AT A MINIMUM, THE PROPOSAL REQUIRES CAREFUL STUDY, AND INPUT FROM DISTRICTS, PRE-K PROVIDERS, HEAD START AND EXPERTS IN ORDER TO ENSURE WE BUILD UPON OUR SUCCESS, NOT UNDERMINE IT.

• ***SUBURBAN DISTRICTS FACE LEVELING DOWN***

FOR MANY SUBURBAN DISTRICTS, THE PICTURE IS SIMILARLY BLEAK. SINCE SO MANY ARE CURRENTLY FUNDED WELL ABOVE THE COSTS AND BUDGETS IN THE PROPOSAL--WHICH, AS DISCUSSED ABOVE, ARE CLEARLY INADEQUATE--THESE HIGH PERFORMING, LIGHTHOUSE DISTRICTS FACE LEVELING DOWN, SQUEEZED BY LOSSES IN STATE AID, THE PROPERTY TAX CAP, AND SECTION 1701 LIMITS. TO ADD INSULT TO INJURY, WE RECENTLY LEARNED THAT, EVEN IF THOSE DISTRICTS GET A STATE AID INCREASE UNDER THE FORMULA, NOTHING OVER 2% CAN BE USED FOR EDUCATION, BUT MUST BE USED FOR PROPERTY TAX RELIEF. AND JUST WAIT UNTIL THE UBER-COUNTY SUPERINTENDENTS START WIELDING THEIR UNLIMITED POWER OVER THESE BUDGETS.

• ***THERE IS NO LOCAL PROPERTY TAX RELIEF***

THE GOVERNOR PROPOSES NOTHING TO ADDRESS OUR MAIN PROBLEM WITH FUNDING EDUCATION: THE STRUCTURAL OVER-RELIANCE ON THE PROPERTY TAX. INDEED, THE \$530M IN NEW AID GOES ENTIRELY INTO "OFF FORMULA" HARM REDUCTION, SINCE THE STATE IS ACTUALLY REDUCING ITS SHARE OF AID UNDER THE FORMULA. STRAPPED TAXPAYERS WILL GET NO RELIEF, LEAVING HIGH-TAX DISTRICTS INCREASINGLY IN THE LURCH WHEN THEY TRY TO PASS BUDGETS OR BOND REFERENDA.

• ***CENSUS-BASED SPECIAL EDUCATION FUNDING WILL INCREASE LOCAL PROPERTY TAXES***

WITHOUT ANY STUDY, THE GOVERNOR IS PROPOSING TO REPLACE OUR CURRENT METHOD OF FUNDING SPECIAL EDUCATION WITH THE CONTROVERSIAL "CENSUS BASED" APPROACH. A RECENT STUDY OF THE FIRST FIVE YEARS OF THIS METHOD IN PENNSYLVANIA SHOWED THAT CLASSIFICATION RATES DID NOT GO DOWN AND PROPERTY TAXES ROSE IN ORDER TO PAY FOR REQUIRED SERVICES AND PROGRAMS. INDEED, THE ONLY "WINNER" IN PENNSYLVANIA WAS THE STATE, WHICH WAS ABLE TO LIMIT ITS SUPPORT FOR SPECIAL EDUCATION WHILE PASSING MORE OF THE COST ONTO LOCAL TAXPAYERS. THE GOVERNOR'S PROPOSAL COULD BE A "TICKING BOMB" FOR LOCAL TAXPAYERS, AND SHOULD NOT BE APPROVED WITHOUT SERIOUS AND IN-DEPTH STUDY OF ITS SHORT- AND LONG-TERM EFFECTS.

• ***THERE WILL BE LESS ACCOUNTABILITY IN ABBOTT DISTRICTS***

BY ELIMINATING THE ABBOTT DESIGNATION, THE GOVERNOR'S PROPOSAL WILL, AMONG MANY THINGS, ABRUPTLY END ALL OF THE CUTTING-EDGE MEASURES IN URBAN SCHOOLS DESIGNED TO TARGET FUNDING TO PROGRAMS WITH PROVEN OR PROMISING REFORM RECORDS, SUCH AS INTENSIVE EARLY LITERACY, WHICH HAS BEEN SO CENTRAL TO THE UNPRECEDENTED GAINS IN RECENT YEARS IN CLOSING THE ACHIEVEMENT GAP, AND THE RECENTLY-ADOPTED ABBOTT SECONDARY INITIATIVE. AFTER OVER FIVE YEARS OF PAINSTAKING WORK BY TEACHERS, ADMINISTRATORS AND PARENTS TO END DECADES OF EDUCATIONAL NEGLECT IN SO MANY OF OUR MOST CHALLENGING SCHOOLS, ENDING THE ABBOTT DESIGNATION--AND THE REFORMS THAT COME ALONG WITH IT--WOULD DELIVER A CRUSHING BLOW TO THE CAUSE OF EDUCATIONAL EQUITY. DESPITE THE RHETORIC OF ACCOUNTABILITY, IT IS STUNNING THAT THE GOVERNOR IS PROPOSING THAT THERE BE ALMOST NO ACCOUNTABILITY FOR THE USE OF FUNDS AT THE SCHOOL-LEVEL IN URBAN DISTRICTS.

IN THE FACE OF THIS DEEPLY FLAWED, AND POTENTIALLY DISASTROUS PROPOSAL, ELC HAS NO ALTERNATIVE BUT TO URGE THAT YOU OPPOSE THE GOVERNOR'S PROPOSAL, AND TO VOTE NO IF HE CONTINUES TO INSIST THAT THE LEGISLATURE TAKE ACTION IN THE NEXT WEEK.

IT IS ALSO IMPERATIVE YOUR COMMITTEES MAKE CLEAR THAT YOU WANT TO TAKE ALL THE TIME NECESSARY TO FULLY STUDY, ANALYZE AND RESOLVE THESE AND ALL OTHER SERIOUS ISSUES WITH THE GOVERNOR'S BUDGET PROPOSAL, AND GIVE THE PUBLIC AND STAKEHOLDERS A MEANINGFUL OPPORTUNITY TO PROVIDE INPUT AND OFFER ALTERNATIVES. GIVEN THE LATENESS OF THE HOUR, THIS MEANS EXTENDING THE TIME FOR LEGISLATIVE CONSIDERATION BEYOND LAME DUCK, AND INTO THE NEW LEGISLATURE.

IN FACT, THERE IS NO REASON WHY THIS PROPOSAL HAS TO BE ADOPTED BY JANUARY 7<sup>TH</sup>. THERE IS AMPLE TIME THROUGH FEBRUARY AND INTO MARCH TO FINALIZE EITHER A NEW FORMULA OR A PROPOSAL FOR STATE SCHOOL AID FOR THE FY09 STATE BUDGET. GIVEN THAT THE GOVERNOR'S PROPOSED FORMULA WILL NOT BE USED TO FUND SO MANY OF OUR DISTRICTS FOR AT LEAST THE NEXT THREE YEARS, WHY ADOPT THE FORMULA PORTION OF HIS PROPOSAL AT ALL, ESPECIALLY GIVEN ITS SERIOUS AND OBVIOUS FLAWS? WE STRONGLY RECOMMEND, THEREFORE, THAT IN THE EVENT YOU HAVE INSUFFICIENT TIME TO DEVELOP A SOUND FORMULA OVER THE NEXT TWO MONTHS, THE LEGISLATURE APPROVE AN AID PACKAGE FOR THE FY09 STATE BUDGET, BUILDING ON THE AID INCREASES PROPOSED FOR MIDDLE AND OTHER POOR DISTRICTS.

THIS PRUDENT APPROACH WOULD PROVIDE BREATHING ROOM FOR THE LEGISLATURE TO TAKE CONTROL OF THE DEVELOPMENT OF A NEW FORMULA BY:

- INSISTING THAT NJDOE TAKE NECESSARY CORRECTIVE ACTION TO CURE THE PROBLEMS WITH ITS OUT-OF-DATE AND FLAWED "ADEQUACY" COST STUDY;
- RECONSIDERING SPECIAL EDUCATION AND OTHER CATEGORICAL AID FUNDING;
- ADDRESSING THE ABBOTT MANDATES SO WE CAN AVOID ENDING UP BACK BEFORE THE SUPREME COURT; AND
- TACKLING THE THORNY ISSUE OF REDUCING OUR OVER-RELIANCE ON PROPERTY TAXES TO FUND PUBLIC EDUCATION.

FINALLY, YOU MUST DEMAND THAT THE GOVERNOR AND COMMISSIONER IMMEDIATELY RELEASE THE FULL RECORD BEHIND THIS PROPOSAL, INCLUDING THE ADVICE RECEIVED FROM EXPERTS, ALTERNATIVES CONSIDERED, FORMULA SIMULATIONS, AND ANY OTHER BACKGROUND RESEARCH AND DATA. IN ORDERING THE ADMINISTRATION TO IMMEDIATELY MAKE PUBLIC ALTERNATIVE FORMULAS DEVELOPED AND CONSIDERED BY THE NJDOE, THE APPELLATE DIVISION LAST WEEK UNDERSCORED THE CRITICAL IMPORTANCE OF A COMPLETE PUBLIC RECORD WHEN IT COMES TO THE ISSUE OF SCHOOL FUNDING. IT'S HARD TO BELIEVE, BUT THE ADMINISTRATION HAS WASTED TENS OF THOUSANDS OF PUBLIC DOLLARS IN FIGHTING TO KEEP THESE DOCUMENTS SECRET ON THE GROUND THAT PUBLIC RELEASE "MIGHT STIR CONTROVERSY AND DISCUSSION." AS THE COURT WROTE, THE ADMINISTRATION'S DESIRE TO KEEP BACKGROUND INFORMATION FROM THE PUBLIC

"BESPEAKS A LACK OF CONFIDENCE IN THE ABILITY OF OUR CITIZENS TO DIGEST AND ANALYZE THE POTENTIAL CONSEQUENCES OF THE CHOICES THIS STATE MUST MAKE."

ELC URGES THAT YOU CONSIDER THE GOVERNOR'S PROPOSAL A BEGINNING POINT, NOT AN END GAME. WE, AND SO MANY OTHERS, ARE TIRED OF CEIFA-LIKE FORMULAS THAT SIMPLY MOVE FUNDING AROUND TO ANOTHER SET OF "WINNERS AND LOSERS," ANOTHER SET OF FAVORED AND DISFAVORED "ZIP CODES." SADLY, THE GOVERNOR'S PROPOSAL IS MORE OF THE SAME.

OUR STATE HAS COME TOO FAR IN THE DECADES-LONG EFFORT TO ENSURE ALL CHILDREN ACCESS TO THE HIGH QUALITY EDUCATION THEY NEED, DESERVE AND ARE CONSTITUTIONALLY ENTITLED TO. WE'RE READY TO WORK WITH YOU TO ADVANCE THIS NOBLE CAUSE. LET'S NOT ROLL THE CLOCK BACK. THANK YOU.