

STATE OF NEW JERSEY



NEW JERSEY SENATE

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June 20, 2017

The Honorable Chris Christie, Governor  
The Office of the Governor  
State House  
Trenton, NJ 08625

Dear Governor Christie,

The Senate Republican Caucus welcomed your 100 day challenge in your budget address to fix our flawed school funding formula. We welcomed the Select Committee on School Funding Fairness and our bi-partisan review of that same flawed school funding formula. We looked forward to working in a bi-partisan manner to address how we fund our schools.

Then last week, we received news that a backroom political deal with no chance for public input or transparency was struck between Senate President Sweeney and Assembly Speaker Prieto that ignored the Senate Select Committee's work, ignored the principles laid out in a unanimously passed Senate Resolution creating the Select Committee and even ignored Speaker Prieto's own recent proposal on school funding.

The Senate Republican Caucus asks you to reject the Sweeney/Prieto deal as proposed. While we support the additional funding for the under-funded school districts as we have called for, there are major flaws to this scheme. The proposed school funding change does nothing to help special education children. It fails to fix the systemic gaming of school funding. It exacerbates the fact that our school funding law is not sustainable even forcing the cut of property tax relief payments just to be able to afford this small increase in school aid. This proposed change should not be allowed to remain in the FY18 State Budget.

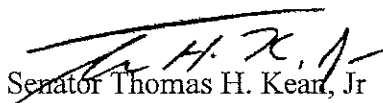
As an alternative solution, we ask you to consider incorporating the recommendations made by the Senate Republican Caucus into the treatment of school aid in the FY18 State Budget. These thoughtful reforms were made after hearing from school districts and education advocates throughout the State.

- We ask that you improve the funding of extraordinary special education aid in the FY18 State Budget to bring more quality educational opportunities for our state's most vulnerable children in every school district and to help avoid property taxpayers being left on the hook for these extraordinary special education costs.
- We do not think it is appropriate for any school district to lose any expected funding in the FY18 school year that starts in only a few weeks where budgets and staffing have already been set. Any structural adjustments needed in certain state allotments should begin in FY19.
- To ensure that school aid is not manipulated and to remove the gaming of the system, we ask you to:
  - Ensure that PILOTed property is properly factored into a local district's local fair share and schools receive a portion of any PILOT
  - Adjust the way enrollment is measured so a single day does not determine school aid
  - Change the measure of at-risk students to reduce the opportunity to manipulate the numbers

- In a small state like New Jersey, you should eliminate the use of any geographic cost adjustment because commuters and services flow across regions all the time.
- It is critical that you focus any school funding increase on the under-funded school districts with high-enrollment growth.
- In any future school aid changes, there needs to be considerations made for any districts losing aid to cushion their cuts if they are located in regions of the State that might be losing enrollment for reasons out of their control. For example, regions that have been impacted by land-use laws such as the Highlands and Pinelands statutes, and regions hit hard by Sandy and other natural disasters all may have lost school enrollment, but that loss should be minimized in the school aid formula because of these extenuating circumstances.

Our caucus looks forward to working with you on this issue as the FY18 budget is completed over the next few weeks. Feel free to contact us if you wish to discuss any of these ideas further, or have your staff reach out to the Senate Republican Office Budget & Research Director, Christopher Emigholz at 609-847-3600. Thank you!

Sincerely and In Unity from the 16 Members of the Senate Republican Caucus,

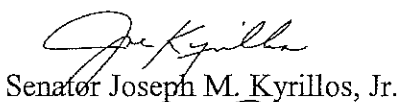
  
 Senator Thomas H. Kear, Jr

  
 Senator Diane B. Allen

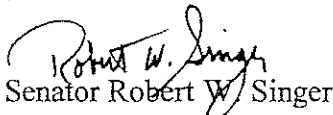
  
 Senator Jennifer Beck

  
 Senator Gerald Cardinale

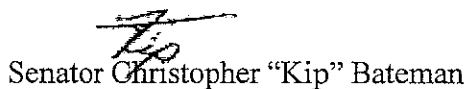
  
 Senator Michael J. Doherty

  
 Senator Joseph M. Kyrillos, Jr.

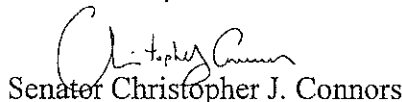
  
 Senator Steven V. Oroho

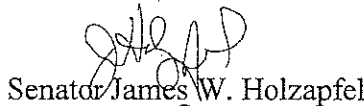
  
 Senator Robert W. Singer

  
 Senator Dawn Marie Addiego

  
 Senator Christopher "Kip" Bateman

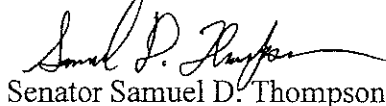
  
 Senator Anthony R. Bucco

  
 Senator Christopher J. Connors

  
 Senator James W. Holzapfel

  
 Senator Kevin J. O'Toole

  
 Senator Joseph Pennacchio

  
 Senator Samuel D. Thompson

C: Amy Cradic, Chief of Staff, Office of the Governor  
 Gregory Aquaviva, Chief Counsel, Office of the Governor  
 Ford Scudder, Treasurer, Department of Treasury  
 Kim Harrington, Commissioner, Department of Education