

**Senate Budget and Appropriations Committee**  
**Kevin Dehmer, Interim Commissioner**  
**State House Annex Committee Room 4**  
**September 10, 2020**  
**10:30 a.m.**

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Good morning Chairman Sarlo, Vice Chairwoman Cunningham, and members of the Senate Budget and Appropriations Committee. Thank you for the opportunity to be here and to discuss areas of the Governor's nine-month revised budget proposal for state fiscal year 2021 that are relevant to the Department of Education and the state's students and educators.

This week, most of the New Jersey's nearly 1.4 million public school students are returning to school. Many districts will begin with a hybrid model utilizing a combination of in-person instruction with some remote learning from home. Several dozen school districts have planned for fulltime, in-person instruction and some will start school full time remotely, and in time will return to the classroom.

Our schools have prepared and planned to implement health and safety standards, increase access to technology, and to enhance their remote programs. Fortunately, New Jersey schools were supported with some \$310 million in federal CARES Act funding, which could be used for a number of expenses ranging from cleaning and sanitation supplies to technology. And there have been other revenue streams, such as Title I funding that schools could use to take on certain issues caused by the pandemic. The Administration will also allocate \$100 million in federal Coronavirus Relief Funds to support school reopening in districts. A district may use the funding to meet school reopening health and safety standards. Districts that are not able to open for in-person instruction can use the funds to address the barriers they face in meeting health and safety protocols. In addition, districts that already meet the health and safety protocols can use the funds to ensure they continue to maintain those standards.

Staff at the Department of Education have spent the summer preparing guidance to help schools begin instruction again, and in recent weeks they've been reviewing hundreds of school-reopening plans to ensure they meet health and safety standards.

Schools are a foundation of our communities. The stability in our school system will help drive economic stability, as more and more parents return to work. The proposed budget offers

schools a sense of financial stability, in a time when they must prioritize the health and safety of their school communities.

Throughout this process, we've been guided by the input of stakeholders throughout the state. Our guidance was written after holding hundreds of meetings with school leaders, educators, support staff, medical experts and others in the education community.

We plan to continue that dialogue. Internally, one of our priorities at the Department this year is to expand stakeholder engagement to ensure we have open communication with more and more members of the community – from families to civic organizations to faith-based leaders. We need the input and support of stakeholders across the board.

Governor Murphy's budgets have all emphasized investments in education, including historic levels of state support for our schools. In his first budget in FY19, in just that *one* year, he proposed an increase in K-12 funding that was larger than the education increases of the four previous years *combined*.

In years past, New Jersey school officials had become accustomed to bracing themselves for the state's budget proposal. Some years, they expected the worst – and were relieved to simply hear there were no cuts. But that changed in this Administration in 2018, and continued into 2019, when Governor Murphy's budget plan called for historic levels of funding to support schools – \$15.4 billion in all.

But spring 2020 brought unanticipated change across the entire world with the onset of the COVID-19 pandemic. This global health crisis has shattered our economy, shuttered our schools, and devastated our State's revenues.

One would think that *this* would be the year that we would lose all of the great gains we've made in education. That *this* would be the year that school officials expected the worst.

Yet, we come to you today with a spending plan that continues to prioritize and protect our education system.

Considering the fiscal destruction that the global pandemic has wrought, the stability that Governor Murphy's budget brings to our school system is reassuring – perhaps even remarkable.

The Governor's revised budget holds the line on K-12 formula aid at nearly \$8.7 billion.

Overall, the revised spending plan would ensure school districts receive the same levels of funding that were announced in July.

Even compared to what was proposed in February, before the pandemic took hold, this budget demonstrates stability. While steep revenue shortfalls limit additional funding for K-12 formula aid over FY20, this proposal continues to phase districts toward their full funding amounts in accordance with SFRA as amended by P.L.2018, c.67, commonly referred to as "S2," which was a joint effort with the Legislature to move toward fully and fairly funded public schools. Maintaining FY20's investment in state aid, combined with \$156 million that is reallocated from overfunded districts, allows for 369 districts to receive increases in aid. This shift continues to provide aid growth for underfunded districts, reducing their funding gap.

This budget would ensure that *two-thirds* of school districts will receive **more** funding than they did the previous year.

The FY21 budget allows for growth in programs to benefit our youngest learners. It would provide a total preschool allocation of \$874.2 million – which is an **additional** \$68 million. Much of that increase will support and expand high-quality preschool programs that have already been established in recent years; \$10 million of that increase will go to expanding high-quality preschool programs into *new* school districts.

Studies show that the sooner a child receives academic instruction, the more academically successful that child will be. Research tells us that for every dollar we invest in early childhood education, we save \$7 in taxpayer money down the road. Preschool is one of those investments that pays dividends in myriad ways for years to come.

In addition to stable state aid and growth in preschool education aid, the Governor's budget proposal would also provide funding for other important programs:

- For instance, it includes \$400,000 to continue support for STEM Dual Enrollment and Early College High School funding. This initiative led to the launch of P-TECH schools in New Jersey. P-TECH, which stands for "Pathway in Technology Early College High School," was co-developed by IBM. This model brings together high schools, community colleges, and businesses in a program that helps students graduate with both a high school diploma and an Associate degree – so they have a clear pathway from school to career.

- The budget includes \$800,000 for the Computer Science for All initiative to support the goal of increasing student access to cutting-edge computer science instruction. Last year, New Jersey announced a state plan designed to provide the skills needed for students to thrive in the technology sector – and that state plan is more important now than ever before.
- And the FY21 budget includes \$750,000 to continue the Minority Teacher Development Grants designed to diversify the teacher pipeline. It has been shown that students of color who are taught by at least one teacher of color have increased graduation rates and improved test scores. But a diverse teaching workforce fosters positive perceptions among *all* children, which helps prepare them for success in a diverse society. Yet in New Jersey, 56 percent of our students are children of color while only 16 percent of New Jersey’s educators are teachers of color.

These are the kinds of initiatives that have been making New Jersey’s public schools among the strongest in the nation. In fact, you may have seen the news last week, when Education Week magazine released its annual Quality Counts report, which ranks each state’s public-school system. For the second straight year, New Jersey schools were named the best in the nation, ranking #1.

We didn’t earn this designation by chance. We did it by design. And we can attribute our strong school system, in no small part, to the decisions you’ve made here. When other states backed off, we made education a priority.

That’s what this year’s budget is about. Prioritizing and protecting our education system.

As you know, we continue to be a staff in transition – We’re adjusting leadership patterns and placements to ensure we have the best people in place to do the work that is needed. I’m grateful to each staff member of the Department of Education and to our leadership team, who continue to devote countless hours to make student success a top priority.

These unprecedented times call for unprecedented commitment, and we’ve seen that from the staff at the Department, down to the administrators, educators, and school staff working at the local level. We are committed to addressing each challenge we face with great thought, compassion, and concern for every child. We’d be remiss if we didn’t acknowledge the commitment from parents, families and students who also had to make adjustments and sacrifices during this time. Their dedication and partnership continue to inspire.

In closing, I want to thank you for *your* support for our schools.

Even in these worst of times, this budget is good news to the ears of everyone who is committed to the education of the New Jersey's children. It helps us retain our standing as a national leader in education. And it helps our school leaders focus more on the health and safety of their staff and students – and a little less on dollars and cents.

Thank you for your time, and your attention. I will take questions at this time.