

Statement on Fiscal Year 2019 State Budget  
Senate Budget Hearing  
April 3, 2018

Good morning Mr. Chairman and Members of the Senate Budget and Appropriations Committee. My name is Dr. George Corwell, Director of the Office of Education for the New Jersey Catholic Conference, and I have with me Mary McElroy, Esq., Director of the New Jersey Network of Catholic School Families for the Archdiocese of Newark.

We are speaking this morning on three aspects of the nonpublic school accounts in Governor Murphy's Fiscal Year 2019 Budget. While the public school accounts increased by over \$283 million, the nonpublic accounts were dramatically reduced. We therefore ask you to address three concerns:

1. **The loss of transportation funding from \$1,000 per pupil to \$884 per pupil.** After seven years of being frozen at \$884.00, with the resulting loss of nonpublic transportation routes in FY 2018, the Legislature increased the funding for nonpublic school transportation to \$1,000 per pupil. No increase in state money was necessary because any additional money would be recovered from refunds in the nonpublic school accounts in June 2018. Please note Appendix A which contains the refunds and also note the language in the Fiscal Year 2018 Appropriations Act which is contained as Appendix B of this testimony. The result was that many routes that had been cancelled were restored, and many nonpublic school students who had lost a ride to school were able to get one.

The news that the ceiling has been reduced to \$884 is a severe loss for nonpublic school students and their parents. *It is important to note that no public school pupil has had to experience the reduction in the number of days transported or an increased distance traveled to get to a bus stop (such changes made to try to fit within the \$884 ceiling in the past). Nor have any public school students been denied a safe ride to school because of cost.*

2. **Loss of funds from this year's Appropriations Act in the areas of Nursing Services and Technology.** Governor Murphy's Budget contains a reduction of \$3.8 million from this year's Appropriations Act in the areas of Nursing Services and Technology to nonpublic school students as demonstrated in Appendix C. We are asking that all of the money contained in the Legislative add-ons in these categories in the Fiscal Year 2018 Appropriations Act be restored, while the amount for nonpublic school security, which was retained by Governor Murphy, remain AT LEAST the same in the final version of the Appropriations Act for Fiscal Year 2019.
3. **Budget language inserted to permit the pooling of a nonpublic school's aggregate money allocated in the areas of Nonpublic School Technology, Nonpublic School Nursing Services, and Nonpublic School Security.** This language would permit decisions to be made regarding what would be best for the students in that nonpublic school and permit parents and nonpublic school administrators to prioritize the needs of nonpublic school students. *That proposed nonpublic school language is contained in Appendix D of this testimony, and again, if this language were inserted in the Appropriations Act, there would be no additional funds needed. Public schools routinely do this shifting with their accounts.*

I will now ask Mrs. McElroy to comment on the results of the loss of money for nursing services and technology.

In summary, we believe that there is a way to increase the nonpublic school transportation ceiling with refund money from Chapter 192 and 193 accounts, and we ask your assistance also in restoring the other accounts to levels of this year's Appropriations Act.

Respectfully Submitted by: George V. Corwell, Ed.D.  
Director, Office of Education, New Jersey Catholic Conference  
george.corwell@njatholic.org

RESOLUTION #

**FY 2018 APPROPRIATIONS ACT (P.L.2017, C.99)  
LANGUAGE CHANGES INCLUDING LINE ITEM VETO**

TABLE

CTR

<p><b>2122</b></p>	<p>Modifies language to increase Rowan University State-funded-positions by 100. STA30#36#2445G For the purpose of implementing the appropriations act for the current fiscal year, the number of State-funded positions at Rowan University shall be [1,649] <u>1,749</u>.</p>	<p>STA30#36#2445G</p>	<p>459</p>
<p><b>2124</b></p>	<p>Language reallocating Nonpublic Handicapped Aid and Nonpublic Auxiliary Services Aid to Transportation Aid for Nonpublic School Transportation costs. EDU30#31S <u>Notwithstanding any provision of law or regulation to the contrary, the commissioner shall reallocate up to \$4,350,000 from Nonpublic Auxiliary Services Aid and up to \$4,350,000 from Nonpublic Handicapped Aid in order to provide essential transportation aid for nonpublic school students.</u> <u>Notwithstanding the provisions of section 2 of P.L.1981, c.57 (C.18A:39-1a) or any other law or regulation to the contrary, the maximum amount of nonpublic school transportation costs per pupil provided for in N.J.S.18A:39-1 shall equal [\$884] <u>\$1,000</u>.</u></p>	<p>EDU30#31S</p>	<p>461</p>

1 Notwithstanding the provisions of P.L.2006, c.15 (C.18A:7A-54 et seq.) or any law or regulation  
2 to the contrary, in the event that a school district owes an amount greater than 50 percent of  
3 its annual general fund budget attributable in substantial part to loans made to the district  
4 from the "School District Deficit Relief Account" established pursuant to P.L.2006, c.15  
5 (C.18A:7A-54 et seq.), such debt, as reduced by the liquidation of all available assets of the  
6 school district, may be forgiven upon the school district's merger with another district if the  
7 Commissioner of Education determines that such debt represents an impediment to  
8 consolidation, subject to the approval of the Director of the Division of Budget and  
9 Accounting.

10 In addition to the amount hereinabove appropriated for the School Construction and Renovation  
11 Fund account to make payments under the contracts authorized pursuant to section 18 of  
12 P.L.2000, c.72 (C.18A:7G-18), there are appropriated such other amounts as the Director  
13 of the Division of Budget and Accounting shall determine are required to pay all amounts  
14 due from the State pursuant to such contracts.

15 The unexpended balance at the end of the preceding fiscal year in the School Construction and  
16 Renovation Fund account is appropriated for the same purpose.

17 Notwithstanding any provision of law or regulation to the contrary, the commissioner shall  
18 reallocate up to \$4,350,000 from Nonpublic Auxiliary Services Aid and up to \$4,350,000  
19 from Nonpublic Handicapped Aid in order to provide essential transportation aid for  
20 nonpublic school students.

21 The amount hereinabove appropriated for Adult Education Programs shall be distributed at a  
22 rate of \$1,500 per pupil for students enrolled on a full-time equivalent basis (as determined  
23 by the Commissioner of Education) in an approved adult high school, a postsecondary career  
24 and technical education program at a county vocational-technical school, or a non-credit  
25 career and technical education program that has been transferred to a county college from  
26 a county vocational school district pursuant to a formal resolution prior to the effective date  
27 of this appropriations act. The per pupil amount shall be reduced proportionally if the  
28 amount appropriated is insufficient to provide full funding for all eligible enrolled students.  
29 The Commissioner of Education and the Commissioner of Labor and Workforce  
30 Development shall review all sources of federal and state funding for employment training  
31 programs, and shall make recommendations to the Legislature by May 1, 2018 regarding the  
32 availability of such funds to support these programs in future fiscal years.

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36 Notwithstanding the provisions of any law or regulation to the contrary, in the event that an  
37 "SDA district" sells district surplus property, the proceeds from such sale shall be applied  
38 as follows, subject to the approval of the Director of the Division of Budget and Accounting:  
39 the Commissioner of Education, in his discretion, may direct that the proceeds be used by  
40 the SDA district upon a showing of financial need for a capital maintenance project or for  
41 a school facilities project if such project is consistent with the district's Long-Range  
42 Facilities Plan (LRFP) and the project cost does not exceed \$500,000. If the project cost  
43 exceeds \$500,000, the commissioner may direct all or a portion of the proceeds to the New  
44 Jersey Schools Development Authority (SDA) for use in projects identified in that district's  
45 LRFP. In the case of capital maintenance projects, the SDA may forward the specified aid  
46 amount directly to the district for completion of the projects. If the commissioner is not  
47 satisfied that there is a sufficient showing of financial need for a capital maintenance project  
48 or for a school facilities project or if the commissioner is not satisfied that the proposed  
49 project is consistent with the district's LRFP, the proceeds shall be returned to the SDA for  
50 use by the SDA for school facilities projects in that SDA district which are consistent with  
51 the SDA district's LRFP. For the purposes of this provision, "surplus property" means  
52 property which is not being replaced by other property under a grant agreement with the  
53 SDA.

54 Notwithstanding the provisions of any law or regulation to the contrary, a district's 2017-2018  
55 allocation of the amounts hereinabove appropriated for Educational Adequacy Aid,  
56 Preschool Education Aid, School Choice Aid, Supplemental Enrollment Growth Aid, Under  
57 Adequacy Aid, PARCC Readiness, Per Pupil Growth Aid, Professional Learning  
58 Community Aid, and Host District Support Aid shall be as set forth in the March 2017 State  
59 Aid notice issued by the Commissioner of Education.

Notwithstanding the provisions of any law or regulation to the contrary, "non-SDA" districts

<b>FY 18 – FY 19 Nonpublic Aid Comparison</b>			
	<b>FY 18 Governor's Budget Request</b>	<b>FY 18 Final Appropriation</b>	<b>FY 19 Governor's Budget Request</b>
Nonpublic Textbook Aid	8,243,000	8,243,000	8,243,000
Nonpublic Chapter 192	31,649,000	31,649,000	31,649,000
Nonpublic Chapter 193	28,240,000	28,240,000	28,240,000
Nonpublic Auxiliary/Handicapped Transportation Aid	2,469,000	2,469,000	2,469,000
Nonpublic Nursing Services Aid	12,902,000	14,302,000	12,902,000
Nonpublic Technology Aid	3,000,000	5,400,000	3,000,000
Nonpublic Security Aid	0	11,300,000	11,300,000
<b>Total</b>	<b>86,503,000</b>	<b>101,603,000</b>	<b>97,803,000</b>
Transportation Per-Pupil Ceiling	884	1,000	884

**Draft language which would allow the transfer of funds between nonpublic school accounts, which we are requesting be included in Budget language:**

Notwithstanding any law or regulation to the contrary, of the amounts appropriated for Nonpublic Nursing Services Aid, Nonpublic Security Aid, and the Nonpublic Technology Initiative for students in a particular nonpublic school, such amounts may be transferred among these accounts to address the needs of students in that nonpublic school, subject to the consultation between the local school district and chief administrator of the nonpublic school.