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## NJDOE News

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### **Commissioner Gagliardi Testifies on Education Budget Before Assembly Appropriations Committee**

State Education Commissioner Vito A. Gagliardi, Sr. today testified before the Assembly Appropriations Committee on the Department of Education's proposed budget for the 2001-2002 fiscal year. A copy of his remarks is attached.

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#### **ASSEMBLY APPROPRIATIONS COMMITTEE**

#### **Remarks by Commissioner Vito A. Gagliardi, Sr. NJ Department of Education Budget for FY02 April 10, 2001**

GOOD MORNING CHAIRMAN LANCE, VICE CHAIRMAN MALONE AND MEMBERS OF THE COMMITTEE. IT IS A PLEASURE TO BE HERE WITH YOU THIS MORNING TO DISCUSS THE DEPARTMENT OF EDUCATION'S BUDGET FOR FISCAL YEAR 2002.

IN FY02, THE DIFRANCESCO ADMINISTRATION PROPOSES TO PROVIDE TO THE STATE'S 618 SCHOOL DISTRICTS MORE THAN \$7.4 BILLION DOLLARS IN STATE AID - A RECORD AMOUNT THAT IS \$634 MILLION HIGHER THAN THIS YEAR'S TOTAL. THIS INCLUDES THE \$52 MILLION INCREASE FOR THE SCHOOL CONSTRUCTION AND RENOVATION PROGRAM IN THE DEPARTMENT OF TREASURY'S BUDGET.

OVER THE PAST SEVEN YEARS, WE HAVE MADE AN EXTRAORDINARY COMMITMENT TO THE PUBLIC SCHOOL CHILDREN OF NEW JERSEY. STATE AID TO EDUCATION HAS GONE FROM \$4.4 BILLION IN FY95 TO \$7.4 BILLION FOR THE 2001-02 SCHOOL YEAR. IN THE SAME PERIOD, STATE PER-PUPIL SUPPORT HAS CLIMBED FROM \$3,737 TO \$5,233.

THE STATE SHARE ON A PERCENTAGE BASIS HAS GONE FROM 36.5 PERCENT TO A RECORD 44.8 PERCENT, WHILE THE LOCAL SHARE HAS DROPPED FROM 61.1 PERCENT TO 53.1 PERCENT. THAT IS AN IMPRESSIVE RECORD OF STATE SUPPORT FOR PUBLIC EDUCATION AND PROPERTY TAX RELIEF FOR LOCAL TAXPAYERS.

THE DEPARTMENT OF EDUCATION BUDGET FOR FY02 REPRESENTS NEARLY A THIRD OF THE ENTIRE STATE BUDGET. NEW JERSEY'S INVESTMENT IN THE FUTURE OF OUR CHILDREN IS ENORMOUS.

ACTING GOVERNOR DIFRANCESCO AND THE LEADERS OF THE LEGISLATURE ARE COMMITTED TO ENSURING THAT NO SCHOOL DISTRICT IN NEW JERSEY LOSES STATE AID THIS YEAR. THEY HAVE PROPOSED ADDING \$11.4 MILLION TO THE BUDGET SO THAT NO DISTRICT RECEIVES LESS SCHOOL AID THAN IT RECEIVED LAST YEAR. I SUPPORT THIS MOVE BECAUSE IT WILL GIVE US TIME TO LOOK AT WAYS TO MAKE THE CEIFA FORMULA BETTER WITHOUT PENALIZING ANY DISTRICT.

OUR FIRST AND FOREMOST CONCERN IS THE EDUCATION OF CHILDREN. BUT WE ARE ALSO VERY MUCH AWARE OF WHAT ACTIONS WE TAKE ON THE STATE LEVEL MEAN TO TAXPAYERS IN LOCAL SCHOOL DISTRICTS. NOT ONLY IS THE PROPOSED BUDGET GOOD FOR THE CHILDREN, IT IS GOOD FOR THE TAXPAYERS.

THIRTY MILLION DOLLARS IS INCLUDED IN THE DEPARTMENT OF TREASURY'S BUDGET TO FUND THE DEBT SERVICE AID RETROACTIVITY PROVISIONS OF THE EDUCATIONAL FACILITIES CONSTRUCTION AND FINANCING ACT THAT WAS SIGNED INTO LAW IN JULY 2000. AN ADDITIONAL \$152 MILLION IS INCLUDED IN TREASURY'S BUDGET FOR THE SCHOOL CONSTRUCTION PROGRAM TO FUND STATE DEBT SERVICE AND PAY AS YOU GO CAPITAL. THIS STATE AID WILL HELP DEFRAY SCHOOL CONSTRUCTION COSTS AND REDUCE THE BURDEN ON LOCAL PROPERTY TAXPAYERS. ANOTHER STEP WE'VE TAKEN TO EASE THE PRESSURE ON LOCAL PROPERTY TAXES IS THE INCLUSION OF AN ADDITIONAL \$43.5 MILLION IN SUPPLEMENTAL CORE CURRICULUM STANDARDS AID IN THE PROPOSED BUDGET.

THE BUDGET ALSO CALLS FOR INVESTING \$910.5 MILLION FOR SPECIAL EDUCATION. THAT REPRESENTS AN ADDITIONAL \$140 MILLION OVER THE CURRENT YEAR AND THE LARGEST INCREASE SINCE 1990.

IN ADDITION, WE ARE PROPOSING TO SPEND \$329 MILLION FOR EARLY CHILDHOOD PROGRAM AID FOR THE MOST DISADVANTAGED SCHOOL DISTRICTS - AN INCREASE OF \$16 MILLION. OF THE TOTAL, \$232 MILLION WILL GO TO ABBOTT SCHOOL DISTRICTS TO SUPPORT THE START OF FULL-TIME PRESCHOOL FOR ALL THREE- AND FOUR-YEAR-OLD CHILDREN.

DEMONSTRABLY EFFECTIVE PROGRAM AID AND DISTANCE LEARNING NETWORK AID WILL ALSO GROW NEXT YEAR. THE LEVEL OF FUNDING FOR PUPIL TRANSPORTATION AID WILL REMAIN THE SAME, PENDING DECISIONS PERTAINING TO HOW TO IMPLEMENT THE REQUIRED EFFICIENCY FACTORS.

WE WILL CONTINUE TO ENCOURAGE SCHOOL DISTRICTS TO STRIVE FOR EXCELLENCE THROUGH OUR \$10 MILLION REWARD PROGRAM. IN ADDITION TO ACADEMIC ACHIEVEMENT REWARDS FOR THE HIGHEST ACHIEVING AND THE MOST IMPROVED DISTRICTS, WE PROPOSE TO ADD A NEW CATEGORY OF REWARDS FOR THE HIGHEST ACHIEVING LOW-SPENDING SCHOOL DISTRICTS.

THE STATE'S 30 ABBOTT DISTRICTS WILL RECEIVE A TOTAL OF \$2.9 BILLION, THE MOST THEY HAVE EVER RECEIVED AND 49 PERCENT OF THE ENTIRE AMOUNT OF STATE AID TO BE DISTRIBUTED.

THIS INCLUDES THE MORE THAN \$429 MILLION IN *ABBOTT V. BURKE* PARITY REMEDY AID THAT ABBOTT DISTRICTS WILL RECEIVE NEXT YEAR IN ORDER TO CONTINUE PARITY IN PER-PUPIL SPENDING AT A LEVEL EQUAL TO THE WEALTHIEST DISTRICTS IN THE STATE. PARITY AID WILL CONTINUE TO ENSURE THAT NO ABBOTT DISTRICT WILL NEED TO INCREASE PROPERTY TAXES.

THE FY02 BUDGET ALSO INCLUDES AN ADDITIONAL \$248.7 MILLION FOR POTENTIAL SUPPLEMENTAL AID REQUESTS BY ABBOTT DISTRICTS. TOTAL SUPPLEMENTAL AID ALLOCATIONS MAY BE MORE OR LESS THAN THE \$248.7 MILLION BUDGETED, DEPENDING ON THE ACTUAL NEED DETERMINED THROUGH THE SCHOOL BUDGET APPROVAL PROCESS.

ANNUAL FUNDING FOR THE ABBOTT DISTRICTS, INCLUDING THE \$248.7 MILLION BUDGETED IN FY02 FOR SUPPLEMENTAL FUNDING, HAS RISEN BY \$1.3 BILLION SINCE 1994-95. AS YOU KNOW, MUCH OF OUR ABBOTT FUNDING IS USED TO SUPPORT WHOLE SCHOOL REFORM IN OUR ABBOTT DISTRICTS. BY SEPTEMBER 2000, THE IMPLEMENTATION OF WHOLE SCHOOL REFORM HAD BEGUN IN ALL 314 ABBOTT ELEMENTARY SCHOOLS. WE ARE NOW EXTENDING WHOLE SCHOOL REFORM TO OUR HIGH SCHOOLS AND MIDDLE SCHOOLS.

THE PROGRAM IS ALREADY UNDERWAY IN THE VAST MAJORITY OF SECONDARY SCHOOLS, AND THE REMAINDER IS SCHEDULED TO COME ON LINE THIS FALL. WE ARE THE ONLY STATE IN THE NATION IMPLEMENTING WHOLE SCHOOL REFORM ON SUCH A LARGE SCALE. IT HAS BEEN, AND WILL CONTINUE TO BE, A CHALLENGE, BUT WE WILL NOT REST UNTIL EVERY CHILD SUCCEEDS.

THE FOUNDATION OF OUR REFORM EFFORTS -- IN ABBOTT AND NON-ABBOTT DISTRICTS -- IS THE RIGOROUS ACADEMIC STANDARDS THAT, WITH THE HELP OF THE LEGISLATURE, WERE PUT IN PLACE FIVE YEARS AGO. THESE STANDARDS WILL ENABLE ALL CHILDREN TO LEARN AT THE SAME HIGH LEVEL, SO THAT THEY MAY BE PREPARED FOR THE CHALLENGES OF OUR NEW CENTURY IN COLLEGE AND IN THE WORKPLACE. WITH THIS BUDGET, THE DEPARTMENT WILL CONTINUE ITS COMMITMENT TO PROVIDE EDUCATORS WITH THE PROPER TRAINING AND SKILLS NEEDED TO HELP STUDENTS ACHIEVE THE STANDARDS. THE BUDGET CONTAINS \$1 MILLION, A \$500,000 INCREASE, TO EXPAND THE NEW JERSEY PROFESSIONAL EDUCATION PORT -- NJ PEP -- WHICH IS OUR WEB-BASED VIRTUAL ACADEMY FOR TEACHERS. THE ADDITIONAL FUNDING IN FY02 WILL ALLOW US TO INCLUDE AN ASSESSMENT COMPONENT THAT WILL HELP TEACHERS STANDARDIZE PERFORMANCE SCORING.

TEACHERS ARE OUR GREATEST CHANGE AGENTS. BUT NEW JERSEY, LIKE THE REST OF THE NATION, IS HAVING TROUBLE RECRUITING ENOUGH QUALIFIED TEACHERS, ESPECIALLY IN CERTAIN SUBJECT AREAS. THE TEACHER SHORTAGE HAS BECOME ESPECIALLY ACUTE IN SOME OF OUR URBAN DISTRICTS. THERE ARE A NUMBER OF FACTORS RESPONSIBLE FOR THE SHORTAGE INCLUDING:

- INCREASED ENROLLMENTS;
- REDUCED CLASS SIZE;
- A GRAYING WORKFORCE;
- AN ECONOMY THAT LURES POTENTIAL TEACHERS TO MORE LUCRATIVE POSITIONS; AND
- THE DIFFICULT CONDITIONS THAT TOO OFTEN EXIST IN URBAN SCHOOLS.

THE UNITED STATES DEPARTMENT OF EDUCATION PREDICTS THAT TWO MILLION NEW TEACHERS WILL NEED TO

BE HIRED OVER THE NEXT DECADE TO FILL VACANCIES AND MEET THE DEMANDS OF AN INCREASING SCHOOL-AGE POPULATION. WE EXPECT MORE THAN ONE-THIRD OF NEW JERSEY'S 93,000 TEACHERS TO RETIRE IN THE NEXT 10 YEARS. AS I MENTIONED, PART OF THE PROBLEM STEMS FROM THE GRAYING OF THE WORKFORCE. THE MEDIAN AGE OF TEACHERS NATIONWIDE IS 44. HERE IN NEW JERSEY IT IS 47.

WE ARE ALREADY EXPERIENCING SHORTAGES IN CERTAIN AREAS. FOR INSTANCE, THERE IS AN IMMEDIATE NEED FOR MATHEMATICS, SCIENCE, SPECIAL EDUCATION, WORLD LANGUAGE AND PRE-SCHOOL TEACHERS IN NEW JERSEY -- PARTICULARLY IN OUR URBAN DISTRICTS BECAUSE OF HIGH TURNOVER RATES.

I AM COMMITTED TO MEETING THE CHALLENGE POSED TO ME BY ACTING GOVERNOR DONALD DiFRANCESCO TO WORK WITH THE LEGISLATURE TO CREATE THE VERY BEST TEACHER RECRUITMENT, RETENTION, AND TRAINING PROGRAM IN THE NATION.

WE NEED TO GUIDE TEACHERS INTO AREAS WHERE THEY ARE MOST NEEDED. THE PROPOSED BUDGET CONTAINS \$5 MILLION UNDER HIGHER EDUCATION TO BE PAID AS SIGNING BONUSES TO TEACHERS ELIGIBLE FOR PROVISIONAL CERTIFICATION. THESE TEACHERS MUST HAVE GRADUATED WITH AT LEAST A 3.0 GRADE POINT AVERAGE FROM AN APPROVED TEACHER TRAINING PROGRAM OR AN ACCREDITED COLLEGE OR UNIVERSITY.

IN ADDITION, THEY MUST EITHER AGREE TO TEACH PRESCHOOL IN AN ABBOTT DISTRICT, OR FOR A COMMUNITY PROVIDER UNDER CONTRACT WITH AN ABBOTT DISTRICT, TO PROVIDE PRESCHOOL PROGRAMS TO THREE- AND FOUR-YEAR-OLD CHILDREN. OR THEY MUST TEACH SPECIAL EDUCATION, MATHEMATICS, SCIENCE, OR WORLD LANGUAGES IN A DISTRICT RECEIVING EARLY CHILDHOOD PROGRAM AID (ECPA). STIPENDS UP TO \$5,000 PER YEAR FOR UP TO FIVE YEARS OF TEACHING SERVICE MAY BE PROVIDED.

ONCE HIGHLY QUALIFIED TEACHERS HAVE BEEN RECRUITED AND HAVE BEGUN EMPLOYMENT IN THE PUBLIC SCHOOLS, IT IS CRITICAL THAT ATTENTION BE FOCUSED UPON RETAINING THESE INDIVIDUALS IN THE SCHOOLS. THE FIRST FEW YEARS OF TEACHING ARE OFTEN VERY CHALLENGING FOR NEW TEACHERS. NOT ONLY MUST THEY FACE THE DEMANDS OF PLANNING DAILY LESSONS, BUT THEY MUST ALSO BE PREPARED TO DEAL WITH STUDENTS FROM DIVERSE BACKGROUNDS WITH VARYING NEEDS.

NATIONAL STATISTICS SHOW THAT AS MANY AS ONE OUT OF EVERY THREE NEW TEACHERS LEAVES HIS OR HER POSITION AFTER THREE YEARS OF TEACHING. TO HELP TEACHERS SUCCEED SO THAT THEY STAY IN THE PROFESSION, THE DEPARTMENT IS MOVING FORWARD WITH PLANS TO PROVIDE MENTORING FOR NEW TEACHERS.

RESEARCH ALSO SHOWS THAT SOUND MENTORING PROGRAMS GO A LONG WAY TOWARD HELPING TEACHERS ESTABLISH ROOTS IN THEIR PROFESSION, WHICH, IN TURN, ENCOURAGES THEM TO REMAIN IN THE PROFESSION.

CURRENTLY, 15 SCHOOL DISTRICTS STATEWIDE HAVE DEVELOPED MENTORING PROGRAMS FOR FIRST- AND SECOND-YEAR TEACHERS. THE PROPOSED BUDGET INCLUDES \$14 MILLION TO EXTEND THE PROGRAM TO FIRST- AND SECOND-YEAR TEACHERS IN ALL SCHOOL DISTRICTS. THE \$14 MILLION WILL ALLOW THE STATE TO CONTRIBUTE TOWARDS THE COSTS ASSOCIATED WITH MENTOR TRAINING, STIPENDS FOR MENTOR TEACHERS, PROFESSIONAL DEVELOPMENT AND COSTS ASSOCIATED WITH RELEASE TIME FOR MENTOR TEACHERS. THE MENTORING WILL FOCUS ON ASSISTING NOVICE TEACHERS IN ADJUSTING TO THE CHALLENGES OF TEACHING IN ORDER TO IMPROVE RETENTION RATES, AND, MOST SPECIFICALLY, ON HELPING TEACHERS ENSURE THAT STUDENTS ACHIEVE THE CORE CURRICULUM CONTENT STANDARDS.

EARLIER, I SPOKE ABOUT WHOLE SCHOOL REFORM AND HOW NEW JERSEY IS UNDERTAKING THIS INITIATIVE ON A SCALE THAT IS UNPRECEDENTED IN THE NATION. I WANT TO TAKE A FEW MOMENTS TO TALK ABOUT ANOTHER AREA WHERE NEW JERSEY IS A PIONEER -- EARLY CHILDHOOD EDUCATION.

OUR PRESCHOOL PROGRAM FOR THREE- AND FOUR-YEAR-OLDS IN THE ABBOTT DISTRICTS IS BEING IMPLEMENTED IN RECORD TIME. WE ARE PROUD OF WHAT WE HAVE BEEN ABLE TO ACCOMPLISH IN SUCH A SHORT PERIOD OF TIME. AND WE ARE COMMITTED TO MAKING THIS PROGRAM WORK BECAUSE WE KNOW WHAT A PROFOUND AND POSITIVE IMPACT IT CAN HAVE ON THE EDUCATION OF CHILDREN WHO WOULD OTHERWISE START SCHOOL AT A DISTINCT DISADVANTAGE BECAUSE OF SOCIO-ECONOMIC CONDITIONS IN THEIR COMMUNITIES.

STARTING THIS SEPTEMBER, THE ABBOTT DISTRICTS ARE REQUIRED TO PROVIDE FULL-DAY, FULL-YEAR PRESCHOOL PROGRAMS FOR ALL ELIGIBLE THREE- AND FOUR-YEAR-OLD CHILDREN. IN THE 2000-2001 SCHOOL YEAR, 20 OF THE ABBOTT DISTRICTS HAVE BEGUN IMPLEMENTING FULL-DAY PROGRAMS FOR ALL OR SOME PORTION OF THEIR PRESCHOOL POPULATION. SEVERAL DISTRICTS ARE ALREADY IMPLEMENTING FULL-DAY, FULL-YEAR PROGRAMS FOR ALL OF THEIR PRESCHOOL POPULATION, INCLUDING ASBURY PARK, PATERSON, AND IRVINGTON.

AS OF DECEMBER OF LAST YEAR, ALMOST 23,000 THREE- AND FOUR-YEAR-OLD CHILDREN WERE ENROLLED IN ABBOTT PRESCHOOL PROGRAMS.

THE DEPARTMENT IS CONTINUING TO WORK CLOSELY WITH LOCAL SCHOOL DISTRICTS, THE DEPARTMENT OF HUMAN SERVICES AND OUTSIDE AGENCIES TO REACH AS MANY FAMILIES OF PRESCHOOL AGE CHILDREN AS POSSIBLE.

AGAIN, OUR INVESTMENT IN THIS AREA IS SIGNIFICANT. TOTAL ECPA ALLOCATIONS FOR THE 2000-2001 SCHOOL YEAR IN ABBOTT DISTRICTS WAS \$218.7 MILLION AND FOR THE 2001-2002 SCHOOL YEAR IT WILL RISE TO \$232 MILLION.

WE HAVE BEEN WORKING CLOSELY WITH THE ABBOTT DISTRICTS AND PRESCHOOLS, AND WE ARE CONFIDENT THE AMOUNTS ALLOCATED IN THE BUDGET FOR THE DEPARTMENT OF EDUCATION AND THE DEPARTMENT OF HUMAN SERVICES WILL BE SUFFICIENT TO COVER THE PROJECTED ENROLLMENTS. HOWEVER, LET ME EMPHASIZE THAT, NO MATTER WHAT, EVERY ELIGIBLE THREE- OR FOUR-YEAR-OLD WHO IS ENROLLED IN A PRESCHOOL PROGRAM WILL BE SERVED.

TO MAKE SURE PRESCHOOLERS RECEIVE A QUALITY EDUCATION, AS A COMPANION DOCUMENT TO THE STANDARDS DEVELOPED LAST YEAR, A COMMITTEE IS BEING FORMED TO DEVELOP AN *EARLY CHILDHOOD EDUCATION CURRICULUM FRAMEWORK* THAT WILL PROVIDE BROAD OVERARCHING CONCEPTS AND IDEAS FOR THE DEVELOPMENT OF PRESCHOOL CURRICULUM. THE PRESCHOOL FRAMEWORK WILL OFFER TEACHERS MULTIPLE STRATEGIES TO MEET THE PRESCHOOL STANDARDS AND RELATED PROGRESS INDICATORS, AND ALSO PROVIDE GUIDELINES FOR INSTRUCTIONAL STRATEGIES AND ASSESSMENT METHODS TO ASSIST EDUCATORS IN THE DEVELOPMENT OF SUPPORTIVE, EFFECTIVE LEARNING ENVIRONMENTS.

A CONTRACTOR HAS BEEN SELECTED TO CONDUCT A FIVE-YEAR, INDEPENDENT, EXTERNAL EVALUATION OF THE ABBOTT EARLY CHILDHOOD EDUCATION PROGRAM AND ITS IMPACT ON THE CHILDREN IT SERVES.

WE WILL DO ALL WE CAN TO ENSURE THAT ABBOTT SCHOOL CHILDREN HAVE THE BEST FULL-DAY, FULL-YEAR PRESCHOOL PROGRAMS POSSIBLE AND THAT THE COMMUNITY PROVIDERS ARE OFFERING THE HIGH-QUALITY PROGRAMS WE EXPECT.

ANOTHER AREA WHERE NEW JERSEY IS LITERALLY BREAKING NEW GROUND IS IN THE REALM OF SCHOOL CONSTRUCTION. THE ASSEMBLY AND SENATE, ON A BIPARTISAN BASIS, TOOK A BOLD STEP LAST YEAR IN PASSING THE EDUCATIONAL FACILITIES CONSTRUCTION AND FINANCING ACT. IT WILL CHANGE THE LANDSCAPE OF PUBLIC EDUCATION IN NEW JERSEY FOR GENERATIONS TO COME BY PROVIDING SAFE, MODERN SCHOOL FACILITIES THROUGHOUT THE STATE.

THANKS TO YOUR FORESIGHT, IN THE NOT-TOO-DISTANT FUTURE, CHILDREN WILL LEAVE ANTIQUATED CLASSROOMS TO ATTEND STATE-OF-THE-ART SCHOOLS WHERE THERE IS AN ENVIRONMENT THAT IS TRULY CONDUCIVE TO LEARNING.

IN THE EIGHT MONTHS SINCE THE EDUCATIONAL FACILITIES CONSTRUCTION AND FINANCING ACT WAS SIGNED INTO THE LAW, THE DEPARTMENT HAS BEEN WORKING NONSTOP TO ADVANCE CRITICAL SCHOOL CONSTRUCTION PROJECTS.

TO DATE, WE HAVE APPROVED LONG-RANGE FACILITIES PLANS TOTALING MORE THAN \$6.7 BILLION FOR 26 OF THE 30 ABBOTT SCHOOL DISTRICTS. WE EXPECT TO ISSUE THE FINAL FOUR APPROVALS SHORTLY. THE \$6.7 BILLION FIGURE IS AN ESTIMATE FOR CAPITAL PLANNING PURPOSES, NOT AN APPROVAL OF SPENDING. THE ACTUAL COST WILL NOT BE KNOWN UNTIL CONSTRUCTION CONTRACTS ARE APPROVED ON A SCHOOL-BY-SCHOOL BASIS. THE NEXT STEP IN THE PROCESS IS TO MEET WITH THE ABBOTT DISTRICTS TO DETERMINE WHICH PROJECTS WILL ADVANCE FIRST.

WE HAVE GIVEN THE GREEN LIGHT FOR WORK TO BEGIN ON MORE THAN 400 URGENTLY NEEDED HEALTH AND SAFETY PROJECTS IN THE 30 ABBOTT DISTRICTS. THE TOTAL COST OF THESE LIFE-SAVING IMPROVEMENTS - SOME OF WHICH ARE EXPECTED TO BEGIN THIS SPRING -- IS \$650 MILLION.

WE HAVE NOW NEARLY COMPLETED THE SECOND PHASE OF THE PROCESS FOR ABBOTT SCHOOL DISTRICTS. OUR DEPARTMENT IS MEETING WITH LOCAL DISTRICTS TO PRIORITIZE THEIR SCHOOL CONSTRUCTION PROJECTS. ONCE THAT IS COMPLETE, DISTRICTS WILL BEGIN SUBMITTING PLANS FOR INDIVIDUAL CONSTRUCTION PROJECTS TO OUR DEPARTMENT AND THEN TO THE ECONOMIC DEVELOPMENT AUTHORITY FOR FINANCING APPROVAL.

NOW, LET ME TURN TO THE NON-ABBOTT SCHOOL DISTRICTS. LONG-RANGE FACILITIES PLANS HAVE BEEN SUBMITTED BY ALL BUT 28 DISTRICTS. THESE PLANS ARE NOW UNDERGOING AN INITIAL REVIEW TO DETERMINE WHETHER THEY ARE COMPLETE AND ACCURATE. NEXT, WE WILL BE MOVING ON TO THE MORE COMPLEX AND CUMBERSOME PROCESS OF DETERMINING WHETHER THE PLANS COMPLY WITH THE LAW AND WARRANT APPROVAL.

WHILE THE NON-ABBOTT REVIEW PROCESS WILL TAKE SOME TIME, APPROVAL OF RETROACTIVE FUNDS AND WAIVERS HAS MOVED FULL SPEED AHEAD. WE HAVE APPROVED MORE THAN \$1.1 BILLION IN STATE FUNDS TO HELP FINANCE SCHOOL IMPROVEMENTS THAT ARE ALREADY UNDER WAY OR HAVE WON THE APPROVAL OF

VOTERS AND ARE READY TO PROCEED. UNDER THE LAW, THE STATE WILL PAY FOR AT LEAST 40 PERCENT OF ELIGIBLE COSTS.

TO DATE, MORE THAN 400 RETROACTIVE PROJECTS HAVE BEEN APPROVED. IN ADDITION, INCOMPLETE APPLICATIONS WERE RECEIVED FOR ANOTHER 125 PROJECTS. THE SCHOOL DISTRICTS HAVE BEEN GIVEN UNTIL JUNE 1 TO SUBMIT ALL DATA REQUIRED TO COMPLETE THE APPLICATION PROCESS. FINALLY, 71 WAIVER REQUESTS HAVE BEEN APPROVED.

I WANT TO BRING TO YOUR ATTENTION THAT A WEALTH OF INFORMATION ABOUT THE SCHOOL CONSTRUCTION PROGRAM AND UPDATES ON THE STATUS OF PROJECTS CAN BE FOUND AT THE DEPARTMENT OF EDUCATION'S SCHOOL FACILITIES HOMEPAGE. WE ARE CONSTANTLY WORKING TO IMPROVE THE SITE'S CAPABILITIES, AND IN THE NEAR FUTURE THE PUBLIC WILL BE ABLE TO GO TO THE STATE WEBSITE AND GET ALL THE UP-TO-DATE INFORMATION ABOUT PROJECTS IN THEIR COMMUNITY IN CLEAR, EASY-TO-UNDERSTAND LANGUAGE WITH THE CLICK OF A BUTTON.

BEFORE CLOSING, I WOULD LIKE TO TOUCH BRIEFLY ON TWO OTHER BUDGET INITIATIVES.

FY02 WILL MARK THE SECOND YEAR OF OUR NEW CHARACTER EDUCATION PROGRAM, WHICH WAS MADE AVAILABLE TO EVERY DISTRICT IN NEW JERSEY THIS SCHOOL YEAR. THE GOAL IS TO PROVIDE SUFFICIENT STATE FUNDING SO EVERY SCHOOL IN THE STATE CAN INFUSE A CHARACTER EDUCATION PROGRAM INTO ITS CURRICULUM WITHIN FOUR YEARS. MORE THAN 90 PERCENT OF OUR SCHOOL DISTRICTS ARE NOW TAKING ADVANTAGE OF THIS INITIATIVE TO REINFORCE IN STUDENTS THE CORE VALUES OF TRUSTWORTHINESS, RESPECT, RESPONSIBILITY, FAIRNESS, CARING, AND CITIZENSHIP. THERE IS NO FOOL-PROOF WAY TO PREVENT SCHOOL VIOLENCE.

BUT IT IS OUR HOPE THAT CHARACTER EDUCATION WILL PROMOTE PRO-SOCIAL STUDENT BEHAVIOR AND CREATE A CARING, DISCIPLINED SCHOOL CLIMATE THAT IS CONDUCIVE TO LEARNING. THE PROPOSED \$4.75 MILLION APPROPRIATION FOR YEAR TWO OF THIS VOLUNTARY PROGRAM SHOULD GET US HALF WAY TO THE FINISH LINE.

THE CHARTER SCHOOL ACT OF 1995 AND OUR INTERDISTRICT SCHOOL CHOICE PROGRAM HAVE SUCCESSFULLY ENABLED PARENTS TO CHOOSE THE MOST APPROPRIATE EDUCATIONAL PROGRAM FOR THEIR CHILDREN. TO DATE, THE DEPARTMENT HAS RECEIVED 186 CHARTER SCHOOL APPLICATIONS. CURRENTLY THERE ARE 71 APPROVED CHARTER SCHOOLS IN 16 COUNTIES IN THE STATE. THERE ARE 54 CHARTER SCHOOLS OPERATING DURING THE 2000-01 SCHOOL YEAR SERVING OVER 10,000 STUDENTS. IN SEPTEMBER 2001, 67 CHARTER SCHOOLS WILL OPEN THEIR DOORS TO JUST UNDER 16,000 STUDENTS. THE PROPOSED BUDGET WOULD PROVIDE AN INCREASE OF \$442,000 IN DIRECT STATE SERVICES, INCLUDING TECHNICAL ASSISTANCE, TO SUPPORT THE CHARTER SCHOOL PROGRAM. OUR CHARTER SCHOOL AND SCHOOL CHOICE PROGRAMS HAVE ENJOYED SIGNIFICANT SUPPORT FROM PARENTS SINCE THEIR INCEPTION.

BUT THEY ARE UNDERGOING CONSTANT EVALUATION. IN FACT, THE DEPARTMENT HELD THREE PUBLIC HEARINGS IN MARCH FOR THE PURPOSE OF LEARNING FROM THE PUBLIC WHAT CHANGES, IF ANY, NEED TO BE MADE TO THE CHARTER SCHOOL ACT AND RECOMMENDATIONS WILL BE FORTHCOMING.

WE EXPECT THIS TO BE AN EXCITING YEAR FOR EDUCATION IN NEW JERSEY. I'VE GIVEN YOU A SNAPSHOT OF WHAT WE ARE HOPING TO ACHIEVE AND WHAT IT WILL COST. I KNOW YOU ARE GRAPPLING WITH OLS REVENUE ESTIMATES THAT ARE, UNDERSTANDABLY, A SOURCE OF CONCERN. BUT I WANT YOU TO KNOW WE ARE LOOKING FORWARD TO WORKING CLOSELY WITH THE LEGISLATURE TO DO THE BEST WE CAN FOR THE CHILDREN OF NEW JERSEY.