

The Paterson School District and its Budget are dependent upon state aid for our existence. If the Supreme Court approves the recommendations made by the Special judge's recommendations, we could get additional funding for the schools and potentially bring back RIF'd staff members. Every Member should keep up with this story as it evolves.

## NJ offers differing messages on budget

Monday, March 28, 2011

BY JOHN REITMEYER

The Record

STATE HOUSE BUREAU

Governor Christie is telling the New Jersey Supreme Court that a "perfect storm" of declining revenue and huge budget deficits caused the state to short education funding by roughly \$1 billion last year. But Treasurer Andrew Sidamon-Eristoff is planning to present a much sunnier forecast for state finances today when he meets with lawmakers in Trenton.

While Christie has been using the word "crisis" to describe state finances in the context of his decisions on education funding, the new budget he put forward last month projects state tax revenues will grow by \$1.2 billion, thanks largely to an improving economy.

Christie had also declared last month during his budget address that the "new normal" for New Jersey does not include the spending assumptions that led to the ominous structural budget deficits that Trenton analysts have projected in recent years.

Sidamon-Eristoff will go over the new budget with the Senate Budget and Appropriations Committee for the first time today, including explaining how the state, after two years of declining revenue, is projecting growth in business, sales and income taxes. New Jersey tax collections totaled \$32.6 billion in 2008, but fell to \$27.9 billion by 2010 when Christie took office amid the recession.

State tax revenue is projected to increase slightly to \$28.3 billion during the current budget year, which ends June 30. The new budget projects a jump to \$29.4 billion.

"New Jersey's economy is expected to grow steadily in calendar year 2011, with gradual improvements in labor market conditions, and gain additional momentum in 2012," according to the budget's section on revenues. "On the whole, the outlook for the state's economy is roughly in line with forecasts for national trends, and the projected improvement in revenues will also be in line with national developments."

Christie is counting on that revenue growth — a 4 percent increase over the current budget — to provide some room to enact new tax cuts, including some business taxes and the estate tax.

The governor is also planning to use the additional revenue, and money gained through other planned cuts, to pay for more property tax relief and aid to hospitals and college students. He's also proposed a partial restoration of the aid for local schools that's currently at issue in the state Supreme Court, where an advocacy group for low-income students is arguing that last year's \$820 million cut was unconstitutional.

Yet earlier this year, the administration painted a much grimmer picture of state finances in its court brief defending the cut. With a recession in full swing, it argued, New Jersey did not have enough revenue coming in to fully support its school funding law, which would have cost \$1.6 billion.

"The Legislature confronted the perfect storm of declining revenues in each of the state's major taxes and a persistent and substantial structural deficit," the administration said in the brief.

Christie pointed to state finances again last week when he was asked to respond to a judge's conclusion that the state failed to live up to its constitutional mandate to provide every student a "thorough and efficient" education. The judge made that recommendation to the Supreme Court, which appointed him to advise them on the dispute before they issue a final ruling.

"The [administration] and the Legislature agreed upon a responsible budget last year given the fiscal crisis that the state is in, and I have every confidence that we'll win at the Supreme Court," Christie said during a news conference last week.

But Sen. Paul Sarlo, D-[Wood-Ridge](#), who leads the Senate committee that will meet with the treasurer, said Christie's argument is being undermined by his administration's own revenue projections.

New Jersey would replenish about \$250 million in school aid in the new budget, but Sarlo said it should be paying the full amount required by the school funding law. "The administration does not consider public education a top priority," he said. "[Sidamon-Eristoff] is going to have to make a hard argument as to why he's not funding the school funding formula to where it's supposed to be."

Sarlo said he thinks restored education funding would also boost property tax relief since recent information released by the state indicated most school districts raised property taxes to offset the education funding cuts. "I believe one of the main focuses this year is going to be on the funding of public education," Sarlo said.

Andrew Pratt, a spokesman for Sidamon-Eristoff, said that while the budget crisis inherited by Christie may be over, the improving revenue forecast doesn't mean the state is now flush with cash. He stressed that New Jersey balanced its budget during the recession with billions in stimulus money from the federal government that is now gone.

The growth in revenue projected for the new fiscal year, which begins July 1, only gets the state back to the spending levels it maintained with the stimulus money — which former Gov. Jon Corzine used primarily to prop up education aid. And revenue collections have yet to rebound to the pre-recession levels that existed when the current school funding formula was written in 2008.

"It's nice that revenues have stabilized, but we have a long way to go in terms of economic recovery before we get back to where we were in 2008," Pratt said.

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The State just announced approval of construction on Paterson's new Marshall Street School and for the new School # 16. The question is whether or not this investigation will delay work on those much needed projects.

**From The Daily Journal.com**  
**A Gannett Newspaper**

## Assembly leader seeks audit of school construction

Written by  
**ANGELA DELLI SANTI**  
Associated Press

TRENTON -- The leader of the New Jersey Assembly has asked the state auditor to look into how \$584 million in school construction projects in poor districts were selected.

Assembly Speaker Sheila Oliver formally sought the audit of the Schools Development Authority in a letter dated Friday, and auditor Stephen Eells agreed to discuss the request. The SDA oversees the capital construction program in the state's 31 poorest districts, which include Vineland, Millville and Bridgeton.

Although the SDA's top officer testified for more than three hours before an Assembly panel this month, Oliver said she still has questions over how 110 potential projects were reviewed and prioritized. Ten projects were chosen, and money was allocated for new buildings and renovations in eight cities. Only one of the selected projects, Cherry Street Elementary School in Bridgeton, is in South Jersey.

"The recent Assembly Education Committee hearing held with the head of the SDA yielded no definitive or comprehensive reasoning or rationale in terms of our state's school construction strategy," Oliver said. "My concern is getting schools built with a sensible plan that helps educate our children and protects taxpayers, and I'm not convinced we have such a plan right now."

Oliver said she remained uncertain how the SDA ranked the projects, whether the most needed were selected, how need was determined and whether the selection process followed laws governing school construction.

Two other long-awaited school construction projects in Cumberland County -- a new high school in Millville planned for Silver Run Road, and a new middle school in Vineland planned for South Lincoln Avenue -- did not make the state's cut for projects that got the green light. Local officials in both districts expressed disappointment in the delays, saying the new schools would alleviate crowding.

Gov. Chris Christie halted 52 school building projects approved by the prior administration in the SDA's 2008 Capital Plan and handpicked Marc Larkins, who heads the SDA, to conduct a yearlong review. Christie announced the startup in February, saying the agency that was once plagued by waste and mismanagement would restart slowly. Only two of the 10 selected projects would begin construction this year, he said.

At the hearing that followed, Larkins told lawmakers a work group of SDA and state Education Department staffers developed a system to rank the proposals. But he acknowledged under questioning by Assemblywoman Bonnie Watson Coleman that some schools were left off the list despite being ranked higher than projects that made the cut.

"They developed criteria, then they didn't adhere to it," Watson Coleman, a Democrat from Trenton, said afterward. "So, what I'm finding is that there isn't this objectivity that has been used in selecting the schools. What I find is that schools that have rankings of 56, 33, 61 have been selected for construction purposes or moving forward purposes, leaving out schools one, two, three, etc."

Christie's spokesman Michael Drewniak defended the administration's handling of the issue.

"Where was all the attention and concern from the Democratically controlled legislature in all those years that hundreds of millions of dollars in school construction funding was wasted with so little to show for it?" he said in a statement issued Saturday. "This administration is determined to finally get it right and to never allow that kind of unchecked abuse of taxpayer money to occur again in project selection and construction."

Larkins said criteria used to rank school construction and renovation projects included whether they were construction-ready, how great the need was, the number of students who would benefit, how much the project would cost and whether the design could be standardized.

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**From:** National Education Association [mailto:edinsider@nea.org]  
**Sent:** Friday, March 25, 2011 1:40 PM  
**To:** Peter Tirri  
**Subject:** Congress Set To Vote On Taxpayer-Funded Vouchers. Tell Them No!



## ***This Week's News:***

### **Congress Set To Vote On Taxpayer-Funded Vouchers. Tell Them No!**

Congress was not in session this week, but will return the week of March 28. The House of Representatives is scheduled to vote March 30 on legislation (H.R. 471) to renew and expand the District of Columbia private school voucher program at taxpayer expense.

As Congress prepares to vote on funding for the rest of this fiscal year, proven education programs are facing potentially devastating cuts. It is simply wrong for Congress to consider funneling millions of dollars to private schools while cutting programs that help millions of students in public schools. This vote is very important! Will politicians stand up for taxpayers and the millions of students in public schools, or will they choose to spend scarce taxpayer dollars to expand an unnecessary and ineffective program? Make sure that they hear your voice

**March 25, 2011**

### **In this edition:**

[Congress Set To Vote On Taxpayer-Funded Vouchers. Tell Them No!](#)

[Call In Day To Block Social Security Cuts](#)

[Our Students' Future At Stake —They Are Counting On Congress For Support!](#)

[We Are One: Stand Up For](#)

before they vote!

[Workers' Rights On April 4](#)

[Cheers and Jeers](#)

**Take Action TODAY:** [Tell your Representative](#) to VOTE NO on renewal and expansion of the DC voucher program. Remind them that, instead of taking money out of public schools for private schools, Congress should be investing in strategies to improve student achievement, such as increasing parental involvement, strengthening teacher training, and reducing class size.

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## Call In Day To Block Social Security Cuts

On March 28 and 29, join the Social Security coalition in a National Call-In to protect Social Security. To reduce the federal deficit, some in Washington are proposing deep cuts to Social Security benefits. We need to stop them. Social Security belongs to the people who pay for it in every paycheck. Don't let Congress cut benefits, raise the retirement age, or reduce the COLA.

Senators Sanders (I-VT) and Reid (D-NV) have introduced the Social Security Protection amendment to block cuts to Social Security. **Call your U.S. Senators on March 29th and 30th, by dialing 1-866-251-4044. Tell them: Hands off Social Security! Vote YES on the Sanders-Reid Social Security Protection Amendment!**

## Our Students' Future At Stake —They Are Counting On Congress For Support!

As Congress returns from their district work period, negotiations will continue on a long-term continuing resolution (CR) to fund programs through the end of the current fiscal year (September 30, 2011). The current short-term CR will expire on April 8; Congress must act on a full-year CR prior to that date to avoid a government shutdown.

At stake is funding for critical education programs like Title I, IDEA special education, and Pell Grants – programs that are critical to ensuring every student the opportunity to succeed in the 21st century. Compromise will be necessary to get any bill passed. But, conservative Members will be pushing for deep cuts in education and other programs. **Your voice is critical to keep up the pressure for investments in education.**

**Take Action TODAY:** [Tell Congress](#) to craft a continuing resolution that invests in education for our nation's future.

## We Are One: Stand Up For Workers' Rights On April 4

On April 4, 1968, 43 years ago in Memphis, a long struggle for human rights and human dignity ended in the tragic assassination of Dr. Martin Luther King Jr., but it brought economic justice and the respect that all people deserve to 1,300 city sanitation workers.

On April 4 this year, the anniversary of Dr. King's death, labor unions, civil rights organizations, and religious leaders will stand together across this country for the same human rights and human dignity for working men and women. We will remember the courage and determination of Dr. King and those workers who endured assault and arrest as they walked a picket line for two months. We have stood together as one with public workers across this country whose bargaining rights are under attack, with private workers who can't get bargaining rights, and against those politicians and their allies who want to silence our political voice.

On April 4, 2011, on the job, in our schools and in our communities, we will remind our elected officials that workers rights are human rights, and that those rights will not be destroyed.

### [Learn more about We Are One](#)

- Stand with those struggling to defend collective bargaining rights. Sign the [NEA National Petition for Workers' Rights](#).
- Support protestors and rallies across the country by giving a tax-deductible donation to the [51 Fund](#).

## Cheers and Jeers

### Cheers to:



**Representative Tim Walz (D-MN)**, who spoke on the House floor in opposition to proposed cuts to education, stating "As a high school teacher I can tell you, where are the workers of tomorrow going to come from, and how are they going to compete to be the great innovators to win tomorrow?"



**The Georgia State Senate**, which, in a resounding win for public school students, tabled consideration of a bill that would have expanded the state's voucher program at a time when the state could least afford it. Just as it appeared poised for passage, lawmakers dropped Senate Bill 87, which would have provided taxpayer-funded payments to private schools not subject to state accountability measures. That was due in part to the effective work of [Georgia educators and their supporters](#), who made over 900 phone calls and sent hundreds of e-mails to

lawmakers.

**Jeers to:**



**Representatives Jim Jordan (R-OH), Tim Scott (R-SC), Scott Garrett (R-NJ), Dan Burton (R-IN), and Louie Gohmert (R-TX)**, who have introduced legislation that would cut off all food stamp benefits to any family where one adult member is engaging in a strike against an employer. This would have a chilling effect on workers who are considering going on strike for better wages, benefits, or working conditions - things that would allow them to meet their families' needs without food stamps.



**Florida lawmakers**, who passed [legislation](#) that sets up a performance pay system based on student test results, evaluates teachers on those test scores, and eliminates due-process rights for all many teachers. The bill is very similar to legislation vetoed last year by then-Florida Governor Charlie Crist, who recognized that the proposals were ill-advised and detrimental to Florida's students.

The logo for Education Votes, featuring the word "Education" in blue, a red checkmark inside a blue square, and the word "Votes" in blue. Below this is the website address "www.educationvotes.org" in white text on a red brushstroke background.The logo for the National Education Association (NEA), featuring the letters "nea" in a blue box and the full name "NATIONAL EDUCATION ASSOCIATION" in a white box to its right.

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**Education**  **Votes**  
[www.educationvotes.org](http://www.educationvotes.org)  
 NATIONAL EDUCATION ASSOCIATION

## ✓ [Law & Disorder](#)

A Wisconsin judge called halt to a law that strips workers in that state of their rights to bargain workplace conditions. Find out why the judge took a closer look at the political maneuvering done to get the law passed.



## ✓ [Vice President on Respect for Unions](#)

Aretha Franklin's "Respect" blared from the speakers and Vice President Joe Biden told those gathered at a Delaware High School this week that the unions deserved some. Why? Find out inside.

## ✓ [Retired, But Not Retiring, Activist Helps Stop Vouchers Bill](#)

When proponents of vouchers in Georgia tried to divert more public funds to private schools, retiree Elizabeth Filliat said, "Not so fast." See how this veteran educator with decades of experience stood up to politicians and helped stop a bad law.

[Learn More](#)

## ✓ [You Can Rock the Vote with NEA and Celebs](#)

Educators across the country are kicking-off Democracy Day, a project promoting civics in schools. Rock the Vote and the NEA are joining Glee star Darren Criss in spreading the word. Here's how you can play a role.

[Learn More](#)

Head to [educationvotes.org/weareone](http://educationvotes.org/weareone) to see how you can make a difference for public education and educators on April 4. That's the day that NEA, other labor unions, civil rights organizations and will stand together for the same human rights and dignity for workers that Dr. Martin Luther King, Jr., fought for decades ago. We Are One. How will you play a role?



### **Stay Up To Date Through Social Media!**

Keep Up With Your Fellow Activists Online! The conversation is happening all the time -- are you in the know? Get real-time updates about rallies in your state and word on when to call or e-mail your legislators by following us on [Facebook](#) and [Twitter](#).

