



July 8, 2021

Dear Secretary Cardona:

We urge you to act now to ensure Governor Murphy and the State of New Jersey enforce the “maintenance of equity” provisions in President Biden’s American Rescue Plan.

Failure to do so would amount to punishment of some of the state’s most vulnerable children.

Based on an analysis conducted by the Education Law Center, we estimate that this enforcement will require the state to immediately appropriate \$177 million to the 70+ “high need” and “highest poverty” districts from the state’s multi-billion dollar surplus this year. It should also be made clear to the state that they must again enforce these provisions in the 2022-23 budget.

Our letter focuses on the experience of the Jersey City Public Schools because of our longstanding experience and track record with the district, as well as our direct knowledge of the state’s historical and current failures that have negatively impacted some of the state’s most vulnerable students.

As context, New Jersey Together is a broad-based, non-partisan coalition of more than 75 religious congregations and non-profit organizations in New Jersey. Our member institutions are located in Hudson, Morris, Essex, and Monmouth Counties. New Jersey Together is affiliated with the Industrial Areas Foundation, the nation’s oldest and largest faith-based organizing network in the country with 65 affiliates around the United States and the world.

Thirty-five of our member institutions are located in Jersey City, where -- since 2017 -- our organization has been instrumental in increasing local funding that has created an additional, cumulative investment of \$435 million in the Jersey City Public Schools.

To understand the importance of the US Department of Education’s oversight, we have included and attached details about the historic and current impact of state policy on the Jersey City Public Schools. In particular, the state’s failure to provide adequate funding for both capital expenditures and operating expenses (as required by the state’s constitution) have resulted in long-term harms to students both during the current pandemic and prior to it.

The Jersey City Public Schools District is the second largest district in the state, and we estimate would be classified as “highest poverty” by the American Rescue Plan. The Education Law Center estimates that if “maintenance of equity” was enforced, the state would be required to increase state funding to the Jersey City Public Schools by \$126 million this year alone. Enforcement of the provision during the 2022-23 school year would prevent an additional, expected \$100 million cut in state funding that year.

The historical and current failures of the State of New Jersey to address the needs of Jersey City students makes the US Department of Education’s enforcement of the “maintenance of equity” provision all the more important for students in Jersey City, and for impacted students across the state.

We look forward to your response, and we are willing to discuss this further with you or with your staff members. Please contact Dr. Jyl Josephson (jyljosephson@gmail.com) to schedule a mutually convenient time to meet.

Yours sincerely,

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Jersey City Together Education Team

Brigid D’Souza
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New Hope Missionary Baptist Church

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Rev. Jessica Lambert
St. Paul Lutheran Church

Robyn Gorman, CEO
Hudson Partnership CMO

Sister Georgette Gavioli, SSJ
St. Aloysius Catholic Church

BACKGROUND ON THE STATE OF NEW JERSEY'S FAILURE TO MEET THE NEEDS OF THE JERSEY CITY PUBLIC SCHOOLS

This document focuses on the State of New Jersey's failures to meet the needs of students in Jersey City Public Schools prior to and during the current pandemic. We focus in particular on the impact of:

- State oversight that failed to address funding and other systemic inequities in the district;
- Failures to invest in Jersey City's buildings and infrastructure (the oldest in the state and the State of New Jersey's sole responsibility via the School Development Authority);
- Underfunding of the district's operating budget and structural hindrances to increase needed, local funding (such as a 2% local tax increase cap that was only recently lifted);

Similar stories could be written about other districts across the state like Asbury Park, Neptune, and others.

State Oversight of Jersey City Public Schools

In 1989, Jersey City became the first local school district in the U.S. to be taken over by the state. Over thirty years later, the state is still in the final stages of returning the district to full local control. During the entire period of state control, the state failed to ensure students are provided the required amount of funding under state law.

We see the consequences of this lack of funding in multiple ways, in the inability of the district to provide adequate services to our children, and in the crumbling and dangerous facilities in which our children attend school. These are the foreseeable results of two separate kinds of failures on the part of the state related to: (1) capital expenditures for building and repairing buildings, and (2) funding of annual operating expenses.

Capital Expenditures & the Schools Development Authority ("SDA")

After successful litigation that led to the state court ordering the State of New Jersey to provide funding for capital expenditures for "Abbott Districts" like Jersey City, the State of New Jersey took away the power of these districts to build their own buildings or to issue bonds for building construction or repair, while simultaneously failing to provide adequate funding. It placed the authority for this funding with a state agency called the Schools Development Authority. Since 2009, the state legislature has refused to fund the SDA, resulting in billions of dollars in unmet needs for school districts throughout the state.

Thus, the State of New Jersey left Jersey City and other similar districts with no authority to raise funds for the repair of their buildings, which are some of the oldest school buildings still in use in the state, while also failing to provide funding to repair or replace those buildings.

While this failure impacted children greatly before the pandemic, the poor condition of the Jersey City Public Schools' buildings was one of the driving forces behind the district's decision to delay in-person reopening until April 2021. During a time when building ventilation is crucial to

maintaining public health, the school buildings were not safe to open, leaving parents and staff with understandable fears for the health and well-being of their children and school staff.

In addition, a majority of the school buildings in Jersey City currently have no air conditioning and no running, potable water. In a district where school is in session through the end of June most years, the heat becomes an unbearable health hazard. On multiple occasions the district has had to shut down school because of dangerously hot conditions in most of the school buildings. Similarly, it is common for schools to run out of jugs of drinking water, resulting in there being no drinking water for children or staff. When this happens, the only option was to rely on emergency water deliveries from the district.

Moreover, the state's chronic failure to fund building repairs in a timely manner led to the collapse of a portion of a school building for students with special needs in the fall of 2019. Many of the district's most vulnerable students were displaced and left to pick up the pieces. The district eventually was able to use operating funds to pay for the repairs.

Even in buildings not in danger of imminent collapse, there are many problems that endanger all who go to school and work in the buildings. For example, many of the buildings need significant repair of their bathroom facilities. Students have documented nonfunctional toilets and sinks, fixtures hanging off the wall and/or not functioning, and gaping holes covered with garbage bags. The requests for these repairs are either not occurring at all or taking a very long time to complete. All of these instances are due to inadequate funding and to the failure of the state to fund capital expenditures.

Underfunding of the operating budget & planned unsustainable state funding cuts

The state of New Jersey adopted a new funding formula in 2008. The funding formula is viewed by scholars as progressive. Unfortunately the state has never fully funded the state portion of the formula.

During the decade following the adoption of this funding formula, the Jersey City Public Schools saw its budget fall precipitously in comparison to the state funding formula's definition of adequacy. This was due directly to state law.

In the last two decades, property values in Jersey City have increased dramatically, leading the state to rightfully conclude that Jersey City should be contributing more local funding to its public schools. However this should not justify the rapid withdrawal of state aid from Jersey City Public Schools. The state policy ignores the fact that for a decade, state law made it impossible for Jersey City to raise its local property taxes to meet this increased "local fair share" due to the 2% property tax increase cap. State policy also ignores that when Jersey City was a less thriving city, without the local resources to adequately fund its own schools, the state never once fulfilled its responsibility to fully fund the Jersey City Public Schools.

While our organization has been instrumental in raising local funds for Jersey City Public Schools -- securing \$435 million in local funding in recent years for schools and pressing the

local Board of Education to more than doubling the local school tax levy (\$140 million in levy increases in the last two years alone) -- state monies provided via the enforcement of the ARP's "maintenance of equity" provision will still be critical.

Many at the state level point to the new construction going up along the Jersey City waterfront and the increased property values. However, they fail to recognize the very real needs of the students in our public schools, and the extent to which they have been systematically left out of this growth equation by the city and the state. The district must provide a thorough and efficient education to approximately 30,000 students, of whom 60% qualify for free/reduced price lunch, 14% are classified as children with special needs, and 13% are English Language Learners. The enforcement of the ARP's "maintenance of equity" provision will help ensure that the district's needs are justly determined by the population of students served by the district, not by the wealth of the surrounding area. New Jersey must be made to live up to this mandate.