

Assembly Budget Committee
Dr. Angelica Allen-McMillan, Acting Commissioner
April 11, 2022 – 10:00 a.m.

Good morning Chairwoman Pintor Marin, Vice Chairman Wimberly, and members of the Assembly Budget Committee. It is my pleasure to join you today along with Assistant Commissioner and Chief Financial Officer Kevin Dehmer, Director of the Office of Budget and Accounting Amanda Schultz, Director of the Office of School Finance Allen Dupree, Acting Chief of Staff, Julie Bunt and Director of the Office of Legislative Affairs, Chris Jones. I look forward to testifying today in support of Governor Murphy's proposed Fiscal Year 2023 budget.

The Governor's spending plan would provide nearly \$19.2 billion to support New Jersey schools, including increases in K-12 school aid, increases in preschool funding, and various new and continued programs that prepare students for career success and promote healthy, safe, and high-quality schools. With a \$650 million increase in K-12 formula aid, this budget would usher in year five of the seven-year statutorily required formula designed in partnership with the Legislature to phase districts to their full funding under SFRA as amended by S2. This aid would bring the total increase in kindergarten through twelfth grade aid under this administration to nearly \$1.8 billion dollars since the Governor took office.

Additionally, this proposed budget continues to demonstrate Governor Murphy's ongoing commitment to providing high quality preschool education and provides a foundation for full implementation of early childhood education in our State. The proposed preschool budget would increase funding by \$68 million dollars, bringing the total preschool budget to nearly \$1 billion dollars. This includes \$40 million dedicated to new preschool programs that will garner access for an estimated 3,000 additional children in approximately 40 communities' access to high-quality, full-day preschool. Since Governor Murphy took office, 126 school local education agencies (or LEAs) have received funding for either a new high-quality preschool program or to expand an existing preschool to a high-quality program. Including the Fiscal Year 2023 funding, Governor Murphy's administration has increased investment in preschool education aid in the sum of \$310 million and created almost 12,000 additional seats.

As part of the Governor's commitment to universal preschool, the Fiscal Year 2023 budget proposal supports the comprehensive strategic plan and staffing needed to implement this vision. The Department will continue to encourage districts to consider non-public and private providers for partnership opportunities when assessing options for increasing preschool seats

or opening new programs, while expanding opportunities to qualify additional districts for preschool education aid.

These continued investments will deliver the resources that students, educators, and LEAs need to meet this pivotal milestone in our path to recovery from COVID-19. This budget marks the transition of COVID-19 from a pandemic to an endemic; a transition made possible, in part, by the dedication and resiliency of our schools in protecting the health of students and educators. I am proud to celebrate a budget proposal today that builds on the Murphy Administration's track record of making significant, research-backed investments in the fiscal, academic, and social-emotional health of our school communities.

Last month marked two years since New Jersey schools closed to in-person instruction, a profound moment in our State's education history that changed how we think about our schools, our educators, and our students. This required a systemic reassessment of our education systems and the basic foundations on which they are built. In the Spring of 2020, schools not only made a rapid shift to new virtual educational models, but also became primary resource hubs for basic community needs. In that time:

- The Department of Education worked with the Department of Agriculture to distribute meals to any student in need, monitoring and providing real-time feedback to ensure meals were distributed safely;
- We worked with the Office of Emergency Management and the State Police to distribute PPE to teachers, staff, and students; as well as, with the Department of Health, to stand-up COVID testing and vaccination programs in schools; and
- With a \$54 million investment of federal COVID relief funds, we provided the funding necessary to equip students with the learning devices and internet connectivity needed to close the digital divide in areas of highest need. Amid supply chain challenges that delayed the arrival of purchased devices and hot spot challenges that directly affected specific communities, we persevered together striving to meet the technological need of every student across our State. In March 2021, all public-school districts reported that every one of their students had the technology needed to connect with their online classrooms. This was achieved in concert with parents and caregivers who were and remain nimble to ensure their children receive the highest-quality education regardless of circumstance.

But perhaps our proudest achievement of the last two years is the distribution of unprecedented levels of federal education aid. Through three rounds of Elementary and Secondary School Emergency Relief, or ESSER funding, the Department has distributed a total of \$4.3 billion. Though this funding is provided to districts on the basis of federal methodology and under federal requirements, in this time, the Department has also developed and carried out a coordinated policy strategy that dramatically expands schools' capacities to identify and address the academic, social, emotional, and mental health needs of students and staff. In the first round of ESSER, established under the CARES Act, the Department received over \$310 million dollars. 90% of that allocation was sub-granted directly to LEAs as required by federal law, based on a formula that prioritizes low-income communities. Those sub-grants can be used flexibly across 12 federally prescribed allowable uses designed to address the impacts of COVID-19 based on a school district's local needs. With the remaining 10%, the Department supported the digital divide grant referenced earlier, a \$2.5 million learning acceleration grant, a \$1.8 million agreement with Rutgers University to expand a universal, school-based social-emotional learning program, and grants for education entities that otherwise would not receive COVID relief funding, such as non-Title I school districts and institutions run by State agencies.

In the second round of ESSER, established under CRRSA, the Department received over \$1.23 billion dollars. Like the first round, 90% of those funds went directly to LEAs to be used flexibly – following the same federal allowable uses as CARES ESSER, with three additional activities identified to clarify that, for example, ESSER funds can be used for certain school facility needs. With our State set-aside funds, we established a \$75 million learning acceleration grant, a \$30 million mental health grant, and supported the implementation of the new Start Strong assessment that provides LEAs data they need at the beginning of the school year to effectively target resources and supports to develop instruction and intervention plans. The grants supported by these funds reflected the emerging research regarding content areas most affected by remote learning, for example, prioritizing academic enrichment in STEM fields.

Finally, in the third round of ESSER, established under the ARP Act, the Department received over \$2.76 billion dollars. 90% of those funds went directly to LEAs to support flexible allowable uses: the same as CRRSA ESSER, with an additional reference clarifying that ESSER funds can be used to implement public health protocol. The Department used remaining funds to establish a \$135 million grant to support professional learning for educators on learning acceleration, a \$28 million grant for summer enrichment activities, a \$28 million grant for academic enrichment during out-of-school time such as before- and after-school, and a \$48 million grant to implement multi-tiered systems of supports that address students' and educators' mental health and social emotional needs, including hiring staff or contracting with service providers.

With its ARP programs, the Department continued grounding its investments in data and research on the disproportionate impacts of COVID-19. Three of the ARP ESSER set-aside grants, for example, utilized allocation formulas that assign additional weight to students in lower grade bands, limited English proficient students, and students eligible for free or reduced-price lunch; the multi-tiered systems of supports grant utilized an allocation formula that assessed a district's need to enhance its mental health support based on suspension rates, chronic absenteeism, and rates of violent or substance abuse incidents.

Again, all told, the Department has received over \$4.3 billion dollars in ESSER funds. 90% of those funds, or nearly \$3.9 billion dollars were distributed directly to LEAs via entitlement grants based on a federally required formula that prioritizes low-income communities. The Department used the balance of these funds to advance the Governor Murphy Administration's commitment to holistic, innovative, and data-driven recovery from COVID-19 that recognizes both that all students and educators have been impacted, and that those impacts fall disproportionately on certain populations. These investments will yield long-term benefits: as of last week, Department records indicate that LEAs have sought reimbursement for 85% of their ESSER I tranche; 29% of their ESSER II tranche; and approximately 1% of their ESSER III tranche. As rounds 1, 2, and 3 draw to a close in September 2022, 2023, and 2024 respectively, LEAs will continue assessing their evolving needs and crafting evidence-based supports for students and staff that accelerate learning and bolster social, emotional, and mental health for the next two and a half years.

To guide LEAs in the effective use of these funds, the Department released extensive guidance in 2021 for summer learning programs and will do so again soon, learning acceleration best practices, and a mental health resource guide. Through ongoing ESSER roundtables, the Department connects directly with LEAs to ensure they have the information and resources necessary to contextualize and weave together the Department's several extensive guidance documents into a coherent educational program. These roundtables also present an opportunity for the Department to provide individualized support on common shared challenges, such as the use of federal funds to offset short-term staffing challenges and to enhance social and emotional supports for students. With these supports in hand, New Jersey schools have done yeoman's work to transition to safe, supportive, enriching in-person learning environments for our students and educators and are providing full-day, in-person instruction for the 2021-2022 school year. Aiding this return to in person instruction are completed or planned investments in COVID-19-related facilities improvements in our schools, as well as other health and safety upgrades. In both CRSSA and ARP, Congress made clear that districts may use their ESSER allocations for school facility repairs and improvements. Under CRSSA, 251 LEAs have planned to use about \$336 million of their allocations to make such improvements, with a significant focus on indoor air

quality improvements through HVAC upgrades, repair or replacement of windows and doors, or through the addition of new air filtering systems. Similarly, through ARP ESSER funding, 237 districts anticipate using nearly \$656 million for similar facilities improvements.

The return to in-person instruction, however, does not fully remedy the disruptions of COVID-19 on student learning, particularly for those schoolchildren who have been historically underserved. Our experiences in New Jersey mirror experiences nationally; the pandemic exacerbated preexisting equity and learning gaps. With Governor Murphy's historic investment in education, unequal access to education based on your zip code and circumstances is no longer something that we must simply accept. We continue to support the vision of equitable access to the highest quality of education for New Jersey students.

The Governor's proposed Fiscal Year 2023 budget meets this moment by building on all the progress I have detailed thus far with key investments in both the Administration's longstanding education priorities, and in innovative programs designed to address the specific impacts of COVID-19 on our school communities.

In addition to the K-12 formula aid and preschool investments I highlighted earlier, this budget proposal includes additional measures to stabilize school funding, expand learning acceleration, enrich STEM and computer science education, enhance recruitment and retention of a diverse and learner-ready educator workforce, and complete school infrastructure improvements.

To advance learning acceleration, the proposed budget includes \$2 million dollars for the Department's Reading Acceleration and Professional Integrated Development (or RAPID) initiative. RAPID will assist the Department in assessing learning loss statewide to develop long-term literacy and learning acceleration recommendations consistently. The proposed budget also includes:

- \$20 million in Stabilization Aid to provide one-time assistance for school districts facing fiscal challenges;
- \$400 million in Extraordinary Special Education Aid to help defray the cost of educating some of our most vulnerable students;
- A new \$5 million program to help provide grants and other services to LEAs to implement New Jersey's first-in-the-nation climate change education standards. These funds will also support the establishment of a new Office of Climate Change Education.

- \$2 million for the expansion and support of professional development of computer science teachers, and for advanced computer science course offerings throughout the State. This program will build on the Department’s existing computer science for all programs, which support the state’s computer science hubs and opportunities for professional learning, resources, and technical assistance in implementing the Department’s computer science standards.
- \$75 million to support capital maintenance projects and emergent needs in traditional school districts, and \$5 million to address those needs in charter schools. In addition to the \$350 million proposed for the School Development Authority.
- \$4.5 million for the Supplemental Wraparound program to support low-income families with before- and after-school care.

Lastly, I’d like to spend the last few minutes of my remarks on what has perhaps stirred me the most through my time as Commissioner of Education during this unprecedented moment for our schools: how awe-inspiring the education profession remains! Having recently participated in two Milken Educator award ceremonies – a national award that honors outstanding K-12 educators around the country – I reflected deeply on my own experience as an educator. I have served as an educator for over 25 years, in various positions from substitute teacher to county superintendent. I have had the opportunity to launch a charter school, and serve on a board of education, I have volunteered as a PTA Executive Board member and have served as a mentor for aspiring administrators. My admiration for the transformational propensity of educators on the lives of children, particularly our most vulnerable and historically underserved children, runs deep.

This is why I am exceedingly proud of the work this proposed budget does, and the work the Department has done, to support the educator workforce. This budget includes \$1.3 million in programs to diversify the teacher pipeline. These funds will further support the educator pipeline programs such as Red Hawks Rising, a partnership between Montclair State University and the Newark Public School District that United States Deputy Secretary of Education, Cindy Marten, recently called “a model for the country to pay attention to.”

In recent months, the Department has undertaken a multi-pronged strategy to bolster the teacher workforce.

- We worked quickly, in conjunction with the State Board of Education, to propose regulations to implement the five-year Limited Certificate of Eligibility and Limited

Certificate of Eligibility with Advanced Standing pilot program, which provides for the issuance of those limited certificates in an instructional area for candidates who meet certain requirements. We also recently published the application for LEAs to participate in that pilot program.

- Just last week, we announced the launch of a partnership with Rowan University, the Men of Color Hope Achievers program, designed to increase and retain diversity in the K-12 education workforce, specifically men from disadvantaged or minority backgrounds.
- We put systems in place to ensure that CTE teachers potentially impacted by recently-signed legislation are providing alternative measures to demonstrate basic skills for CTE certification and are able to take advantage of the legislation as the Department and State Board of Education move to fully implement it through regulations;
- We provided the guidance necessary for LEAs to take advantage of legislation signed recently by Governor Murphy concerning the employment of retired educators; and
- As a signal of our commitment to our educators, and to advance our values of being a responsive, friendly, and forward-thinking organization, we have expanded the hours of our certification call center to better assist individuals seeking certification. Additionally, we are launching a new online certification system in May 2022 that will simplify the certification application process and allow for a more expedited review timeline. We stand ready to support teacher candidates on their pathway to this most noble profession, and to support LEAs in improving access to an educator workforce that meets the needs of their community.

Thank you, members of the Assembly Budget Committee, for your shared commitment to the fiscal, academic, social, emotional, and mental health of our school communities. The Administration's commitment to building a stronger, fairer, and more affordable New Jersey is evident through this proposed budget. I look forward to continuing working with the legislature in advancing education progress in New Jersey from preschool through high school graduation. I welcome your questions.